

UMZIMKHULU LOCAL MUNICIPALITY

Draft Integrated Development Plan (IDP)

2013/2014 FINANCIAL YEAR



March 2013
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SECTION A: EXECUTIVE SUMMARY

1.1. WHO ARE WE?

UMzimkhulu is a local municipality in KwaZulu Natal. It is one of the family of five (5) local municipalities (i.e. UBuhlebezwe, Ingwe, KwaSani and Kokstad) of the Sisonke District Municipal. The district is neighboring Ugu District in the east, Msunduzi in the north, Lesotho in the east and Eastern Cape in the south.

UMzimkhulu is the most populated of the Sisonke municipalities, accounting for 39% of the district's population. The municipal area consists of 20 wards, and traditional areas comprise of 46% of the region. The population of UMzimkhulu is about 180 302 in an area that covers 2,435.4 km². Of the population, about 90.8% reside in rural areas, while the remaining 9.2% are urban based. The population density is 71.6 persons/km².

There are 82.9 males in every 100 females which translate to 45.3% male and 54.7% female. People at the ages of 15 - 64 years are the most dominant (53.7%) followed by the <15 years age groups at 40.8% in the municipal area. Approximately 46.6% of the population is unemployed out of which about 56.8% are youth. 6.4% of the population has not gone to school. Approximately 2.1% has higher education and 15.2% has matric. Primary education enrollment for the 6-13 years is standing at an impressive 93.9%.

The local economy in UMzimkhulu has various sectors that need to be developed. It is important to emphasize that the importance to identify and build on the agricultural, forestry and tourism potential of the area and target investment to LED related initiatives and programmes taking place outside of the urban centres that have potential for growth and to generate economic spin-off benefiting the large number of rural poor. The LED in the area can be better achieved through the formation of partnerships with the various private and public entities. The LED will improve the livelihoods of most households in the area and this can be achieved by improvement of other sectors in the area. For example the road condition has a bearing on the accessibility of the various tourist destinations in UMzimkhulu. The transport system will also need to be improved and regulated to cater for the projects that are far from the main mobility routes. The transport system will also ensure accessibility to the remote areas. Following sectors currently exist in UMzimkhulu.

- ⇒ Agriculture;
- ⇒ Forestry;
- ⇒ Community , social and other personal services;
- ⇒ Trade and tourism;
- ⇒ Informal Trading

1.2. HOW THE INTEGRATED DEVELOPMENT PLAN (IDP) WAS DEVELOPED

1.2.1. Objective of IDP Review Process

UMzimkhulu Municipality strives to uphold the IDP as an effective service delivery management tool for the municipality. This includes:

- ⇒ Creating a greater level of focus to priority issues and thereby improving on the document structure so that the municipal issues are easy to understand;
- ⇒ Aligning this strategic document with the realities of the resources, both financial and human, available;
- ⇒ Alignment of the IDP with the activities of the sector departments and other service providers (and vice versa i.e. influencing their planning); and
- ⇒ Alignment of the IDP with the various sector plans;
- ⇒ Alignment of the IDP with PMS and Municipal Annual Budget

1.2.2. Overview of the Approach to 12/13 IDP

The key activities for the process included:

- ⇒ The Strategic Review of the contents of the 2011/12 IDP;
- ⇒ Addressing MEC Comments;
- ⇒ The identification of sector plans;
- ⇒ Alignment of IDP/PMS and Budget process;
- ⇒ Alignment with sector departments and service providers;
- ⇒ Integrating IDP and Sector Plans with the resource framework;
- ⇒ The review of Spatial Development Framework;
- ⇒ The review of three year financial plan to develop five year strategic financial plan;
- ⇒ The development of Service Delivery and Budget Implementation Plan; and
- ⇒ The preparation of the IDP.

Following table elaborates on the various consultations and processes that were or are to be followed in the development of this IDP.

Table 1: UMzimkhulu IDP Review 2013/14 Programme

ACTION	ACTION DATE	RESPONSIBILITY
<i>Phase 0: Preparation</i>		
Consultation on 2013/2014 IDP Review Process Plan and Budget Process with Manco/Exco/Representative Forum/Council	July/August 2012	Manager: Development Planning and Housing & All HOD's

Advertise for stakeholder participation for 2013/2014 IDP Review	August 2012	Manager: Development Planning and Housing
IDP Representative Forum meeting: The first Rep Forum meeting will involve a presentation of the Process Plan, as well as Gap Analysis identifying key focus areas to be addressed in the IDP Review Process.	August 2012	Manager: Development Planning and Housing
Submission of draft 2013/2014 IDP Review Process Plan to the District and DLG&TA	End July 2012	Manager: Development Planning and Housing
Approval and Adoption of IDP Review Process Plan for 2013/2014	July 2012	Council
Submission of Approved and Adopted 2012/2013 IDP Review Process Plan to the District and DLG&TA	September 2012	Manager: Development Planning and Housing
Phase 1: Review Analysis		
Assessment of IDP implementation status	January 2013	MM and all heads of departments
Evaluation of changes and new information	September –October 2011	MM and all heads of departments
Phase 2: Strategic Analysis		
Review of Vision, Priorities, objectives and strategies	November 2012	MM and all heads of departments
Review the municipality's priority list of strategies and projects	November - December 2012	MM, all heads of departments and relevant committees
Development/Review of Key Performance Areas, Key Performance Indicators and targets	November 2012	Municipal Manager/Corporate Services
Development of Performance Contracts for Section 57 Managers and middle management;	March 2012	Municipal Manager/Corporate Services
Phase 3: projects identification (Review of Projects)		
Review existing Project Template		Dev. Planning
Ward Consultation Process on project prioritization through ward meetings and workshops	October/November 2012	Ward Councilors assisted by CDWs, Community Participation Unit and Planning Team
Establish preliminary budget for each project	January 2013	CFO & Dev Planning & Infrastructure Manager
Alignment meetings with sector departments	January to March 2013	Manager Development Planning
Update of 3 year financial plan, list of projects for 2013/2014 and 3 year capital investment programme; to integrate with IDP to inform strategic municipal budget aligned with IDP	December 2012	CFO & All HOD's
Preparation of the 2013/2014 Financial year's: <ul style="list-style-type: none"> • Capital budget • Operational budget • Salaries Budget • Tariff of charges • Revised Budget • Draft SDBIP 	March 2013	Chief Finance Officer
Submission and presentation of all Capital projects for 2013/2014 and the 3 year capital plan	January 2013	CFO

IDP Representative Forum Meeting	February 2013	Manager Planning	Development
Council project prioritization workshop	February 2013	Council	
Phase 4: Project Integration			
Screening of projects	February 2013		
Integration of projects and programmes	February 2013		
Integrate all Plans	February 2013		
Integration with Municipal Budget/ SDBIP	February 2013	M/M, CFO and Manager Development Planning	
Present 1 st draft budget to the Mayor <ul style="list-style-type: none"> • Table 1st draft budget to Executive Committee • Table 1st draft budget to the Full Council 	February 2013	M/M & Chief Finance Officer	
Finalization and Submission of 2013/2014 Draft IDP	February 2013	Municipal Manager	
Submission for Provincial Analysis	February 2013	Municipal Manager	
Provincial IDP Analysis	April 2013	DLGTA & Service Providers	
uMzimkhulu Municipality Izimbizo/Public meetings on IDP/Budget & PMS for 2013/2014	April 2013	Municipal Officials & Councilors	
Phase 5: Approval			
Presentation of the Revised 2013/2014 , (After the Provincial Analysis/Assessment)	April 2013	Municipal Manager	
Final approval of IDP, Budget and PMS by Council	May 2013	Council	
Submission of Final Service Delivery and Budget Implementation Plan (SDBIP)	14 June 2013	CFO	
Submission of the budget in the approved format to the Provincial and National Treasuries	End June 2013	CFO	
Submission of the approved and adopted 2013/2014 IDP to the MEC for Local Government & Traditional Affairs	10 days after date of adoption.	Municipal Manager	

1.3. KEY CHALLENGES AND OPPORTUNITIES

The situation analysis is primarily focused on the dynamics of both the internal and external environments, which in turn informs the strategic priorities.

External Environment – service delivery environmental opportunities and challenges:

1.3.1 Opportunities

- ⇒ UMzimkhulu Local Municipality is declared as a Nodal Area having an opportunity to access funding and support from different stakeholders;
- ⇒ Good public and community participation;
- ⇒ Availability of capacity building programmes offered by both national and provincial government;
- ⇒ Political determination to assist on finance matters;
- ⇒ Introduction of Property Rates Act that will assist municipalities to maximize revenue and become sustainable;
- ⇒ Availability of finance best practices and prescripts.

1.3.2 Threats

- ⇒ The municipality has a low revenue base;
- ⇒ Low private sector investment;
- ⇒ High poverty rate;
- ⇒ High unemployment rates;
- ⇒ Appeals relating to valuation rolls;
- ⇒ Limited service providers in the specialized fields resulting in difficulty in applying the PPPFA;
- ⇒ Limited local service providers from preferential groups (women, disabled, youth and cooperatives);
- ⇒ Lack of local contractors with high CIDB grading;
- ⇒ Instability in the South African political environment

Internal Environment: organizational opportunities and challenges:

1.3.3 Strengths

- ⇒ Improvement in Audit Opinion;
- ⇒ Ability to meet the clients and other stakeholders needs;
- ⇒ Committed team;
- ⇒ Internal good management and leadership;
- ⇒ Compliance with statutory regulations;
- ⇒ Having a revenue enhancement strategy;
- ⇒ Good customer service;

⇒ Introduction of policies and bylaws.

1.3.4. Weaknesses

- ⇒ Lack of co-operation from other departments within the municipality;
- ⇒ Lack of internal system controls;
- ⇒ Debt management system not yet achieved;
- ⇒ Lack of office space and conducive work environment;
- ⇒ High staff shortages.

1.4. IDP PRIORITIES AND OBJECTIVES ALIGNED TO KZN KPAs

Following table highlights the municipal priority objectives aligned to the KZN KPAs

Table 2: UMzimkhulu IDP Priorities and Objectives

KPA	IDP Priorities and Objectives
MUNICIPAL TRANSFORMATIONAL AND INSTITUTIONAL DEVELOPMENT	To build capacity and skills of the community, councilors and staff of UMzimkhulu Local Municipality to deepen democratic participation in decision making and all development processes and to facilitate horizontal and vertical communication with all stakeholders
	To develop an organizational architecture, business processes and policies, which will enable the municipality to fulfill its constitutional and legislative mandates and achieve its vision and mission
LOCAL ECONOMIC DEVELOPMENT (LED)	To facilitate growth and development of the local economy in a way that generates opportunities for sustainable job creation, poverty reduction and improves BBBEE
	To address issues of youth, women, disabled and vulnerable sectors of society on an integrated basis
	To manage and promote informed integrated planning , development, and housing and local economic development that accelerates service delivery and ensures sustainable communities
BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT	To reduce the backlog in services such as waste removal and physical infrastructure such as roads as well as social infrastructure such as clinics, sports and recreation facilities, libraries and arts and culture
	To ensure that the number of households eligible for free basic services is increased
	To manage and promote informed integrated planning , development, and housing and local economic development that accelerates service delivery and ensures sustainable communities
FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT	To manage municipal financial resources in a way that will ensure financial sustainability
GOOD GOVERNANCE AND COMMUNITY PARTICIPATION	To develop systems to facilitate co-operative governance and inter-governmental relations especially with the district, other spheres of government and service

	providers to maximize the development impact within UMzikhulu Local Municipality
	To mainstream and integrate issues of poverty, unemployment, environment and HIV/AIDS within the main development agenda of the municipality and to address them holistically viability and sustainability, and the alignment of the budget with the needs and priorities of the stakeholders

1.5. HOW UMZIKHULU IS UNLOCKING AND ADDRESSING THE KEY CHALLENGES

To address the aforementioned challenges, the municipality set out the following critical targets that resources and efforts have been committed to achieve them:

1.5.1. Critical Targets

1. To develop systems to facilitate co-operative governance and inter-governmental relations especially with the district, other spheres of government and service providers to maximise the development impact within UMzikhulu Local Municipality;
2. To build capacity and skills of the community, councillors and staff of UMzikhulu Local Municipality to deepen democratic participation in decision making and all development processes and to facilitate horizontal and vertical communication with all stakeholders;
3. To reduce the backlog in services such as waste removal and physical infrastructure such as roads as well as social infrastructure such as clinics, sports and recreation facilities, libraries and arts and culture;
4. To manage municipal financial resources in a way that will ensure financial viability and sustainability, and the alignment of the budget with the needs and priorities of the stakeholders;
5. To mainstream and integrate issues of poverty, unemployment, environment and HIV/AIDS within the main development agenda of the municipality and to address them holistically;
6. To develop an organisational architecture, business processes and policies, which will enable the municipality to fulfil its constitutional and legislative mandates and achieve its vision and mission;
7. To facilitate growth and development of the local economy in a way that generates opportunities for sustainable job creation, poverty reduction and improves BBBEE;
8. To address issues of youth, women, disabled and vulnerable sectors of society on an integrated basis;
9. To ensure that the number of households eligible for free basic services is increased;
10. To manage and promote informed integrated planning, development, housing and local economic development that accelerates service delivery that ensures sustainable communities.

Efforts to realize the aforementioned critical targets have been made and following table highlights.

Table 3: Critical Targets and Interventional Measures

NO	CRITICAL TARGET	COMMENTS/REMARKS
1	Develop systems to facilitate co-operative governance and inter-governmental relations	The municipality has appointed a Cooperative Manager who is responsible for developing and implementing systems that embraces cooperative governance and inter-governmental relations
2	Build capacity and skills of the community, councillors and staff of UMzimkhulu Local Municipality	The public participation strategy, workplace skills plan and a Turn Around Strategy have been developed to address the capacity of councilors and municipal staff
3	Reduce the backlog in services such as waste removal and physical infrastructure such as roads as well as social infrastructure (Sports fields, clinics, libraries, etc.)	Currently the municipality has developed an Infrastructure Capital Development Plan which addresses basic services backlog. There is a budget allocation that is meant to address the backlogs over a period of 3 years and service providers are busy implementing the projects.
4	Manage municipal financial resources in a way that will ensure financial viability and sustainability	The financial strategies and policies are in place and are being implemented
5	Mainstream and integrate issues of poverty, unemployment, environment and HIV/AIDS within the main development agenda of the municipality and to address them holistically	The municipality has established a special program unit dealing with poverty alleviation, elderly, people living with disabilities, youth and HIV/AIDS programs. The municipality has also established a disability desk and councils for youth and women empowerment
6	Develop an organisational architecture, business processes and policies, which will enable the municipality to fulfil its constitutional and legislative mandates and achieve its vision and mission	The municipality adopts organogram in-line with the IDP annually. New policies that will assist the municipality achieve its constitutional and legislative mandates have developed and adopted.
	Facilitate growth and development of the local economy in a way that generates opportunities for sustainable job creation, poverty reduction and improves BBBEE	The municipality has initiated and supported projects that have created job opportunities and reducing poverty
8	Address issues of youth, women, disabled and vulnerable sectors of society on an integrated basis	The municipality has embarked on various programs that address issues of youth; women, disabled and the vulnerable people (IDP elaborates)
9	Ensure that the number of households eligible for free basic services is increased	The municipality has adopted the indigent policy and registration of beneficiaries is opened throughout the year
10	Manage and promote informed integrated planning, development, housing and local economic development that accelerates service delivery that ensures sustainable communities	The municipality has developed sector plans that integrate other related sectors to ensure that the issues or services affecting each sector are dealt with holistically

B. 1: PLANNING & DEVELOPMENT PRINCIPLES

2.1.1. NSDP Principles

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

2.1.2. CRDC Principles

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

2.1.3. Breaking New Ground – Human Settlements

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

2.1.4. Provincial Growth & Development Strategy (PGDS)

- ⇒ Environmentally responsible behavior must be promoted through incentives and disincentives;
- ⇒ The principle of self-sufficiency must be promoted. Development must be located in a way that reduces the need to travel, especially by car and enables people as far as possible to meet their

need locally. Furthermore, the principle is underpinned by an assessment of each areas unique competencies towards its own self-reliance and need to consider the environment, human skills, infrastructure and capital available to a specific area and how it could contribute to increase its self-sufficiency;

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

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

Table 4: Planning and Development Principles

	PLANNING AND DEVELOPMENT PRINCIPLES	APPLICATION OF PRINCIPLES
NSDP SLUMB	Development / investment must only happen in locations that are sustainable.	The capital investment plan directs where public and private investment should occur.
DFA	Balance between urban and rural land development in support of each other	SDF identifies various nodes- urban/rural with development potential.
DFA	The discouragement of urban sprawl by encouraging settlement at existing and proposed nodes and settlement corridors, whilst also promoting densification. Future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or that link the main growth centres	
DFA	The direction of new development towards logical infill areas	
DFA	Compact urban form is desirable	
DFA CRDP NSSD	Development should be within limited resources (financial, institutional and physical). Development must optimise the use of existing resources and infrastructure in a sustainable manner.	The SDF identifies areas with potential for development.
	Stimulate and reinforce cross boundary linkages.	
NSDP	Basic services (water, sanitation, access and energy) must be provided to all households	The SDF investigates issues of water resources in the municipality.
NSDP	Development / investment should be focused on localities of economic growth and/or economic potential	LED Strategy: The Business Support Unite- To promote access of all local enterprise to internal and external

		business support resources. The Informal Traders Development Plan, Agriculture Development Plan, Tourism Plan all are within the NSDP
NSDP	In localities with low demonstrated economic potential, development / investment must concentrate primarily on human capital development by providing education and training, social transfers such as grants and poverty-relief programmes	The SDF highlights areas of poverty and directs investment at key nodes in order to improve quality of life through service delivery. It also directs spending at improving human capital through access to health, education and social welfare.
CRDP	Land development procedures must include provisions that accommodate access to secure tenure	LUMS
	Prime and unique agricultural land, the environment and other protected lands must be protected and land must be safely utilised	The SDF identifies environmentally sensitive areas for preservation and conservation.
	Engagement with stakeholder representatives on policy, planning and implementation at national, sectoral and local levels is central to achieving coherent and effective planning and development.	LED Strategy: integrative approach that includes all local role players as well as all internal structure
HOUSING POLICY-BREAKING NEW GROUND	If there is a need to low-income housing, it must be provided in close proximity to areas of opportunity	UMzimkhulu housing plan-low income housing provision
<i>National Strategy on Sustainable Development)</i>	During planning processes and subsequent development, the reduction of resource use, as well as the carbon intensity of the economy, must be promoted	
KZN PGDS <i>National Strategy on Sustainable Development</i>	Environmentally responsible behaviour must be promoted through incentives and	The SDF identifies environmentally sensitive areas for preservation and conservation.
KZN PGDS	The principle of self-sufficiency must be promoted. Development must be located in a way that reduces the need to travel, especially by car and enables people as far as possible to meet their need locally. Furthermore, the principle is	UMzimkhulu Local Municipality LED Strategy

	underpinned by an assessment of each areas unique competencies towards its own self-reliance and need to consider the environment, human skills, infrastructure and capital available to a specific area and how it could contribute to increase its self-sufficiency	
KZN PGDS	Planning and subsequent development must strive to provide the highest level of accessibility to resources, services and opportunities	

B. 2 GOVERNMENT POLICIES AND IMPERATIVES

2.2.1. The Millennium Development Goals 2015

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

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

In addressing the above the municipality has various **poverty eradication** programmes that are part of the plan for the financial year. These programmes include assisting the local community to plant vegetables for sustenance of the families. The municipality has completed a Local Economic Development Plan. This plan will assist in the identification of **economic opportunities** within UMzimkhulu thereby unlocking job opportunities.

The municipality has acknowledged the need to build more **schools infrastructures** and that has been included in the plan to ensure that schools are accessible. . The municipality will partner with the Department of Education in addressing the issue.

To address the issue of **gender equality**, the municipality has started with the implementation of the equity plan internally. There are various programmes to assist with reversing the spread of **HIV/AIDS** and also support the families that are affected by the pandemic.

To ensure **environmental sustainability** the municipality working together with Sisonke District has increased the number of people who have access to safe drinking water. The district has quantified the backlogs in water provision service and will work on addressing the problem. The municipality also intends fast tracking the construction of houses. This plan is included in the planning of the municipality for the financial year.

2.2.2. The 12 National Outcomes

Table following details the 12 National Outcomes that each and every government sphere strives to achieve.

Table 5: The 12 National Outcomes

OUTCOME 1: IMPROVE THE QUALITY OF EDUCATION		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Improve quality of teaching and learning; 2. Regular Assessments to track progress; 3. Improve early childhood development; 4. A credible outcomes-focused accountability system 	<ul style="list-style-type: none"> ▪ Assess every child in grades 3, 6 and 9 every year; ▪ Improve learning and teaching materials to be distributed to primary schools in 2014; ▪ Improve math and science teaching 	<ul style="list-style-type: none"> ▪ Facilitate the building of new schools; ▪ Participating in needs assessments; ▪ Identifying appropriate land; ▪ Facilitating zoning and planning processes; ▪ Facilitate the eradication of municipal service backlogs in schools by extending appropriate bulk infrastructure and installing connections
OUTCOME 2: IMPROVE HEALTH AND LIFE EXPECTANCY		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Increase life expectancy to 58 for males and 60 for females; 2. Reduce maternal and child mortality rates to 30-40 per 1000 births; 3. Combat HIV/Aids and TB; 4. Strengthen health services effectiveness 	<ul style="list-style-type: none"> ▪ Revitalize primary health care; ▪ Increase early antenatal visits to 50%; ▪ Increase vaccine coverage; ▪ Improve hospital and clinic infrastructure; ▪ Accredite health facilities; ▪ Extend coverage of new child vaccines; ▪ Expand HIV prevention and 	<ul style="list-style-type: none"> ▪ Many municipalities perform health functions on behalf of provinces; ▪ Strengthen effectiveness of health services by specifically enhancing TB treatments and expanding HIV and AIDS prevention and treatments; ▪ Municipalities must continue

	<p>treatment;</p> <ul style="list-style-type: none"> ▪ Increase prevention of mother-to-child transmission; ▪ School health promotion increase school visits by nurses from 5 to 20%; ▪ Enhance TB treatment 	<p>to improve Community Health;</p> <ul style="list-style-type: none"> ▪ Services infrastructure by ▪ Providing clean water sanitation and waste removal services.
OUTCOME 3: ALL PEOPLE IN SOUTH AFRICA ARE PROTECTED AND FEEL FREE		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Reduce overall level of crime; 2. An effective and integrated criminal justice system; 3. Improve investor perceptions and trust. 4. Effective and integrated border management; 5. Improve perception of crime among the population; 6. Integrity of identity of citizens and residents secures; 7. Cyber-crime combated 	<ul style="list-style-type: none"> ▪ Increase police personnel; ▪ Establish tactical response teams in provinces; ▪ Upgrade IT infrastructure in correctional facilities; ▪ ICT renewal in justice cluster; ▪ Occupation-specific dispensation for legal professionals; ▪ Deploy SANDF soldiers to South Africa's borders. 	<ul style="list-style-type: none"> ▪ Facilitate the development of safer communities through better planning & enforcement of municipal by-laws; ▪ Direct the traffic control function towards policing high-risk violations – rather than revenue collection.
OUTCOME 4: DECENT EMPLOYMENT THROUGH INCLUSIVE ECONOMIC GROWTH		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Faster and sustainable inclusive growth; 1. More labor-absorbing growth; 2. Strategy to reduce youth unemployment; 3. Increase competitiveness to raise net exports and gross trade; 4. Improve support to small business and cooperatives; 5. Implement expanded public works programme. 	<ul style="list-style-type: none"> ▪ Invest in industrial development zones; Industrial sector strategies: automotive industry; clothing and textiles; ▪ Youth employment incentive; ▪ Development training and system improve procurement; ▪ Skills development and training; ▪ Reserve accumulation; ▪ Enterprise financing support; ▪ New phase of public works programme. 	<ul style="list-style-type: none"> ▪ Create an enabling environment for investment by streamlining planning application process; ▪ Ensure proper maintenance and rehabilitation of essential services infrastructure; ▪ Ensure proper implementation of the EPWP at municipal level; ▪ Design service delivery processes to be labor intensive; ▪ Improve procurement systems to eliminate corruption and ensure value for money; ▪ Utilize community structures to provide services.
OUTCOME 5: A SKILLED AND CAPABLE WORKFORCE TO SUPPORT INCLUSIVE GROWTH		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. A credible skills planning institutional mechanism; 2. Increase access to intermediate and high-level learning programmes; 	<ul style="list-style-type: none"> ▪ Increase enrolment in FET colleges and training of lecturers; ▪ Invest in infrastructure and equipment in colleges and technical schools; ▪ Expand skills development 	<ul style="list-style-type: none"> ▪ Development and extend intern and work experience programmes in municipalities; ▪ Link municipal procurement to skills development

<ol style="list-style-type: none"> 3. Increase access to occupational specific programmes ; 4. Research, development and innovation in human capital. 	<p>learnerships funded through sector training authorities and National Skills Fund;</p> <ul style="list-style-type: none"> ▪ Industry partnership projects for skills and technology development; ▪ National Research Foundation centres excellence, and bursaries and research funding. 	<p>initiatives.</p>
OUTCOME 6: AN EFFICIENT, COMPETITIVE AND RESPONSIVE ECONOMIC INFRASTRUCTURE NETWORK		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Improve competition and regulation; 2. Reliable generation, distribution and transmission of energy; 3. Maintain and expand road and rail network, and efficiency, capacity and competitiveness of sea ports; 4. Maintain bulk water infrastructure and ensure water supply; 5. Information and communication technology; 6. Benchmark each sector. 	<ul style="list-style-type: none"> ▪ An integrated energy plan successful independent power producers; ▪ Passenger Rail Agency: Acquisition of rail rolling stock, and refurbishment and upgrade of motor coaches and trailers; ▪ Increase infrastructure funding for provinces for the maintenance of provincial roads; ▪ Complete Gauteng Freeway; ▪ Improvement Programme; ▪ Complete De Hoop Dam and bulk distribution; ▪ Nandoni pipeline; ▪ Invest in broadband network infrastructure. 	<ul style="list-style-type: none"> ▪ Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflecting pricing of these services; ▪ Ensure urban spatial plans provide for commuter rail corridors, as well as other modes of public transport; ▪ Maintain and expand water purification works and waste water treatment works in line with growing demand; ▪ Cities to prepare o receive the devolved public transport function; ▪ Improve maintenance of municipal road network.
OUTCOME 7: VIBRANT, EQUITABLE AND SUSTAINABLE RURAL COMMUNITIES AND FOOD SECURITY		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Sustainable agrarian reform and improved access to markets for small farmers; 2. Improve access to affordable and diverse food; 3. Improve rural services and access to information to support livelihoods; 4. Improve rural employment opportunities; 5. Enable institutional environment for sustainable and inclusive growth. 	<ul style="list-style-type: none"> ▪ Settle 7000 land restitution claims; ▪ Redistribute 283 592ha of land use by 2014; ▪ Support emerging farmers; ▪ Soil conservation measures and sustainable land use management; ▪ Nutrition education programmes; ▪ Improve rural access to services by 2014: ▪ Water: 92% to 100% ▪ Sanitation: 69% to 100% ▪ Refuse removal: 64% to 75% ▪ Electricity: 81% to 92% 	<ul style="list-style-type: none"> ▪ Facilitate the development of local markets for agricultural produce; ▪ Improve transport links with urban centres so as to ensure better economic integration; ▪ Promote home production to enhance food security; ▪ Ensure effective spending of grants for funding extension of access to basic services.
OUTCOME 8: SUSTAINABLE HUMAN SETTLEMENTS & IMPROVED QUALITY OF HOUSEHOLD LIFE		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Accelerate housing delivery; 2. Improve property market; 3. More efficient land utilization and release of state-owned land. 	<ul style="list-style-type: none"> ▪ Increase housing units built from 220 000 to 600 000 a year; ▪ Increase construction of social housing units to 80 000 a year; ▪ Upgrade informal settlement: 400 000 units by 2014; ▪ Deliver 400 000 low-income 	<ul style="list-style-type: none"> ▪ Cities must wait to be accredited for the housing function; ▪ Develop spatial plans to ensure new housing developments are in line with national policy on

	<ul style="list-style-type: none"> houses on state-owned land; ▪ Improve urban access to basic services: <ul style="list-style-type: none"> 🏠 Water: 92% to 100%; 🏠 Sanitation: 69% to 100%; 🏠 Refuse removal: 64% to 75%; 🏠 Electricity: 81% to 92% 	<ul style="list-style-type: none"> integrated human settlements; ▪ Participate in the identification of suitable land for social housing; ▪ Ensure capital budgets are appropriately prioritized to maximum existing services and extend services.
OUTCOME 9: A RESPONSIVE, ACCOUNTABLE, EFFECTIVE AND EFFICIENT LOCAL GOVERNMENT SYSTEM		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Differentiate approach to municipal financing, planning and support; 2. Community work programme; 3. Support for human settlements; 4. Refine ward committee model to deepen democracy; 5. Improve municipal financial administrative capability; 6. Single coordination window. 	<ul style="list-style-type: none"> ▪ Municipal capacity-building grants; ▪ Systems improvement; ▪ Financial management unqualified audits partnership grant; ▪ Increase urban density; ▪ Informal settlements upgrades. 	<ul style="list-style-type: none"> ▪ Adopt IDP planning processes appropriate to the capacity and sophistication of the municipality; ▪ Implement the community work programme; ▪ Ensure Ward Committees are representative and fully involved in community consultation processes around the IDP, budget and other strategic service delivery issues; ▪ Improve municipal financial and administrative capacity by competency norms and standards
OUTCOME 10: PROTECTION AND ENHANCEMENT OF ENVIRONMENTAL ASSETS AND NATURAL RESOURCES		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Enhance quality and quantity of water resources; 2. Reduce greenhouse gas emissions; 3. Mitigate climate change impacts and improve air quality; 4. Sustainable environmental management; 5. Protect biodiversity. 	<ul style="list-style-type: none"> ▪ National water resource infrastructure programme; ▪ Expanded public works environmental programmes; ▪ Biodiversity and conservation. 	<ul style="list-style-type: none"> ▪ Develop and implement water management plans to reduce water losses; ▪ Ensure effective maintenance and rehabilitation of infrastructure; ▪ Run water and energy saving awareness campaigns; ▪ Ensure development does not take place on wetlands.
OUTCOME 11: A BETTER SOUTH AFRICA, A BETTER AND SAFER AFRICA AND WORLD		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Enhance Africa agenda and sustainable development; 2. Enhance regional integration; 3. Reform global governance institutions; 4. Enhance trade and investment between South Africa and partners 	<ul style="list-style-type: none"> ▪ Proposed establishment of South African Development Partnership Agency; ▪ Defense: peace support mechanisms; ▪ Border control: upgrade inland ports of entry. 	<ul style="list-style-type: none"> ▪ Ensuring basic infrastructure is in place and properly maintained; ▪ Creating an enabling environment for investment.

OUTCOME 12: A DEVELOPMENT ORIENTATED PUBLIC SERVICE AND INCLUSIVE CITIZENSHIP		
Outputs	Key Spending Programmes	Role of Local Government
1. Improve government performance; 2. Government wide performance and monitoring; 3. Conduct comprehensive expenditure review; 4. Celebrate cultural diversity	<ul style="list-style-type: none"> ▪ Performance monitoring and evaluation; ▪ Stats SA, Census 2011: Reduce undercount; ▪ Sports and Recreation: Support mass participation and school sport programmes. 	<ul style="list-style-type: none"> ▪ Continue to develop performance monitoring and management system; ▪ Comply with legal financial reporting requirements; ▪ Review municipal expenditures to reduce wastage; ▪ Ensure Municipal Councils behave in ways that restore trust in local government.

Nonetheless, COGTA and local municipalities are guided by outcome 9 which has the following 7 outputs:

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

2.2.3. The Provincial Growth & Development Strategy (PGDS) / KZN GDS

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

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

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

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

2.2.4. How the Municipality is addressing and applying the Government Policies & Imperatives

Table 6: Government Policies and Interventions undertaken by UMzikhulu

Government Policy	Interventions by Municipality
Millennium Goals	The municipality has initiated agricultural projects, food for waste,
12 National Outcomes (Outcome 9)	<ul style="list-style-type: none"> ▪ Municipality adopted the IDP planning processes and that has been the guiding tool throughout the review process; ▪ UMzikhulu has implemented a number of community work programmes including amongst others war rooms in all 20 wards, Youth, HIV/AIDS programmes, etc.; ▪ UMzikhulu ensures that Ward Committees are representative and are fully involved in community consultation processes around the IDP, budget and other strategic service delivery issues; ▪ UMzikhulu ensures that the issues raised by the Auditor General are addressed accordingly and strives to ensure that it receives clean audit
5 KZN Priorities	UMzikhulu ensures that all the 5 KZN Priorities are considered in each development. This means that, all projects that are implemented are within the 5 provincial priorities and this is evident with the project lists provided in the IDP.
State of the Province Address	Infrastructure, agriculture, and social projects that are in the process of implementation or are already under implementation are all in one way or the other addressing the challenges or goals of the States of the Province Address
KZN GDS	Infrastructure, agriculture, and social projects that are in the process of implementation or are already under implementation are all in one way or the other addressing the challenges or goals of the states of the Provincial Growth & Development Strategy

3.1. SPATIAL AND ENVIRONMENTAL ANALYSIS

3.1.1. Spatial Analysis

The municipal SDF has been approved and maps are attached in the IDP. The SDF notes that the UMzimkhulu Local Municipal Area consists of 20 Wards, with the main administrative centre located in UMzimkhulu Town (Ward 16). Apart from privately owned land in the urban centre of UMzimkhulu (Title Deeds) and the R293 Townships of Rietvlei, Ibisi and Clydesdale (Deeds of Grant), the balance of land in the UMzimkhulu Municipal area is mainly state land. Individual use right and “ownership” is held in terms of lesser forms of tenure. Most of this land is held communally and/or in trust by the Minister of Land Affairs which requires laborious procedures to unlock the potential of this land and its resources, as there is a number of overlapping rights and jurisdiction over most of the land not held in private ownership. The entire municipal area falls within the former Transkei homeland area, with a settlement pattern that reflects a predominantly rural character. The area can be described as follows:

Predominantly scattered low-density rural settlements: Settlements are loosely scattered throughout the entire municipal area and are surrounded by communal grazing and arable lands. Settlement density appears to be directly correlated to accessibility (increased accessibility – increased density). Spatially, settlement density appears to be lower, the further the location from the main road axis and its feeder roads. This is also supported by demographic information which clearly indicates that population density decline the further one moves away from the main transport routes. Levels of service are generally low, with the majority of residential structures being self-built.

Apart from a few trading stores and agricultural activities, there is generally little sign of economic activity outside of the “urbanized” areas. The rural settlements mainly serve as residential areas with a limited economic base. Inhabitants are predominantly dependent on external sources of income and social and welfare grants. The continuous low-density sprawl of these rural settlements and poor planning of the past, which results in more productive agricultural land being taken up, can be regarded as one of the main threats to the development of the agriculture sector in UMzimkhulu.

The **key issues** relating to tenure and settlement in the region are:

- ⇒ Competition for land;
- ⇒ Competing uses of land (productive agriculture vs. subsistence agriculture/residential);
- ⇒ Access to affordable infrastructure.

This emphasizes the need for appropriate land reform planning and spatial planning intervention to resolve the rural problems.

Peri-Urban and Semi-Urban Settlements of Rietvlei and IBisi and Clydesdale: The settlements of Bisi and Rietvlei – as R293 townships of higher settlement density and being situated on the main route through the area (R56), can be classified as Semi-Urban. Clydesdale, being situated in close proximity to the urban centre of UMzimkhulu Town, can be classified as Peri-Urban.

Urban settlement within UMzimkhulu Municipality is comprised of the town of UMzimkhulu. As main administrative and business centre, it would normally be anticipated that such a centre should be centrally located within the hinterland that depends on it. Based on the existing road infrastructure and its physical locality, it is clear that UMzimkhulu Town does not conform to these criteria.

In comparison to the surrounding hinterland, towns have a higher level of social and infrastructure services, higher concentrations of administrative and business infrastructure and hence, towns normally fulfill the role of service centres to the surrounding hinterland. A large part of the Central Business District (CBD) area of the town is situated below the 728m contour line, which depicts the water level recorded during the 1987 flood. All of the larger “agricultural” erven situated along the bank of the river, to the west and south east of the CBD, are situated below the 728m contour. Erven within the town are owned by individual title, registered in the Deeds Office.

Key Spatial Issues and Related Needs

- ⇒ *Dispersed Settlement Pattern: The UMzimkhulu urban centre is situated on the eastern boundary of the Municipality. The town is surrounded to the north-west, west and south by scattered under developed rural villages;*
- ⇒ *Population density statistics suggests a direct correlation between settlement density and access. This implies increased costs in delivering basic infrastructure and services to the more remote parts of the Municipality;*
- ⇒ *Due to varying functions of settlement areas, a strategic approach needs to be formulated, which enables geographic areas to be prioritized (based on their role and function) for different levels of investment;*
- ⇒ *Need to systematically address the fragmented nature of development. Need to integrate urban and rural areas;*
- ⇒ *Need for development and implementation of a detailed spatial planning and a land use management system to control development in priority areas such as urban and peri-urban centre, and other strategic areas that are under pressure to develop. Urban Centre – when considering UMzimkhulu – and Semi-Urban Centres – when considering Bisi and Rietvlei, act as business and service centres, whilst rural settlement areas fulfill mainly a residential function with little economic activity;*

- ⇒ *Need to identify and build on the agricultural, forestry and tourism potential of the area and target investment to LED related initiatives and programmes taking place outside of the urban centres. Investment in opportunities that are sustainable and have potential for growth, so as to generate economic spin-offs benefiting the large number of rural poor*

The Municipality has plans underway to develop a coordinated spatial structure of UMzimkhulu Municipality in response to the spatial analysis of the Municipal area. These plans include the following:

- ⇒ Urban Regeneration Project;
- ⇒ Housing Sector Plan;
- ⇒ Tourism Sector Plan

3.1.3. Proposals for a Spatial Development Framework – Interpretation of the Structural Elements in a Spatial Context

3.1.3.1. Desired Spatial Form

It is normally accepted that a service center to a geographic area (such as a municipal area) will be centrally located, either geographically or accessibility –wise in terms of movement routes. As is clear from the spatial analysis, UMzimkhulu Town is located on the western boundary of the municipal area and in terms of topographical features and road networks does not appear to be equally accessible to all parts of its service area.

Due to the nature of movement networks, topography and linkages with surrounding municipalities, it is important to consider the relationship of less accessible part of UMzimkhulu (in terms of the current main service centre being UMzimkhulu town) with other potential service centres in adjoining municipalities. Although administratively, the municipal area was until recently part of the Eastern Cape, it should be spatially and functionally integrated with the surrounding KwaZulu – Natal areas. In terms of administrative functions, it however remains important to ensure access to such functions to all parts of the municipal area of jurisdiction.

The principle of accessibility and hierarchy of settlement and service centres need to be applied to the municipal area in a manner that will ensure optimal levels of access is achieved in all parts of the municipality.

3.1.3.2. Settlement Nodes and Hierarchy

The criteria used by the Provincial Spatial Development Plan to define nodal points were:

- ⇒ Currently capacity availability of existing infrastructure and facilities (higher order facilities such as health facilities, police station, administrative offices, sport / recreation and community facilities);
- ⇒ Accessibility Access via higher order roads, positioning at intersections of National, Trunk, Main and District Road network.

Using the above criteria, the following is proposed in UMzimkhulu:

- ⇒ UMzimkhulu Town and adjoining Clydesdale peri – urban area is regarded as the primary node, both administrative and economic, within the municipal area;
- ⇒ Rietvei, Riverside and Ibisi are regarded as secondary nodes, fulfilling the role of rural service centres.

Other settlements such as Mountain Home, Glengarry, Ntsikeni and Ncambele (Gowan Lea) can be regarded as minor service centres (being accessible in terms of transportation networks and service facilities such as police stations and clinics are situated within).

The towns of Creighton and Franklin (both situated just outside of the north western part of UMzimkhulu Municipal area) need to be considered as functioning economic service centres that are accessible to the north-western part of the municipal area. Likewise Harding needs to be considered for the same reasons, in relation to the southern part.

Other rural settlements within the study area functioning as dispersed/low density settlements depend on their immediate surrounding communal land (and social grants and income from migrant labour outside the area) for subsistence. It is proposed that these settlements be included in a phased formalisation and upgrade program. The emphasis being improvement of the rural livelihoods through the following:

- ⇒ Improved infrastructure;
- ⇒ Improved access to social services;
- ⇒ Improved utilisation of the natural environment for economic benefit of rural residents.

3.1.3.3 Urban Edge

In order to promote compact settlements and to prevent low density sprawl of settlement areas with a predominant “urban residential” function, it is proposed that an urban edge be defined / demarcated around such areas. Areas included within the urban edge are to be targeted for upgrading of levels of infrastructure. This will in turn support higher densities of residential development and in time, development of industrial and commercial areas linked to the residential function of the settlement.

Settlement areas outside the urban edge are defined as rural, which implies lower density with basic infrastructure and social facilities.

For the town of UMzimkhulu, the urban edge was traditionally seen as the commonage boundary. However the settlement area of Clydesdale to the south of the town can be regarded as functionally being part of the town. More recent residential expansion in the area has extended towards the south-western side of the town. It is therefore proposed that the urban edge be demarcated along the southern bank of the river, extending in a westerly direction up to the edge of the more recent residential extensions, and then to extent the urban edge southwards to include the peri urban settlement of Clydesdale and surrounds.

3.1.3.4 Corridors / Mobility Routes

High mobility in terms of road and rail infrastructure within the municipal area exists in terms of the southwest – northeast direction. These are mainly regional and sub-regional linkages passing through the municipal area.

The R56 is the main transport route passing through the UMzimkhulu Municipal area linking the municipal area with KwaZulu Natal to the North and Eastern Cape Local Municipalities to the south. The district road passing through Riverside in an East West direction (in the northern extent) links the northern extent with the adjoining towns and municipalities.

As is clear from the assessment of current settlement patterns and population distribution, the high accessibility along these routes have over time, led to the routes attracting additional settlement and establishment of business uses dependent on accessibility and population concentrations.

Priorities of upgrade projects on access routes leading to areas that are regarded as having high development potential, or areas that are regarded as rural service centres, are considered more feasible for creating sustainable development. Such upgrade projects are more likely to generate spin off effects from investment. Areas with high development potential may include strategic development nodes / areas, such as high potential for forestry and agriculture are areas with tourism development potential. This principle supports the phased approach to development, targeting areas of greatest potential first.

3.1.3.5 Tourism Nodes and Hierarchy and Related Structural Elements

While efforts are centred on infrastructure provision and service delivery, backlogs remain vast. Agriculture, forestry and tourism have been identified as key economic growth drivers in UMzimkhulu Municipality. Projects launched within each of these sectors are at various stages of development; the transfer of UMzimkhulu to Sisonke DM has halted further investment into many of these projects pending the outcome of newly commissioned feasibility studies.

Planning processes in UMzimkhulu are being realigned to KwaZulu Natal standards. Consultants have been engaged to develop an LED strategy for the area and assist with drafting the new IDP.

There needs to be a fast track in the provision of basic needs and infrastructure and the development of a municipal capacity, especially in the areas of LED, agriculture and tourism. The municipal area needs to unlock land potential by resolving land ownership issues so that agricultural self-sustaining and commercial production can be achieved. A strong farming co-operation that includes private and communal farmers to facilitate the sourcing of inputs, improved marketing, transport services and transfer of skills would be of good advantage to the area. Development of tourism around current initiatives like birding, rail and cycle tourism should focus on the tourism offer (accommodation, catering, and activities) at Ntsikeni Nature Reserve and maximise the planned UMzimkhulu Gateway through careful planning around location and offering.

This will require involvement of key stakeholders such:

- ⇒ Local government (municipal and district);
- ⇒ Department of Local Government and Traditional Affairs, KwaZulu Natal, department of Provincial and Local Government;
- ⇒ Spoornet, Eskom;
- ⇒ Independent Development Trust;
- ⇒ Department of Land Affairs, Department of agriculture, Department of Water Affairs and Forestry, Department of Trade and Industry, Department of Economic Affairs and Tourism, Department of Transport;
- ⇒ District tourism bodies, operators, experts;
- ⇒ Local business people

3.1.3.6 Conservation / Open Space

These are regarded as areas of specific sensitivity and include

- ⇒ Steep Areas, slopes and valleys around drainage features
- ⇒ Already degraded areas
- ⇒ Drainage features, water bodies, wetlands and rivers
- ⇒ Areas with pristine vegetation/indigenous forest
- ⇒ Conservation
- ⇒ Other areas identified as ecologically sensitive or as conservation worthy

3.1.3.7 Strategic Areas – Priority Basic Needs

Areas of greatest need are identified as those areas with the lowest per capita income levels and the worst off settlement areas to the poverty index. These areas require priority basic needs intervention and strategic proposals to improve the level of well-being of communities in these areas (poverty alleviation programmes and basic infrastructure investment). With the majority of the households within the municipal area being regarded as poor (approximately 77% earning below R800.00 per month) it is impossible to single out one area above the next. The main principle to be applied in targeting areas of greatest need will be to first focus on areas that are worst off in terms of access to basic infrastructure and services (access to water, sanitation, electricity, health care and education).

3.1.3.8 Strategic Areas – Opportunity Based

Sectors of economic opportunity evident in UMzimkhulu area as follows:

- ⇒ Agriculture and rural development with areas identified as falling within land capability classes I – IV;
- ⇒ Forestry with areas identified as having moderate to high potential for commercial forestry development;
- ⇒ Tourism or eco-tourism and cultural tourism. This refers to the historical sites, nature reserve areas with potential for tourism development and conservation.

3.1.3.9 CBD Expansion/Regeneration

Due to the potential for flooding of the area between the CBD and the river, there lies limited potential for expansion in that direction. The CBD expansion plan has created additional business, commercial and light industrial even on under-utilized land to the South West and West of the CBD. Future demand for expansion of the CBD should be directed to lower density residential even in close proximity to existing and proposed movement routes, south west of the CBD. It is proposed future middle-income residential expansion to be accommodated to the west of the CBD

The objectives of the CBD expansion include the positioning of the UMzimkhulu Town centre to be within the context of the sub-region. The accommodation activities within the CBD should be in a manner, which enhances its present/future use as a symbolic and functional town centre within the wider municipal setting and addressing those areas with biggest need in service delivery. The functional and spatial physical integration of the town centre into the surrounding should be addressed by promoting the clustering of facilities in a manner which ensures the efficient use of public funds and that allows for systematic private sector investment to support local economic development. The establishment of mixed and diverse land uses should include adequate consideration of existing uses as well as the broader stakeholder needs and concerns, promoting the integrated civic and development function of the town centre and enhancing place making opportunity. The CBD expansion should ensure the facilitation of local economic development through appropriate design and promoting a planning approach that is ecologically and environmentally sensitive.

The CBD expansion focuses on areas south of UMzimkhulu River due to municipal boundary. The public investment focuses outside of flood area with first priority to relocate threatened infrastructure. There should be residential integration aimed at better infill planning. Focus should be paid upon accessible investment nodes and long-term removal of all infrastructures from flood line.

The following indicates the proposed Spatial Development Framework for the Municipality:

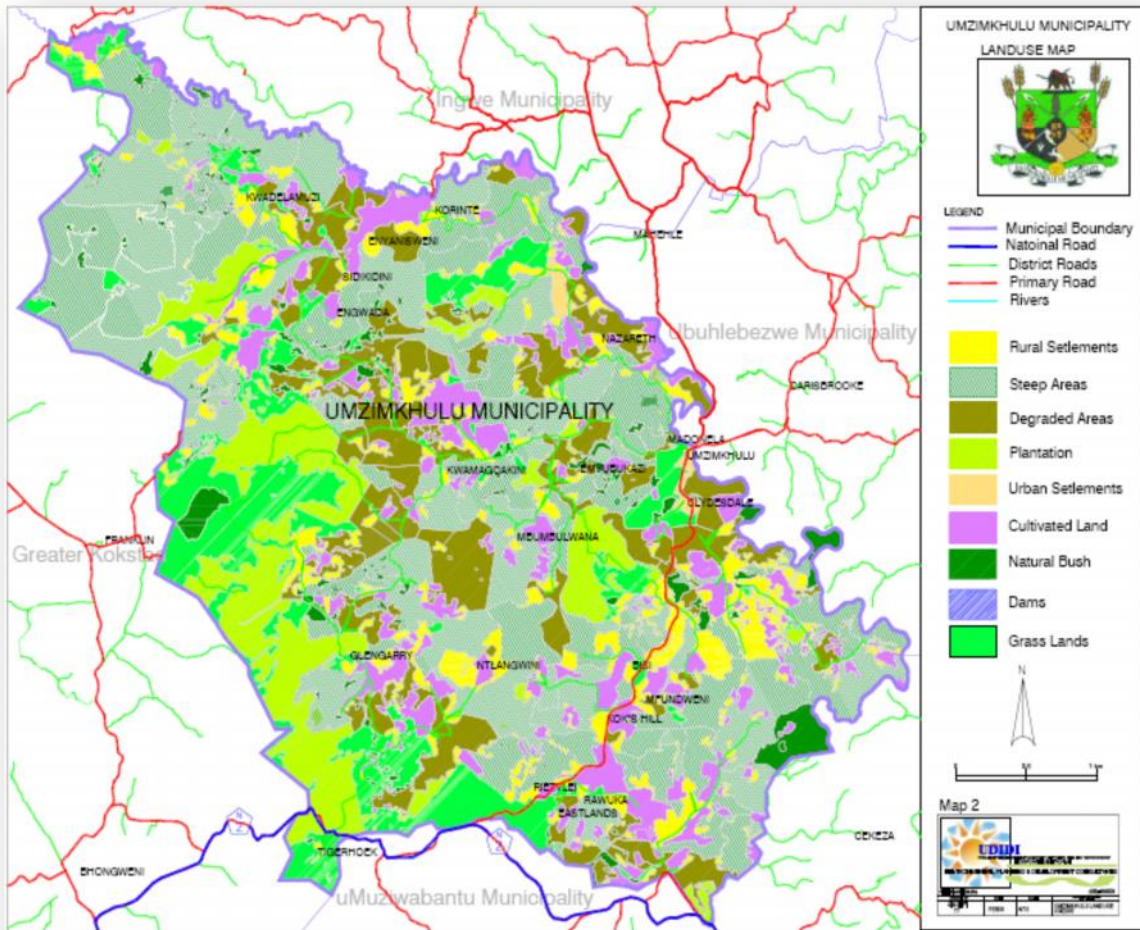
3.1.4. Environmental Analysis

The municipality has not conducted any environmental assessment and therefore does not have environmental tools for controlling development. Currently, the municipality is in the process of appointing a service provider that will undertake an Environmental Assessment for the entire municipality that will guide future developments.

3.1.4.1. Overview of Current Environment

Current condition of the natural environment is reflected in terms of land cover characteristics as per **Figure 2**. The plan reflects that a total of 18.2% of the overall municipal area consists of Degraded Unimproved Grassland. These degraded areas are mostly concentrated in the southern and eastern extent of the municipal area. Only 0.07% of the municipal area is under commercial cultivation, whilst 15.6% is under subsistence cultivation. Approximately 9.24% of the municipal area is under commercial plantations. Overgrazing, excessive/uncontrolled removal of vegetation, road construction activities, veld and forest fires and pollution are regarded as the main threats to the environment.

Figure 3: Land Cover



3.1.4.2 Climate

According to Camp, 1997 the UMzimkhulu has a humid climate, with an annual rainfall ranging from 800mm to 1 280mm. Heavy mists are a common and important feature, providing additional moisture, particularly to forests. The mean annual temperature for the area is 17°C. Climate hazards include occasional droughts, usually of short duration, occasional hail, frost which varies from slight to severe, and excessive cloudiness during the summer growing season. Hot north-westerly (“berg”) winds, followed by sudden cold temperatures or cold fronts, make for unpredictable conditions, particularly in the spring and early summer (Camp, 1997).

3.1.4.3. Land Cover

The study area is covered for the most part by urban/built environment (to include residential, mixed-uses, CBD area) (70%), and the rest of the area by cultivated, temporary, commercial, irrigated, degraded (unimproved) grassland, thicket, Bushland, bush clumps, high Fynbos, unimproved (natural) grassland, water bodies, wetlands, rivers and roads (30%). The town of UMzimkhulu is situated on the banks of the UMzimkhulu River alongside the R102. Although the residential part of the town is located mostly on higher ground, the Central Business District (CBD) is located within the 1: 100 year floodline on the right bank of the river and is therefore subject to flooding. The administrative and economic centre of the municipality is located within the town centre in central portion of the study area. The CBD is located along the R56, the primary movement corridor of the local municipality and the district municipality. The R56 provides a linkage to Ixopo and Pietermaritzburg in the north and Kokstad and the N2 in the south and east.

The land uses within the study area comprises commercial development, residential development, hotel, filling stations, three sports fields (central portion of the CBD), cultivated land (north-eastern and south-western portion), cemetery (south-eastern portion), and tourism centre.

3.1.4.4. Topography

Much of the CBD is located in the wider river bed of the UMzimkhulu River and the topographic conditions of the study area are very flat. The site lies at an altitude range of 900m to 1 400m above sea level. The gradient of the site is approximately 1: 80 in a north westerly direction.

3.1.4.5. Geotechnical Suitability

A geotechnical study was conducted by Terratest (Geotechnical, Environmental and Earth Science Consultants). The geology of the site consists of shale and sandstone of the Pietermaritzburg Formation and post Karoo Dolerite and is suitable for development. Colluvial and residual soils as well as weathered shale occur on the site. Low to moderately expansive soils were considered across the site and therefore specialized foundation measures are required. Excavation of service trenches must be done by means of a Tractor Loader Back-Actor (TLB).

Groundwater was noted to occur in the northern portion of the site and groundwater seepage may be problematic shallow depths at the site.

3.1.4.6. Hydrology

The following information is extracted from the Inception Report for the Flood Protection Feasibility Study by Arcus Gibb (2008): The study area falls within the UMzimkhulu River catchment area and most parts of the catchment are undeveloped and area still in their natural state. This however, applies to the upper sections of the catchment. The middle lands and the lower sections of the catchments comprise commercial farming. At Islington, just upstream of the confluence of the UMzimkhulu River and Cabane River (a tributary coming from the south), the approximate river bed elevation is 836 meters above sea level (msl), the distance between the left bank and the right bank is 570m. The UMzimkhulu River is known to have a high sediment load. This high level of sedimentation in rivers leads to physical disruption of the hydraulic characteristics of the channel. This could, in turn, lead to increased flooding because reductions in capacity of the river channel to efficiently route water through the drainage basin. Furthermore, the Environmental Potential Atlas for South Africa (EPASA, 2000) states that the erodibility index for the UMzimkhulu catchment has a range of 3-7 with the value of 1 (one) being the highest susceptible and 19 being the last. The water quality on the UMzimkhulu River is expected to be good, although downstream of the confluence with the Pholela River, sediment loads are high.

3.1.4.7. Wetlands/Riparian Delineation

Wetlands are one of the most threatened and valuable ecological assets in South Africa, as they perform specific ecosystem services that industry, agriculture and the public benefit from directly and indirectly.

Introduction

Land Resources International (LRI) (Pty) Ltd undertook a Wetland/Riparian Delineation and Functional Assessment Study within the study area.

The wetland and riparian areas were delineated according to A Practical Field Procedure for Identification and Delineation of Wetland and Riparian Areas – Edition 1 (DWAF, 2005). The boundaries of these areas were determined at appropriate intervals and were recorded utilizing a mapping grade Global Positioning System (GPS) accurate to 1m. The study identified the boundaries of the temporary, seasonal and permanent zones of wetness within the study area. The subsequent information was utilized to produce a GIS coverage of the wetland habitat within the boundary of the development site. To provide an indication of the benefits and services, the hydrogeomorphic (HGM) units within the project area was assessed utilizing the functional assessment technique, WET-EcoServices, developed by Kotse et al (2007). This is a rapid assessment technique based on readily described indicators, which would assist in identifying the important features and benefits provided by wetland systems.

Overview

The most important hydrogeomorphic (HGM) unit is the UMzimkhulu River floodplain, yielding Intermediate to Moderately High scores for nine of the fifteen recognized EcoServices. The most significant benefits of

this HGM were the sediment trapping and the enhancement of water quality through phosphate, nitrate and toxicant removal. The UMzimkhulu River provides resources such as fish, cultivated food and livestock grazing to local communities. The remaining two HGM units are important in enhancing water quality and for the provision of natural resources and cultivated food. Stream flow regulation and erosion control proved to be important ecosystem services provided by these systems.

3.1.4.8. Vegetation Survey

The drive to realize economic targets by improving on transportation networks, urban commercial and industrial development, sports and recreation, residential and mixed-use land uses, has resulted in the ecosystems on which long-term economic prosperity and well-being depends, not always being given the appropriate protection. Habitat loss and landscape fragmentation are recognized as the biggest threats to current biological diversity. Fragmentation implies much more than simply habitat loss. Habitat loss and landscape fragmentation are recognized as the biggest threats to current biological diversity. Fragmentation implies much more than simply habitat loss. By creating small, isolated patches, it also results in altered properties of the remaining habitat. Ecosystems that are intact, and therefore functional, play important roles in abating pollution, providing recreational opportunities and providing aesthetically beautiful scenery, thereby adding to land values.

Introduction

An Ecological Assessment was conducted by LRI. The Ecological Assessment which was based on the ecological integrity and sensitivity applied to the vegetation component of the ecosystem. The status of the ecology of the study area is based on a desktop and fieldwork study component. The Ecological Assessment provides the following:

- A description of the various vegetation types contained within the study area;
- An assessment of the degree of disturbance sustained by these vegetation types;
- Their relative sensitivity to further disturbance; and
- Which of these areas are priority conservation areas?

Overview

The cultivated land, central grassland and eastern wetland areas were considered to have a Low conservation priority. The level of disturbance sustained and their situation in the hub of the CBD precludes the opportunity for limiting future disturbance and it is unlikely that conservation goals could realistically be met. The systems have also been fundamentally altered, with the result that they have little conservation value.

The riparian habitat associated with the UMzimkhulu River is important as an ecological corridor linking undisturbed habitats upstream and downstream of UMzimkhulu town. These routes are important for the migration for birds, mammals and reptiles as they move in response to seasonal changes in climate. The habitat is also an important source of local biodiversity, and was considered to have High conservation value and corresponding priority. In addition the necessity for good vegetation cover on the banks of this major river cannot be overstated from a soil conservation viewpoint. The wetland habitat in the northern part of the project area contains the highest floral and faunal biodiversity in the study area, and is also among the least disturbed. It also provides a valuable resource in the form of grazing for livestock, although this should be regulated. It is therefore considered to be a High conservation priority area. In addition to the plant species recorded, the habitat was also found to support a rich diversity of birdlife. Although cattle were observed within the wetland, heavy utilization of the sward was not evident.

The mistbelt grassland in the south western corner was also considered to have a High conservation value due to its threatened status as a vegetation type within KZN. This section of grassland forms part of a larger area which can potentially play an important role in what is becoming an increasingly fragmented vegetation type. It is recommended that the following practices be implemented:

- ⇒ Burning every 2 or three years;
- ⇒ Regulated grazing;
- ⇒ Removal of hunting dogs from this area to allow natural mammal populations; and
- ⇒ To re-establish the grassland.

3.1.5. Spatial & Environmental: SWOT Analysis

Table 7: Spatial & Environmental SWOT Analysis

Strengths	Opportunities
<ul style="list-style-type: none"> ✓ Waste Management and Waste Removal bylaws are in place; ✓ Some parts of UMzimkhulu contains the highest floral and faunal biodiversity; ✓ rich diversity of birdlife; ✓ Rich agriculture land; ✓ Good rainfall and climate, 	<ul style="list-style-type: none"> ⇒ Room to initiate agriculture projects; ⇒ Room to initiate tourism projects; ⇒ A guiding tool towards the ensuring of hygienic conditions in the CBD area; ⇒ Valuable resource in the form of grazing for livestock,
Weaknesses	Threats
<ul style="list-style-type: none"> ✓ Large portion of land is communally owned by the Department of Land Affairs/Rural Development and Land Reform; ✓ Steep river valleys and hilly terrain; ✓ Obstacles to accessibility, and limits the extent of agricultural production. ✓ Weak road and communication linkages exacerbated by hilly topography; ✓ No environmental assessment has been conducted and therefore does not have environmental tools for controlling development; ✓ not have an independent Integrated Waste Management System 	<ul style="list-style-type: none"> ✓ Communal land undermines developments; ✓ It is difficult to undertake projects in hilly terrain; ✓ Hilly terrain undermines development of road networks; ✓ Unwanted or unsustainable developments due to lack of environmental guidelines

3.1.6. Disaster Management

UMzimkhulu Municipality prepared a detailed Disaster Management Plan (DMP) in 2008 which is currently being reviewed and will be incorporated into the reviewed IDP in the June 2013 submission. The primary purpose of the Disaster Management Plan is to initiate engagement of local stakeholders, mainly all state organs, the private sector and civil society fraternity in the jurisdiction of UMzimkhulu Municipality to collaborate their efforts in executing the provisions of the Disaster Management Act No. 52 of 2002. Following is an extract of the DMP and the detailed one is annexed in the IDP.

3.1.6.1. Risk Assessment

Objective: The main objective of this KPA is to generate an Indicative Local Disaster Risk Profile by establishing and maintaining a uniform methodology to continuously assess and monitor risk.

This KPA addresses the need for disaster risk assessment and monitoring to set priorities, guide risk reduction action and monitor the effectiveness of efforts. Although the country faces many different types of risk, disaster risk specifically refers to the likelihood of harm or loss due to the action of hazards or other external threats on vulnerable structures, services, areas, communities and households. This KPA therefore outlines the requirements for implementing disaster risk assessment and monitoring by organs of state. The following are sub-objective of this KPA:

- ⇒ Conducting disaster risk assessment to inform disaster risk management and risk reduction policies, planning and programming;
- ⇒ Generating an indicative entity disaster risk profile;
- ⇒ Monitoring, updating and disseminating risk information;
- ⇒ Conducting quality control

The main deliverables of this KPA shall include but not limited to:

- ⇒ Disaster risk and vulnerability status report/municipal risk profile;
- ⇒ Risk monitoring report that are disseminated to stakeholders

3.1.6.2. Risk Reduction and Prevention

Objective: The main objective of this KPA is to facilitate co-operation and integration amongst stakeholders and that the municipality develops and implement Disaster Management Objectives as stipulated by the Disaster Management Act. The prevention and mitigation strategies and disaster response must be aligned with the requirements of the Sisonke District Municipality framework. UMzimkhulu Municipality must mobilise fiscal resources to enable it to plan and implement risk reduction projects and programmes in its area of jurisdiction.

The successful implementation of the Disaster Management Act critically depends on the preparation and alignment of disaster management frameworks and plans for all spheres of government. The legal requirements for the preparation of disaster management frameworks and plans by provincial and municipal organs of state are specified in sections 38 and 52 of the Act. This key performance area addresses requirements for disaster management planning within provincial and municipal spheres of government. It gives particular attention to the planning for and integration of the core risk reduction principles of prevention and mitigation into on-going programmes and initiatives. The Sisonke District Municipality shall that the following activities are executed:

- ⇒ Ensure all stakeholders compile integrated and relevant disaster risk management plans;
- ⇒ Determine priority disaster risks and priority areas, communities and households;
- ⇒ Scoping and development of risk reduction plans, projects and programmes;
- ⇒ Inclusion of risk reduction efforts into strategic integrating structures and processes;
- ⇒ Implement and monitor disaster risk reduction programmes and initiatives.

Strategic Priority: The performance of UMzimkhulu Municipality shall also be measured by its ability and competency to plan, implement and evaluate the Disaster Management Plan, as well as its ability to mobilise resources and secure co-operation from the civil society organisation, the community, the public and private sector institutions.

Disaster Management Framework: The Disaster Management Act requires that each District Municipality of Metropolitan need to develop own disaster management framework. The disaster management framework is the guiding policy which coordinates all spheres of government by ensuring an integrated and uniform approach to disaster risk management by all role players. UMzimkhulu Municipality is a municipal entity that is required to prepare its Disaster Management Plan which will be forwarded to the Sisonke District Municipality for integration to a District large Disaster Management Plan. The Act further stipulates that all municipal entities and other institutional partners identified as disaster management key role players are required to develop and implement disaster risk management plans.

It has been noticed that the UMzimkhulu Municipality and its business units face capacity challenges in developing and integrating the Disaster Management Plan to other service delivery plans such as the IDP and as a result this plan proposes a phased approach in planning, integrating, implementing and evaluating the Disaster Management Plan. This requires that UMzimkhulu Municipality focus of mobilising further funding to implement the recommendations of this plan.

Municipal Disaster Management Centre: This plays an integral part in the integration of the disaster management framework, disaster risk management plans and other activities between all spheres of government and the role players across sectors within the Sisonke District Municipality. The role of the Sisonke District Municipality Disaster Management Centre must ensure that:

- ⇒ The municipal disaster management framework including UMzimkhulu Municipality is aligned with the national disaster management framework, provincial disaster management frameworks and the

strategies and objectives identified in the respective municipal Integrated Development Plans (IDPs);

- ⇒ The municipal disaster management plan informs and is aligned with those of other role payers and other spheres of government;
- ⇒ The disaster management advisory forum, or another appropriate forum, is established (or consulted if it exists) in the development of the disaster management plans.

UMzinkhulu Municipality Disaster Management Priorities: It has been noticed that the international community is exposed to various disaster risks, however considering the current capacity constraints and financial limitations of South Africa, the UMzinkhulu Municipality need to prioritise risk. Pressing risks need to be addressed first. This approach requires careful identification of hazards, the consideration of priority risks and the most vulnerable areas, communities and households exposed to the risks. The disaster risk prioritisation process forms part of the procedures undergone in the aforementioned KPA. The priority disaster risk identified in this KPA are summarised below.

Priority	Risk	Area Description
High	Floods	<ul style="list-style-type: none"> ✓ Town of UMzinkhulu and immediate residential areas; ✓ Rural communities built on flood plains.
	Fires	<ul style="list-style-type: none"> ✓ Rural villages in the outlying mountains.
	Road Spillage of Hazardous Material	<ul style="list-style-type: none"> ✓ Communities along the Ixopo-UMzinkhulu-Kokstad Road
Medium	Cholera, Tornados, Thunderstorm, Hail and Drought	<ul style="list-style-type: none"> ✓ All areas

Identifying the Priority Disaster Risk: The hazards and disaster risks were identified as part of provisions of this KPA. Identification of disaster risk recognised that each state apparatus (organ) is responsible for identifying and prioritising risk relevant to their specific functional areas. Three important aspects guide the prioritisation of risk and vulnerability. These are:

- ⇒ The expected magnitude of the disaster;
- ⇒ The expected likelihood of the disaster and
- ⇒ The expected manageability of the disaster.

The aim of prioritising the disaster risks is to match the capacity and competency of state organ, the availability of resources and ability of using those resources efficiently and effectively. These three components are used as for basis of developing the risk reduction project to increase the prevention and mitigation of disaster risks in the municipality. Not all areas and communities are exposed to the same level of risks. Therefore the most vulnerable communities and households are identified to ensure that the risk reduction efforts are focused in the areas with the least capacity to cope in the case of a major event.

Strategic Risk Reduction Planning: UMzimbhulu Municipality took an integrated approach to reducing disaster risks while aligning the plan with the relevant disaster management framework strategies and state organs including the Sisonke District Municipality Disaster Management Plan. The main purpose of the UMzimbhulu Disaster Management Plan is to:

- ⇒ Reduce the likelihood of harmful losses/vulnerability of the communities and households;
- ⇒ Increase the capacity of the municipality and sector partners/stakeholders to be more prepared for disasters;
- ⇒ Align and mainstream disaster management into service delivery programmes of the municipality;
- ⇒ Engage sector partners and stakeholders to collaborate with the municipality on prevention & mitigation, and response & recovery;
- ⇒ Equip UMzimbhulu Municipality and its stakeholders to timely response and recovery.

Inclusion of Disaster Reduction Initiatives into other State Structures: The Disaster Management Act makes provision for alignment and integration with other state instruments when the Disaster Management Plan is packaged, communicated with stakeholders, implemented, evaluated and reviewed. Disaster risk reduction measures are driven by both hazard and vulnerability which should be included in the spatial development framework of the municipality. All information and observations gathered through risk and vulnerability assessment needs to be included in the Spatial Development Framework (SDF) as one mechanism of informing other organs of state. Furthermore the Disaster Management Plan thus becomes an integral part of the IDP and associated development programmes.

Implementation and Monitoring of Disaster Risk Reduction Measures: In executing this objective, monitoring and review of the disaster risk reduction measures that specifically target communities in high risk areas must include quantitative and qualitative vulnerability reduction as an outcome. Risk and vulnerability reduction targets should be mainstreamed with other service delivery programmes and their performance should be measured with quantitative and qualitative vulnerability reduction outcomes. Regardless that disaster management projects are aligned and integrated into planned and existing service delivery programmes, such projects should demonstrate a close relation to the mission and vision of the municipality, development objectives, realistic timeframes and quantifiable financial and human resource provisions. The Disaster Management Act requires that the Disaster Management Centre prepares and includes all disaster risk reduction initiatives in their annual report and incorporate it into their Information Management System (MIS).

3.1.6.3. Response and Recovery

The objectives that are summarised below should be executed in collaboration with the Sisonke District Municipality Disaster Management Centre. It is expected that the Disaster Management Centre shall have the necessary response and recovery equipment and immediate relief provision and needs. UMzimkhulu Municipality is advised to acquire some response and recovery equipment and immediate relief provisions.

Objective: To ensure effective disaster response and recovery by:

- ⇒ Implementing early warning systems;
- ⇒ Implementing immediate and appropriate response;
- ⇒ Implementing recovery and rehabilitation strategies.

The above projects are integrated with the risk reduction projects which are summarized in the project list in the following sections.

Immediate Relief Measures: The Disaster Management Centre needs to ensure that they have measures in place to readily provide emergency relief. These interim relief measures should be disseminated efficiently to the affected household and communities in the event of a major incident. These basic measures could include, but not limited to:

- ⇒ Non-food items: tents, blankets, food items and plastic sheeting;
- ⇒ Food items: 10kg rice, 10kg maize meal, 5kg white sugar, 5kg sugar beans, 2l cooking oil, 5kg powder soup, canned fish, tea bags, coffee, powder milk, salt, candles, matches and bread. These food items should keep the distressed household for at one month. Food items should be communicated and tailored for communities;
- ⇒ Sanitary items like: tooth paste, bath soap, laundry bar soap, sanitary pads, body lotion and Vaseline.

Should the current relief measures be inadequate for the occurrence, assistance can be requested from the Provincial Disaster Management Centre. It remains important to ensure that all information regarding the incident is disseminated to the Provincial Disaster Management Centre, all role players and the community.

3.1.6.4. Training and Awareness

To create awareness on the community about disaster management, following guides have been prepared and annexed in the DMP:

- ⇒ Community Awareness Guide;
- ⇒ The Workplace Emergency Plan;
- ⇒ Fire Protection Plan;

3.1.6.5. Funding Arrangements

This financial proposal presents financial requests for four priority projects that will aid the municipality to commence disaster management implementation.

- ⇒ The first project will assess risk and vulnerability and establish community/village risk profiles. This project will lay the basis for the conceptualisation and development of risk reduction programme. It will also recruit 120 disaster response volunteers who will be trained during the implementation of project 3;
- ⇒ Project 2 will focus on supporting municipal business units (departments) to develop their individual disaster management plans. The Social Services Department will then align all these plans into one municipal plan;
- ⇒ Project 4 will be implemented concurrently with project 1 so as to give enough time to mobilise resources that will fund the construction of disaster management facilities for the Protection Services;
- ⇒ During the implementation of these projects, additional funding will be mobilised from other public sector institutions;
- ⇒ The total funding requested is **R4 146 300.00**. These projects will be implemented over a period of one year. These priority projects are:

Project	Time Costs	Disbursements	Total
1. Community risk and vulnerability community profiles	384 750	107 137	491 887
2. Risk and Vulnerability Reduction and Preparedness	183 750	224 163	407 913
3. Development and Support 120 Community Based Disaster Response Teams and FPA	979 500	1 312 000	2 291 500
4. Infrastructure and Data/Information Protection Plan	730 000	225 000	955 000
Total	2 278 000	1 868 300	4 146 300

3.1.7. Disaster Management: SWOT Analysis

Table 8: Disaster Management: SWOT Analysis

Strengths	Opportunities
✓ There is a Disaster Management Plan;	✓ There is room to review the plan;
Weaknesses	Threats
✓ Plan is outdated;	✓ Outdated plan may not reflect the reality of disaster threats

3.2. DEMOGRAPHIC ANALYSIS

3.2.1. Overview of the Current State of South Africa's Population¹

The Census 2011 highlights that South Africa's population grew from 44.8 million people in 2001 to 51.8 million people in 2011, which was a growth of about 15.5% translating to a 1.44% population growth per annum.

Majority (65.5%) of the population in South Africa is between the age of 15 – 64 years of age which was an increase from 63% in 2001. The dependency ratio in the country has decreased to 52.7% in 2011 from 58.7% in 2001. The ratio of males to female increased to 94.8% in 2011 from 91.7% in 2001. In terms of addressing unemployment, South Africa recorded an improvement as in 2011 about 29.8% of the population was unemployed compared to 41.6% in 2001. Approximately 48.9% of youth in 2011 was unemployed which was an improvement as in 2001 unemployment rate was standing at 51.1%.

Education is an important driver to economic development and growth of a country. In South Africa the rate of people with no school declined to 8.4% in 2011 from 17.9% in 2001. The rate of people with higher education declined to 6.7% in 2011 from 8.4% in 2001. The amount of people with metric level increased to 27.8% in 2011 from 22.1% in 2001. Primary education enrolment between the ages of 6-13 years improved to 93.1% in 2011 from 22.1% in 2001.

The number of households in the country increased to 14 450 162 in 2011 from 11 205 706 recording a 29% growth putting pressure to the government to provide basic services such as electricity, water, infrastructure, etc. to these households. The average household was 3.6 in 2011 compared to 3.8 in 2001. There is a slight change in households headed by women in South Africa as it slightly improved to 41.2% in 2011 from 41.9% in 2001. The number of formal dwellings increased to 77.6% in 2011 from 68.5% in 2001. This is an indication that people are improving their shelters.

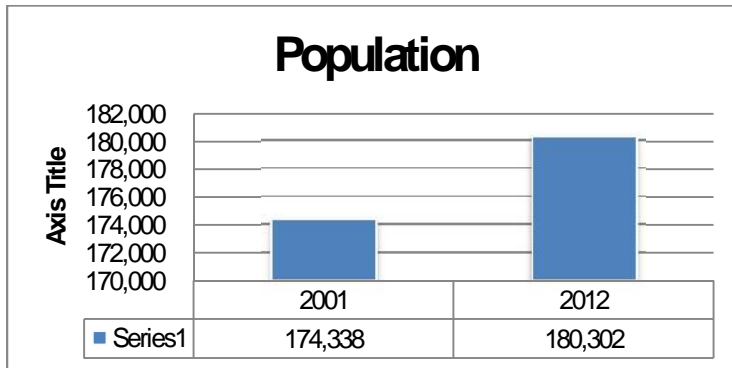
The number of flush toilets connected to sewerage in the country increased to 57% in 2011 from 50% in 2001. Weekly refuse removal services increased to 62.1% in 2011 from 55.4% in 2001. The distribution of piped water inside dwellings increased to 46.3% in 2011 from 32.5% in 2001. Approximately 84.7% households had access to electricity in 2011 compared to 70.2% in 2001.

¹ STATSA Census 2011

3.2.2 Local Demographic Analysis

UMzimkhulu Municipality covers a total area of 2436 km². In 2001 the population of UMzimkhulu was 174 338 and it grew to 180 302 by 2011 translating to 0.34% growth rate per annum which is lower compared to KwaZulu Natal and the country growth rate which are 0.69% and 1.44% per annum respectively.

Figure 4: Municipal Population



Source: Statistics SA Census 2011

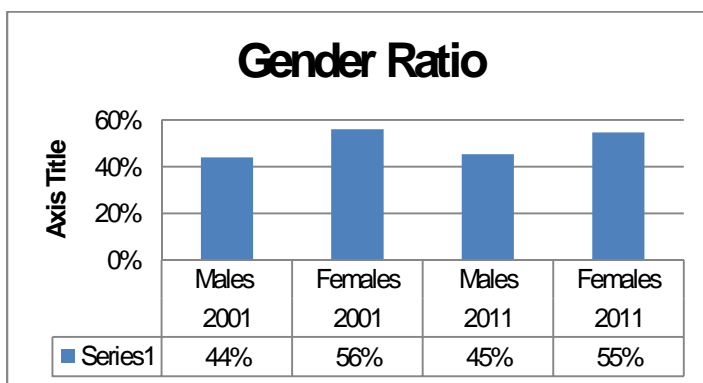
The increase to population and household figures poses major development challenges to the Municipality which has limited resources and acute historical development backlogs.

3.2.3 Gender Distribution

The ratio of male to female in UMzimkhulu has somewhat declined. In 2001 there were 78.5 males in every 100 female which meant that 44% of the UMzimkhulu population was male and 56% was female. In 2011 there were 82.9 males in every 100 females which translate to 45.3% male and 54.7% female.

This can be illustrated in the figure following:

Figure 5: Gender Distribution



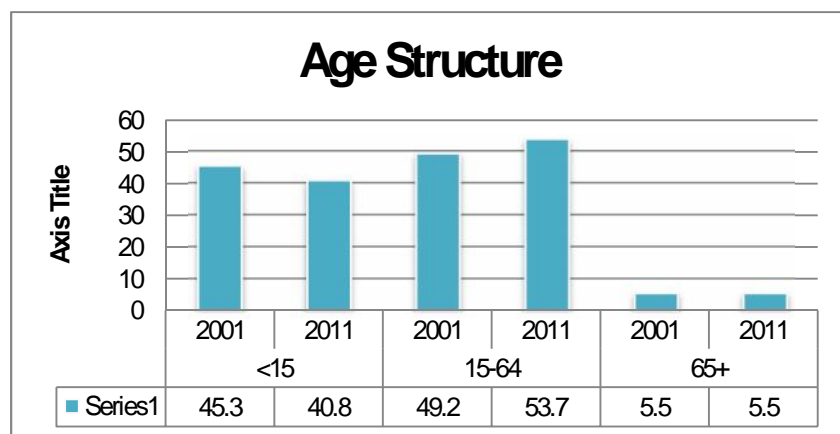
Source: Statistics SA Census 2011

Gender distribution is a determinant factor in assisting the various tiers of government to focus investment especially to vulnerable groups like women. The gender figures also help the government to provide appropriate facilities and social investments in line with gender demographics.

3.2.4. Age Distribution

Figure 4 below shows the age distribution within the UMzimkhulu Municipal area where the ages of 15 - 64 are the most dominant (53.7%) followed by the <15 years age groups at 40.8%. The latter group forms part of the active labor group. The huge numbers of this age group call for a need for creation of employment opportunities and provision of educational facilities to cater for their needs.

Figure 6: Age Structure



Source: Statistics SA Census 2011

The dominance of the youth also poses social challenges since this group is sexually active and more vulnerable to HIV/ AIDS infection and other social ills. It will be therefore crucial that interventions aimed at reducing HIV/AIDS and other social ills are intensified in order to sustain development interventions. More social facilities and access to educational institution should also be provided to cater for this age cohort.

3.2.5. Employment Status

As indicated above, the level of education that the individuals possess contributes towards employability. By 2011 approximately 46.6% of the population was unemployed. About 56.8% of the youth in the municipality are unemployed. These figures indicate high unemployment figures and justify high dependency ratio and low affordability levels. Likewise, unemployment particularly on the youth encourages idleness that may lead to other social evils such as, robbery, alcoholism, drug use, sexual activities that may expose the population to HIV/AIDS infections.

3.2.6. Key Findings

- ⇒ In 2001 the population of UMzimkhulu was 174 338 and it grew to 180 302 by 2011 translating to 0.34% growth rate per annum;
- ⇒ In 2011 there were 82.9 males in every 100 females which translate to 45.3% male and 54.7% female;
- ⇒ The ages of 15 - 64 are the most dominant (53.7) in UMzimkhulu followed by the <15 years age groups at 40.8%;
- ⇒ In 2011, 6.4% of the population in UMzimkhulu did not go to school. Approximately 2.1% had higher education and 15.2% had matric. However, primary education enrollment for the 6-13 years was standing at an impressive 93.9%;
- ⇒ As indicated above, the level of education that the individuals possess contributes towards employability. By 2011 approximately 46.6% of the population was unemployed. About 56.8% of the youth in the municipality are unemployed. These figures indicate high unemployment figures and justify high dependency ratio and low affordability levels.

3.3. MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT ANALYSIS

3.3.1. Municipal Transformation

Transformation is one of the key issues that the municipality is busy addressing. The municipality has been transforming its management structure and has also considered people with disabilities in its employ. Currently there are four (4) women Heads of Department and 1 disabled employee in the municipality. Likewise, a good percentage of the employees are youth.

3.3.2. Organizational Development

The municipality has been busy training and reskilling both its politicians and technocrats. Most of the councilors have been undergoing through training on management, leaderships, etc. The municipal employees have continuously attended trainings that are meant to improve their skills in their work places. The department of corporate governance has developed programs meant to reskill both the technocrats and the political structures.

3.3.3. Organizational Structure / Organogram

3.3.3.1. Overall Purpose

The purpose of the structure is to provide local government services to the jurisdiction of UMzimkhulu Local Municipality based on legislation & in collaboration with the with other spheres of government & Organs Civil Society.

3.3.3.2. Functions

- ⇒ To provide community & citizen services;
- ⇒ To provide & maintain existing municipal infrastructure to enable service delivery;
- ⇒ The efficient management of the finances of the municipality based on the MFMA;
- ⇒ To coordinate strategic planning & governance within the municipality;
- ⇒ Provide corporate services auxiliary functions of a municipality.

Table 9 : Municipal Departments and their Functions

Municipal Manager's	Community & Social services	Infrastructure Development	Budget & Treasury	Planning & LED	Corporate Services
<p>Purpose Provide leadership to the municipality & support council in fulfilling its mandate</p> <hr/> <p>Functions</p> <ol style="list-style-type: none"> 1. Internal audit & Risk management 2. Inter-governmental relations & organizational performance 	<p>Purpose To provide social & citizen services</p> <hr/> <p>Functions</p> <ol style="list-style-type: none"> 1. Municipal Health Services 2. Traffic & other By-Laws regulation & enforcement 3. Undertake special programs services 4. Coordinate disaster & Firefighting services 5. Sports, Recreation, Arts & Culture 6. Public Participation 7. Enforcement of municipal By-Laws 	<p>Purpose To provide capital & maintain existing infrastructure</p> <hr/> <p>Functions</p> <ol style="list-style-type: none"> 1. PM Unit 2. Municipal Infrastructure maintenance 3. Storm water & sanitation management 4. Coordinate electricity 5. Facilitate community involvement 6. Refuse removal, dumps & solid waste 	<p>Purpose The efficient management of the finances of the municipality</p> <hr/> <p>Functions</p> <ol style="list-style-type: none"> 1. Coordination of budget 2. Expenditure, financial control & reporting 3. Credit management & revenue collection 4. Provide Supply chain management services 5. Provide support & capacity to line functions on budgeting & treasury 	<p>Purpose To coordinate planning activities of the municipality</p> <hr/> <p>Functions</p> <ol style="list-style-type: none"> 1. Coordinate development of IDP 2. Conduct town & spatial development planning 3. Coordinate municipal By-Laws 4. Facilitate local economic development 5. Coordinate housing development 6. Building regulations & enforcement 	<p>Purpose Undertake corporate & administrative services</p> <hr/> <p>Functions</p> <ol style="list-style-type: none"> 1. Provide HR management & HRD services 2. Ensure employee wellness 3. Provide Auxiliary services 4. Provide IT services 5. Provide Council support services 6. Provide support & capacity to line functions on HR functions 7. Communications 8. Legal Advisory Services

Figure 7: Office of the Municipal Manager



Figure 8: Planning, Housing and LED

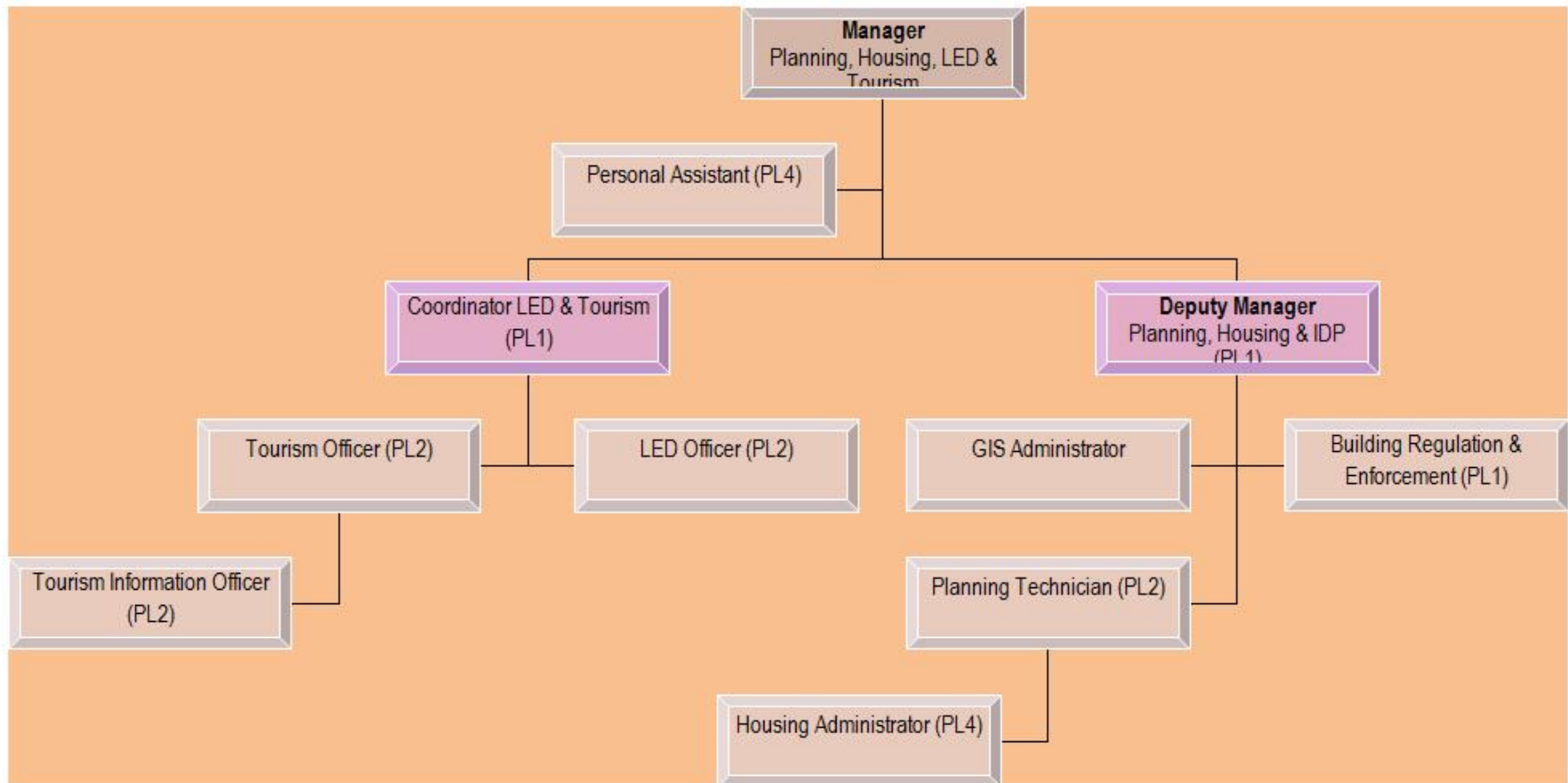


Figure 9: Community and Social Services

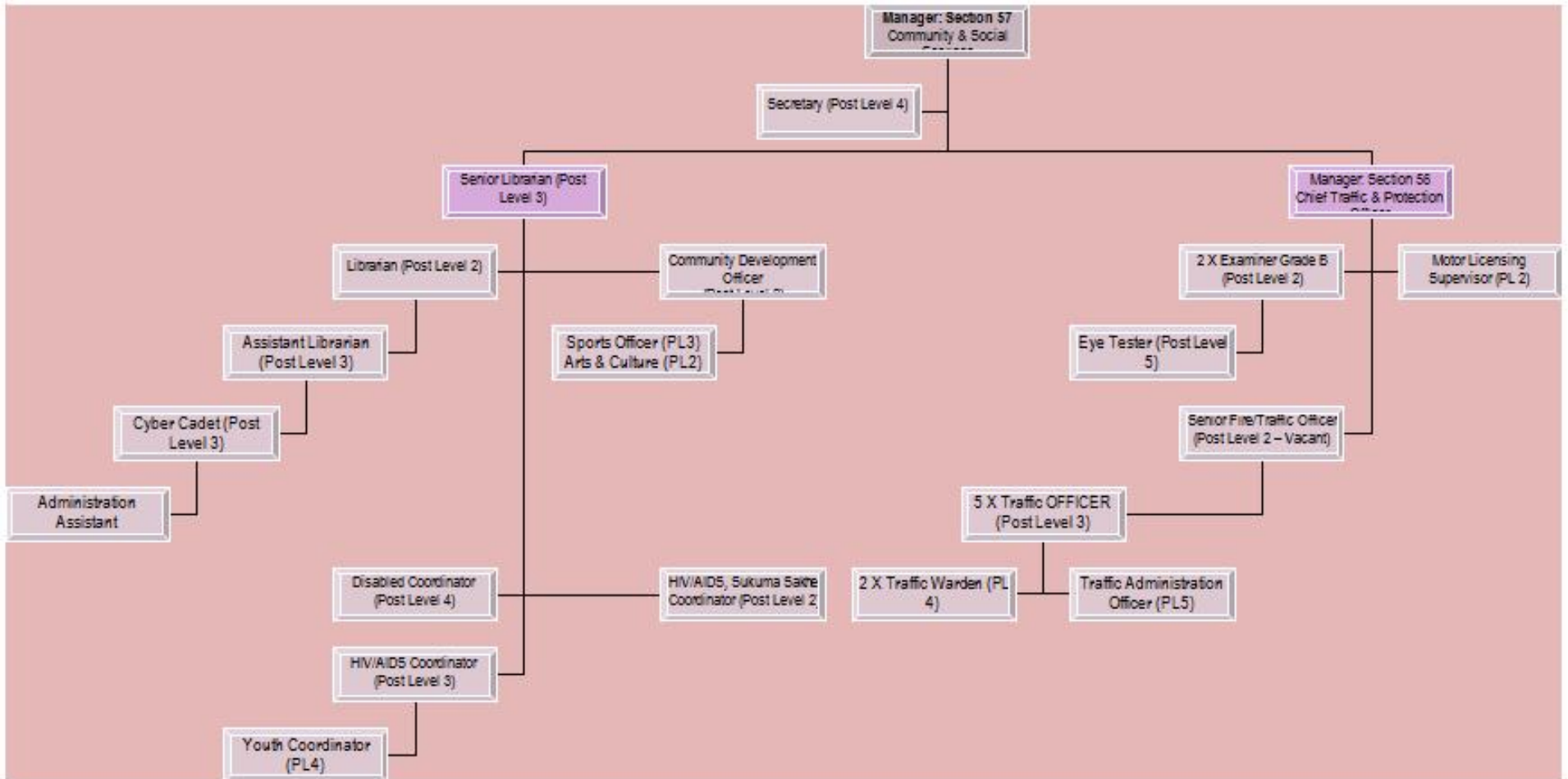


Figure 10: Budget and Treasury

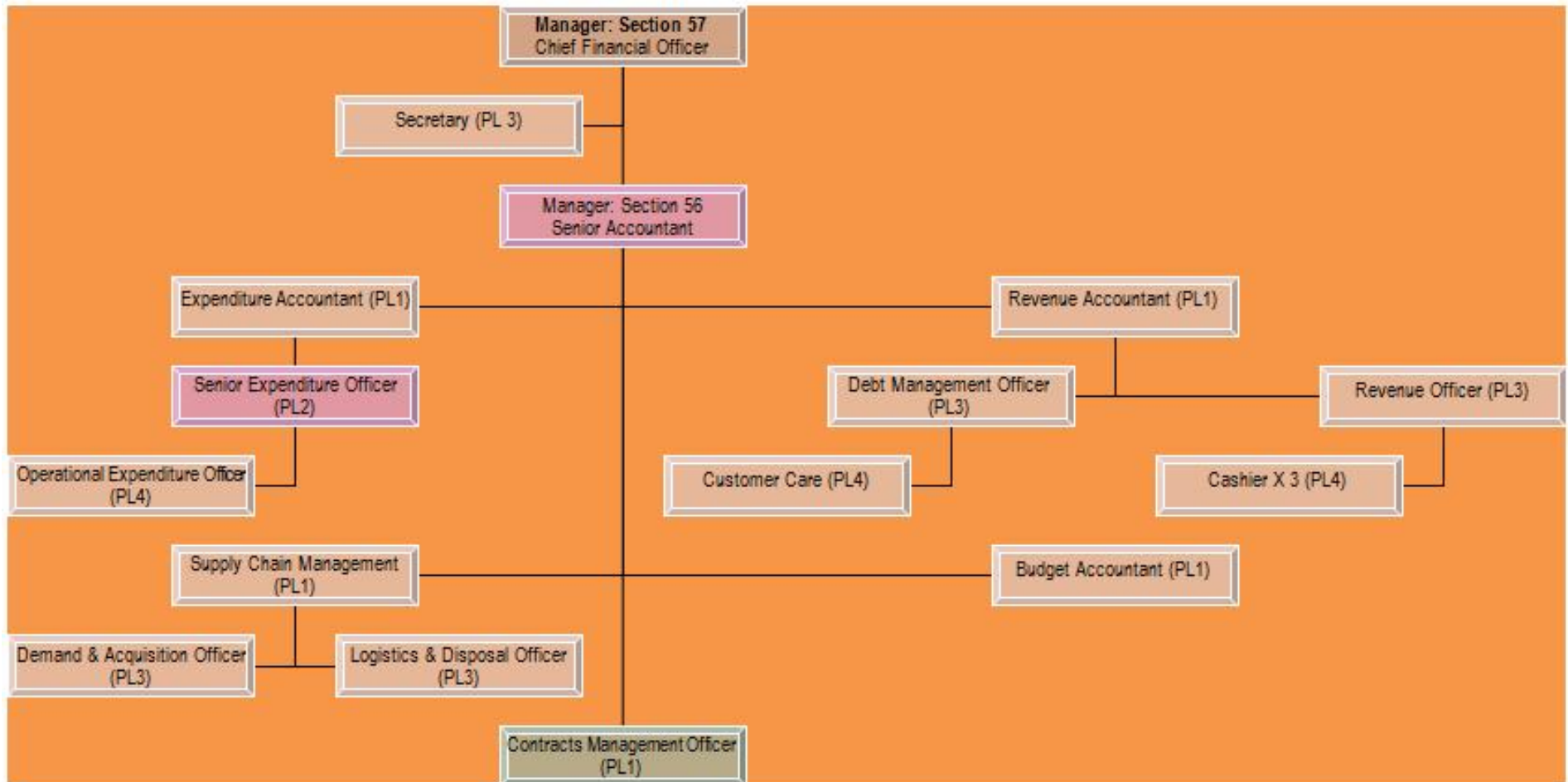


Figure 11: Corporate Services

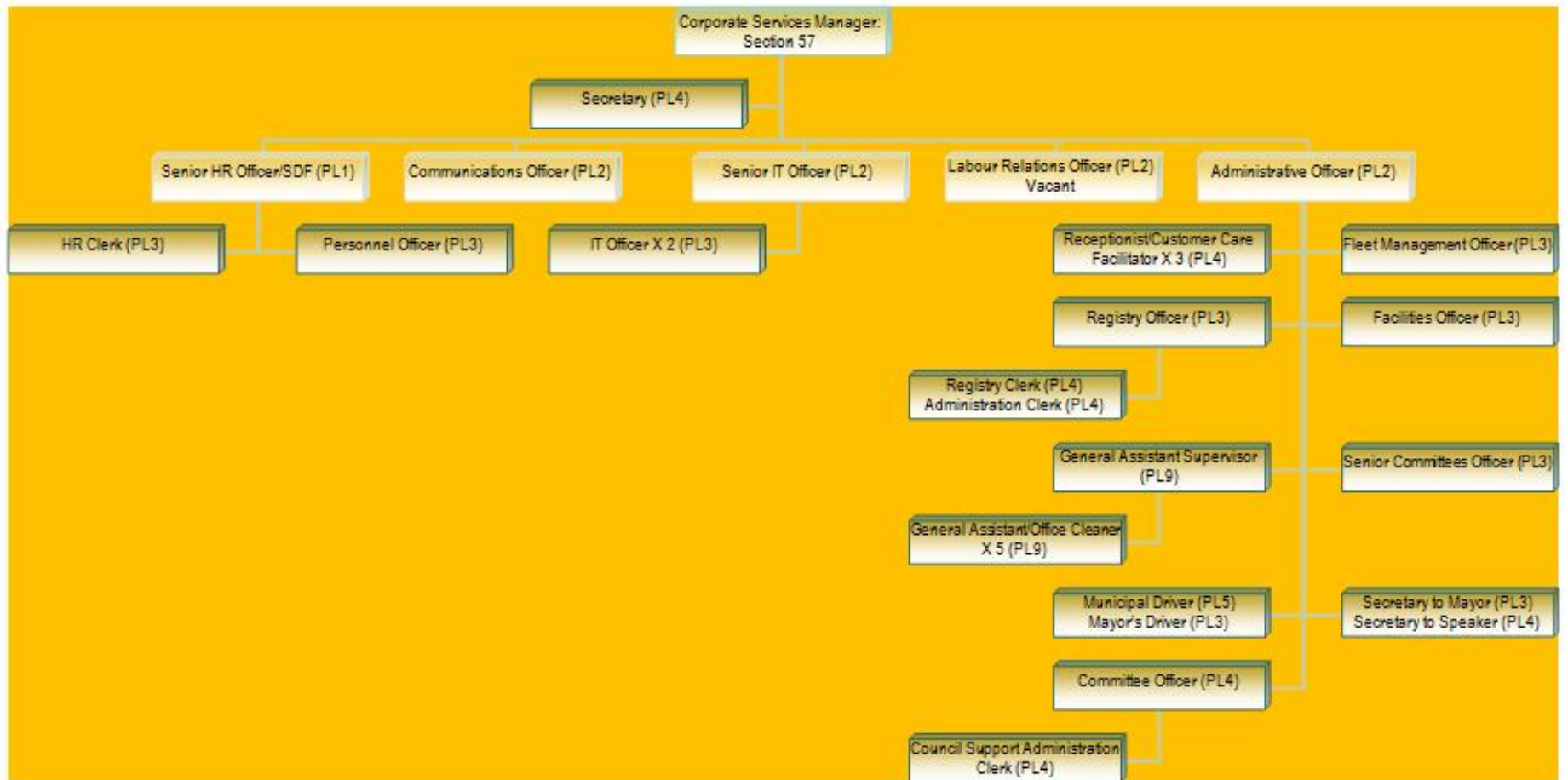
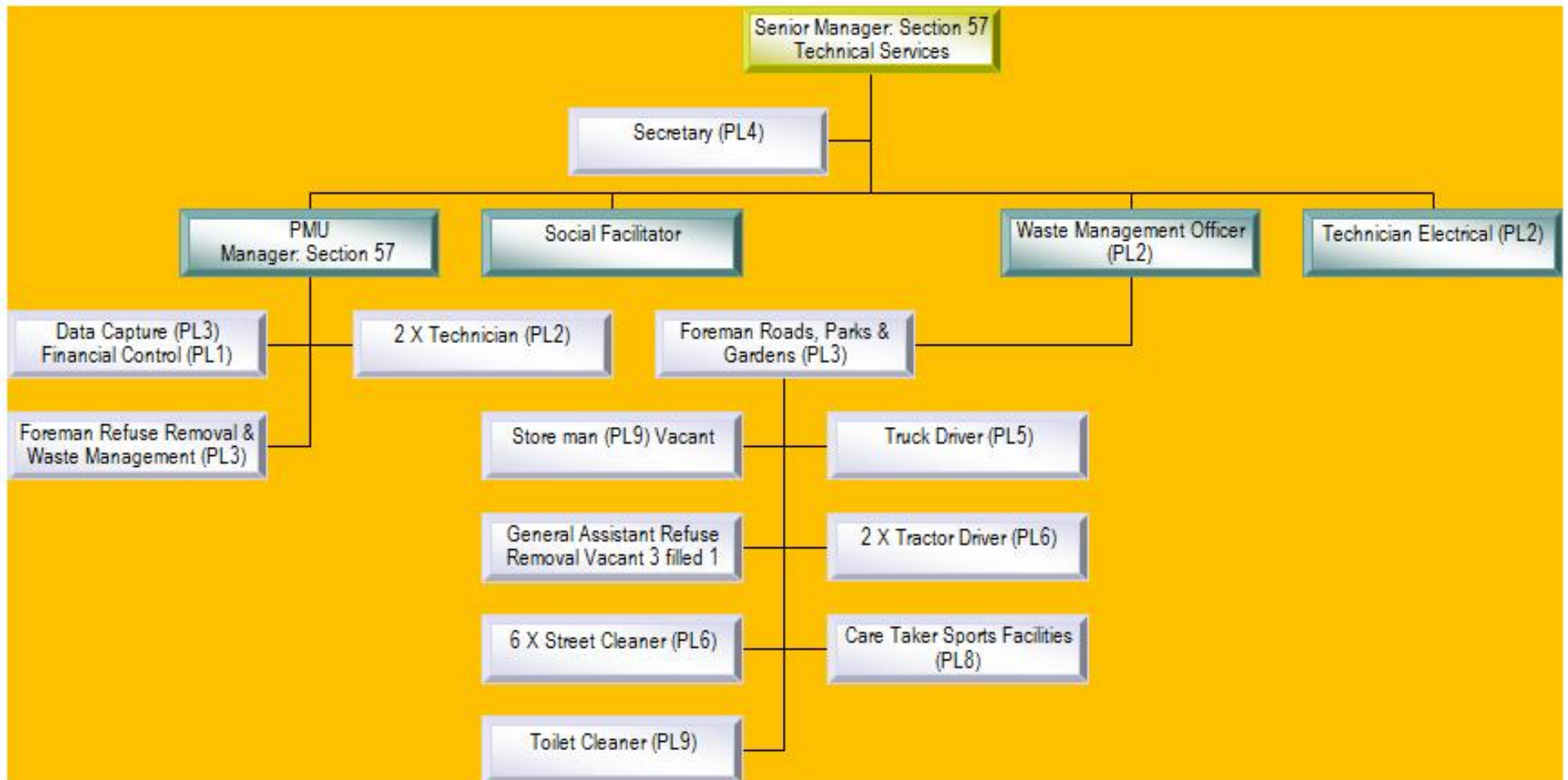


Figure 12: Technical Services



3.3.4. Municipal Transformation & Organizational Development Analysis: SWOT Analysis

Table 10: Municipal Transformation & Organizational Development: SWOT Analysis

Opportunities	Threats
<ul style="list-style-type: none"> ⇒ UMzimkhulu Local Municipality is declared as a Nodal Area having an opportunity to access funding and support from different stakeholders. ⇒ Good public and community participation. ⇒ Availability of capacity building programmes offered by both national and provincial government. ⇒ Political determination to assist on finance matters. ⇒ Introduction of Property Rates Act that will assist municipalities to maximize revenue and become sustainable. ⇒ Availability of finance best practices and prescripts. 	<ul style="list-style-type: none"> ⇒ The municipality has a low revenue base. ⇒ Low private sector investment. ⇒ High poverty rate. ⇒ High unemployment rates. ⇒ Appeals relating to valuation rolls. ⇒ Limited service providers in the specialized fields resulting in difficulty in applying the PPPFA. ⇒ Limited local service providers from preferential groups (women, disabled, youth and cooperatives). ⇒ Lack of local contractors with high CIDB grading.
Strengths	Weaknesses
<ul style="list-style-type: none"> ⇒ Improvement in Audit Opinion. ⇒ Ability to meet the clients and other stakeholders needs. ⇒ Committed team. ⇒ Internal good management and leadership. ⇒ Compliance with statutory regulations. ⇒ Having a revenue enhancement strategy. ⇒ Good customer service. ⇒ Introduction of policies and bylaws. 	<ul style="list-style-type: none"> ⇒ Lack of office space and conducive work environment.

3.4. SERVICE DELIVERY & INFRASTRUCTURE ANALYSIS

3.4.1. Water

Water in UMzimkhulu is mainly drawn from natural sources like streams, rivers and fountains. Water in many areas is not purified and this makes these areas exposed or prone to cholera and other diseases. Quality of water is generally poor. Water from the main pipeline supplies and from the boreholes is not always in working order. Of the funding that has been received by the municipality, part of it is for the planned water projects that were previously halted due to lack of funding. There are projects that have been identified to cater for the provision of water and sanitation to the community.

The municipality is however still in the process of providing the following services:

- ⇒ Provision of clean water to all communities;
- ⇒ Establishment of water purification works in all schemes;
- ⇒ Provision of basic sanitation services;
- ⇒ Conducting of health and hygiene education;
- ⇒ Developing a maintenance programme on water and sanitation services.

The following **Table 2** indicates households having access to piped water within UMzimkhulu Municipality:

Table 11: Households with access to piped water

Type of Water Source	Census 2001	Census 2011
Piped Water Inside Dwelling	2.6%	5.6%

Source: Statistics SA Census 2011

The above table indicates slight improvements to households' access to clean and hygienic water. The figures provided by Census 2011 indicate that only 5.6% of the households in the municipal area have access to piped water inside dwellings.

3.4.2. Sanitation

Rural areas under the jurisdiction of UMzinkhulu use pit latrines. Only 6.4% of the households have flush toilets that are connected to the sewerage. A main sewer line has been installed within the UMzinkhulu CBD and surroundings; therefore most CBD residents are using water borne sanitation system.

Table 12: Households with Flush Toilets connected to Sewerage

Type Sanitation Facility	Census 2001	Census 2011
Flush Toilets	2.3%	6.4%

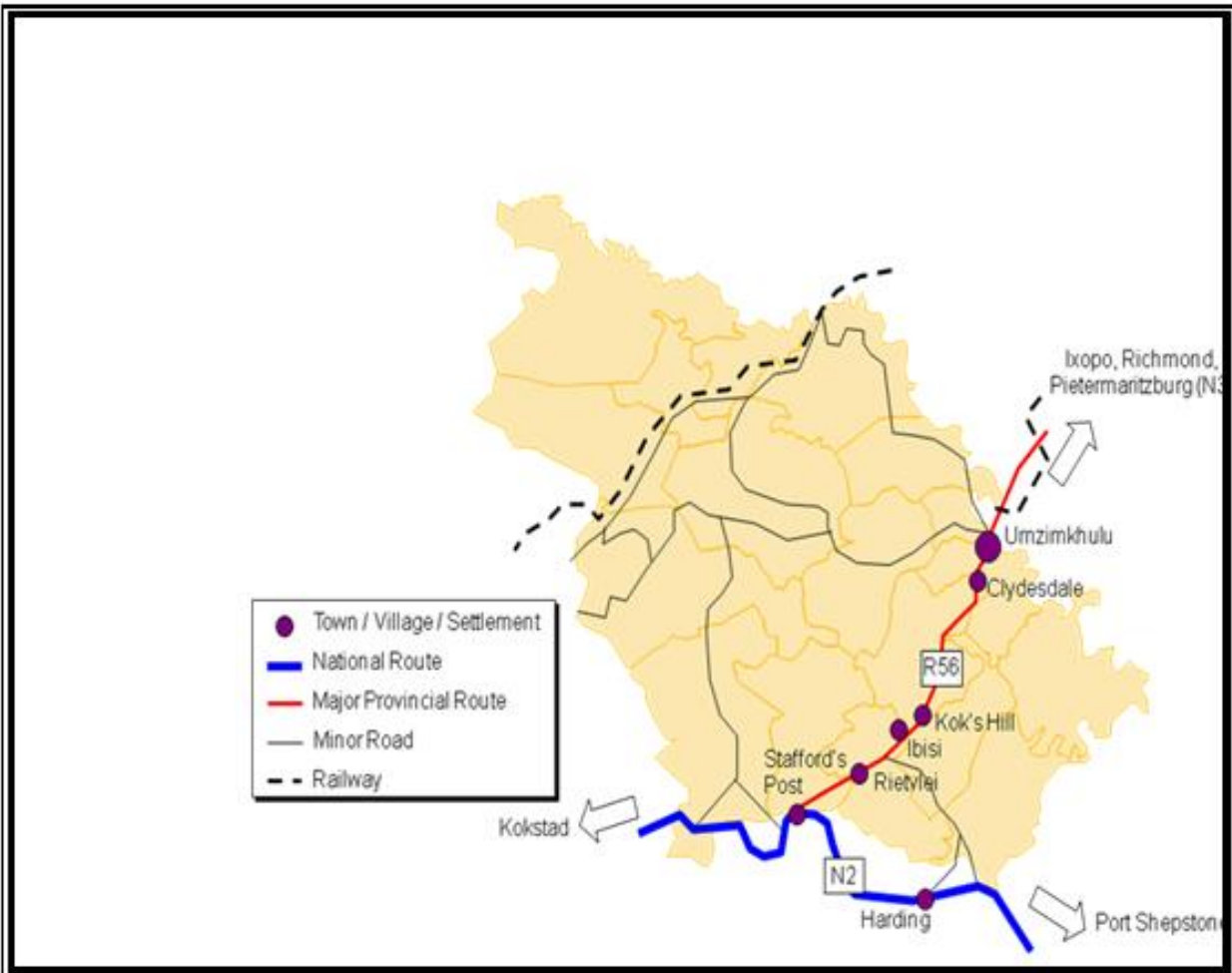
Source: Statistics SA Census 2011

A Draft Protocol to Manage the Potential of Groundwater Contamination from on-site Sanitation for UMzinkhulu Local Municipality has been developed. This Plan serves as a precursor for the development of a Sanitation Plan for the entire Sisonke District.

3.4.3. Transportation

R56, a major regional road going through the town of UMzimkhulu, connects different sections of the municipality with adjoining areas. There is a rail link connecting Pietermaritzburg with Riverside, Singisi, Kokstad and Matatiela. However, there are no national roads in the municipality.

Figure 13: Road network within UMzimkhulu



3.4.4. Solid Waste

Weekly refuse removal services in the municipal area has slightly improved to 8.3% in 2011 from 3.2% in 2001. Nonetheless, majority of the population in this area does not enjoy this service.

This service is currently only offered in the following areas:

- ⇒ CBD;
- ⇒ Ibisi;
- ⇒ Skoonplaas;
- ⇒ White city;
- ⇒ Emajardinini;
- ⇒ Extension 6 and 8;
- ⇒ Nyenyezi; and
- ⇒ Irbizweni

In 2008 the municipality purchased a refuse collection truck which is now fully operational. In addition tractors with tipper trailer augment this service at least once a week. The municipality intends extending the service to neighboring municipalities. Plastic bags are provided for the refuse collection. The refuse bins have been obtained for the CBD area during year 2008. There is a site however it is not properly managed partly because of the lack of machinery. The municipality is currently in the process of identifying suitable sites for locating landfill site.

Problems that are encountered with this service are as follows:

- ⇒ There is no recycling plant;
- ⇒ There is no weigh-bridge to weigh incoming refuse in-order to charge other users;
- ⇒ There is human resource capacity but funds are lacking;

Balance of areas use dug holes for refuse disposal however this method results in the pollution of underground water. Rural areas on the other hand use open trenches to dispose their waste.

3.4.5. Roads

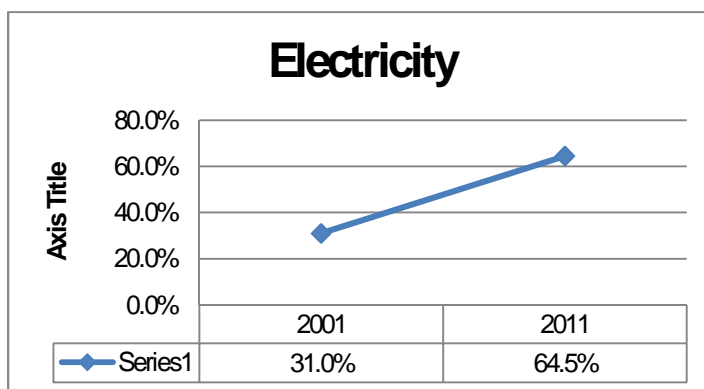
Over the years, the condition of road network has been a big challenge to UMzirkhulu Municipality. However, through the assistance of the Department of Transport (DOT) and other government departments, the municipality has received substantial assistance in addressing the challenge. The following has been achieved:

- ⇒ All new roads designs were approved by DoT;
- ⇒ 60.4km of roads were built during 2009/10;
- ⇒ 20.9 km build and some were finalized during 2010/11 and Spring, off Stral hoek to Mathathane, Mfundweni, Masamini to Nxaphanxapheni, Laleni, Mkangala to Nsingizi Access Roads are on design & Tender for implementation in the 2011/2012 Financial Year;
- ⇒ DOT is busy constructing access roads Magcakini-3.5km, Pholanyoni-8.1km, Jovinja-5.6km, Malazi-7.5km, Mthinjwa-4.3km, Nyanisweni-4.5km, James/ Mahawini-7.6km;
- ⇒ Total of 5.9km of roads have been surfaced (i.e. Main Street 100% complete = 1km; Skoonplaas 60% complete = 3.5km; Ntlambamasoka 100% complete = 1.4KM;
- ⇒ Through the NDPG, 1km long CBD road 2130 is under construction and a further 2km will commence during 2012/ 2013 FY;
- ⇒ Through COGTAs Small Town Rehab, programme, paving of specific muddy areas in town commenced in Nov. 2011;
- ⇒ 16.6km surfaced successfully P749 = 3km P601 =2.6km P417 =11km Construction of 24.6km in progress and 20.8km on design phase

3.4.6. Energy / Electricity

The municipality has experienced a significant improvement in the use of electricity as the number of households having access to electricity increased from 31% in 2001 to 64.5% in 2011.

Figure 14: Households uses of electricity



Source: Statistics SA Census 2011

3.4.6.1. Electricity Sector Plan

To date UMzimkhulu Municipality has substantially benefitted in the Rural Electrification Programme. Likewise, UMzimkhulu has developed an Electricity Sector Plan that addresses the objectives set out in the IDP as follows:

- ⇒ Forming linkages with Eskom in implementing plan

This plan serves as a means to communicate the priorities of the municipality and its people to Eskom:

- ⇒ Provision of access to make job creation possible

Universal access to electricity by 2017, will improve job creation possibilities. Access to electricity also gives UMzimkhulu access to digital and communications world, which the municipality is expected to improve both educational and job creation opportunities:

- ⇒ Improve local economic development Upgrading of existing electricity in all areas;
- ⇒ Acquiring a distribution license, establish local authority offices, a power station and its substations.

ESKOM highlighted the following as the municipal electricity challenges:

- ⇒ Meeting 2012 Government Expectation;
- ⇒ Mobilising Resources;
- ⇒ Integrating IDP with Eskom Plans;
- ⇒ Lack of Sector Planning from Local Municipality;
- ⇒ Government Special Programmes;
- ⇒ Feedback to Local Municipality's DORA Section 23

The following **Table 4** indicates the Status of Electrification within UMzimkhulu Local Municipality:

Table 13: Electrification Status ULM

No.	PROJECT NAME	SUBSTATION	WARD	CONNECTIONS	YEAR
1.	Chamto	Umzali	15	150	2013/14
2.	Mhqumeni	Umzali	15	140	2013/14
3.	Nsikeni	Corinth	3 & 4	2427	2013/14
4.	Mangeni	Corinth	1	1135	2014/15
5.	Bomvini	Corinth	3, 1 & 2	854	2014/15
6.	Vuka	Corinth	4 & 6	393	2015/16

7.	Ematyeni	Corinth	6	396	2015/16
8.	Gudlintaba	Corinth	6	473	2015/16
9.	Dumisa	Corinth	6	475	2015/16
10.	Siphangeni	Corinth	6	335	2015/16
11.	Nzombane	Corinth	3 & 18	341	2016/17
12.	Mawuse	Corinth	6 & 9	420	2016/17
13.	Driefontein	Corinth	8	425	2016/17
14.	Ncambele	Corinth	8	294	2016/17
15.	Rocky mount	Corinth	10	115	2016/17
16.	Ndawane	Corinth	1	513	2016/17
17.	Gaybrook	Ingeli	10	320	2016/17

The municipality is however striving to achieve the following:

- ⇒ Electrification of all areas in UMzimkhulu;
- ⇒ Upgrading of existing electricity in all electrified areas;
- ⇒ Establishment of local ESKOM/ electricity offices, a power station and its substations.

3.4.7. Human Settlements

The Municipality has a Housing Sector Plan that provides guidance in the roll-out of housing initiatives within the Municipality. A number of low cost housing projects were inherited from the Eastern Cape Government, which were delivered under the People's Housing Process. Almost all of these projects still experience land legal problems in the form of land invasions, encroachments etc. In this regard, the Municipality appointed consultants to assist in addressing the issues. The KZN Housing Department is also engaged in the process of resolving these issues.

A format to record the applications has been designed and the list of applications has been compiled. A building inspector has been appointed to oversee building processes. However there is a need to expand unit's capacity to deal with the applications and other associated responsibilities.

The municipality embarked on a land audit, which was completed in November 2007. The municipality is busy with an array of land legal and development issues which will result in the unlocking of various development parcels. Land Acquisition and Disposal Policy as well as the Implementation Plan (Procedure Manual) has been developed and approved by the municipality.

Following are other challenges that are negatively impacting on the implementation of the housing projects in the municipal area:

- ⇒ Dispersed low density settlement patterns make the cost of installing, operating and maintaining of physical and social infrastructure (roads, water, electricity, clinics, schools and police stations) very high;
- ⇒ Steep river valleys and hilly terrain, which create obstacles to accessibility, and limits the extent of agricultural production;
- ⇒ Weak road and communication linkages exacerbated by hilly topography, with few tarred surfaces and few bridges across rivers. In particular, north-south linkages are very poorly developed within and beyond the sub-region;
- ⇒ Lack of adequate bulk services and/or funding for the provision of bulk services within uMzimkhulu Municipality:
 - Adversely affecting the housing developments (both old and new projects) in the area. Bulk infrastructure is currently able to deal with only two projects (Riverside Phase 1 & uMzimkhulu Ext. 5 & 6);
 - Has limited the implementation of the resuscitation of the old housing projects which were formerly implemented by the Eastern Cape Provincial government to appropriately support housing delivery in the area in line with policy prescripts,
 - Packaging of new projects is also being adversely affected;
- ⇒ The majority of settlement in uMzimkhulu is vested with the Department of Rural Development and Land Reform. This poses a challenge as full township establishment (PDA) processes are required in order to provide individual title.

Housing interventions in the dispersed parts of the municipality need to be strongly directed towards the installation of infrastructure such as roads, water and sanitation to enhance the quality of life. Following proposed solutions can address some of these challenges:

- ⇒ Ring-fence MIG funding to support prioritized housing specific interventions;
- ⇒ Through integration with key stakeholders, the methodology to develop within a rural context be formalized for uMzimkhulu Municipality;
- ⇒ Extensive land audits be undertaken in order to inform a realistic Municipal Housing Sector Plan (MHSP) and Integrated Development Plan (IDP).

3.4.7.1. Housing needs and backlogs

There are two main ways of determining housing demand/need explored in by the UMzimkhulu Municipality. The first method uses census statistics. The housing backlog estimates based on census data takes into account both the population residing in informal settlements, and the creation of housing opportunities for those in inadequate formal shelter, such as outhouses or under conditions of overcrowding.

The second means of determining housing demand/need is through the analysis of the housing waiting lists where the municipality compiles a list of people who wish to receive housing support. This reflects the levels of demand for housing support.

According to the Reviewed Municipal Housing Plan (2010), in July 2008 there were 14 000 beneficiaries on the municipal housing waiting list. Of the 14 000 beneficiaries on the waiting list 11 600 have applied for low cost housing whereas 3 400 are for middle income housing. While the housing list is a useful tool to gauge the extent of housing need in the municipality it is currently (Municipal Housing Plan, 2010):

- ⇒ Not linked to the national Housing Subsidy System to verify whether the applicants qualify;
- ⇒ Captured using Microsoft Excel that does not allow/provide for income, gender and spatial representation of the information.

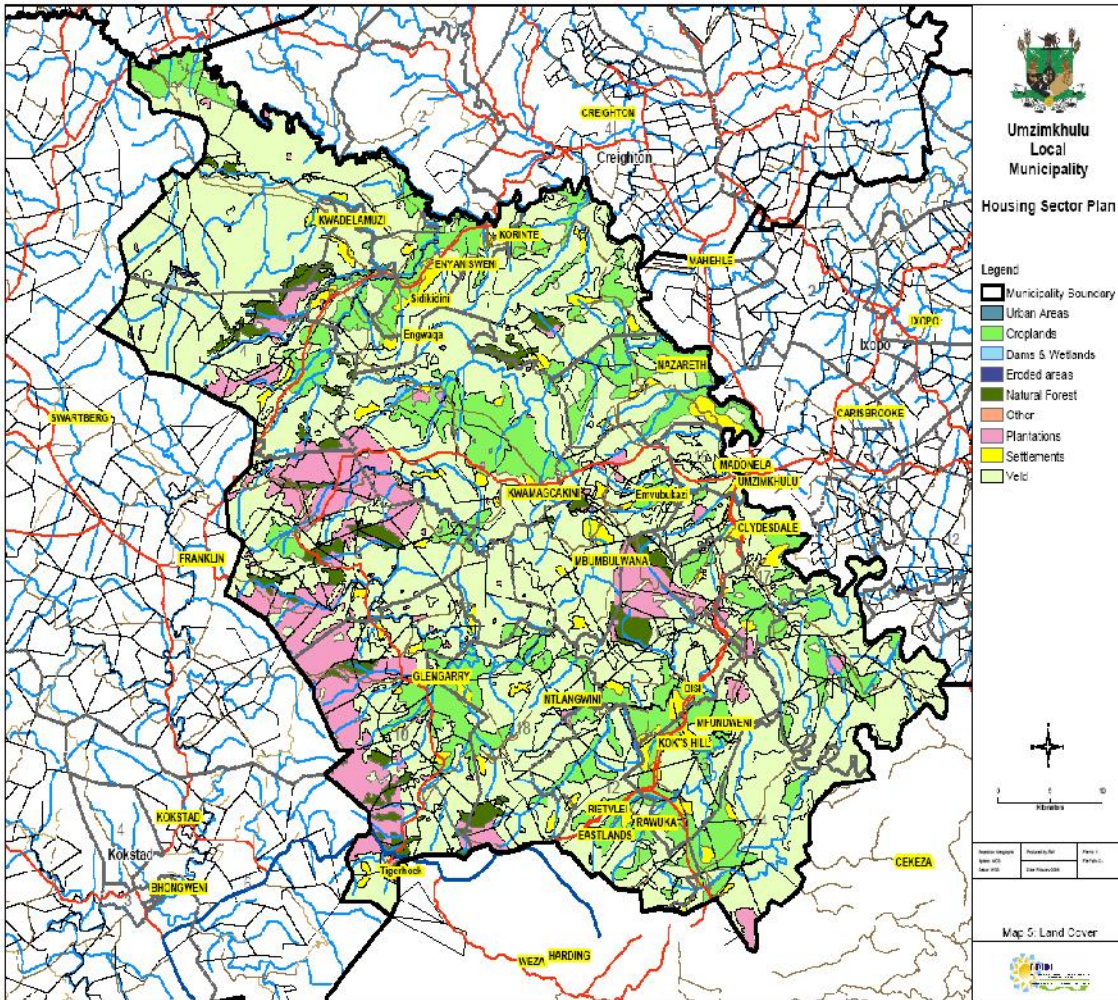
3.4.7.2. Identification of well-located land suitable for development

A large portion of the land within the municipality is held communally under ownership of the Department of Land Affairs/Rural Development and Land Reform. There are also lots of rural settlements within the municipality where land is owned under freehold title, although in some cases this land is utilized on a collective basis and individuals have access to that land on a communal basis.

By far the greatest need for housing services upgrade is in the tribal areas where the majority of the populations are located. The majority of the land is administered by the Tribal structures. According to the IDP the issues around the release of state land for housing upgrades and the mechanisms for registering ownership or use rights are currently being explored.

Below is the map which outlines current land cover in the municipal area. It is clear that the municipality has potential in agriculture subject to further investigations. Most of the land is currently used for grazing (veld) then croplands and plantations. It is crucial to note that products produced in this area are sold in its raw state. The majority of the housing projects are located in proximity to the existing settlement.

Figure 15: Housing Sector Plan



3.4.7.3. Investigation, verification and alignment of identified land with SDF

According to the Municipal Housing Sector Plan, all areas within the municipality requires housing which varies in its form from low cost, rural and middle income housing. Based on this assertion this section, only attempts to determine which areas have the highest number of people in need.

In terms of the municipal housing list, ward 16 and 17 have the highest number of registered applicants. Ward 16 is constituted of the lower parts of Mvubukazi next to the Mvubukazi River, Mbizweni, Nyenyezi and the urban centre (Sisulu, Majalidini, White City, Sisulu and Skoonplaas. Ward 16 has the highest population densities in the municipality with densities ranging from 500 to 1000 people per square metre. Furthermore, the highest number of informal units is found in the urban centre particularly in Skoonplaas and Sisulu. Ward 17 is made up of the peri-urban centres of Clydesdale, Ebuta Farm and Fountain. These areas have population densities of ranging from 250 to 1000 people per square kilometre.

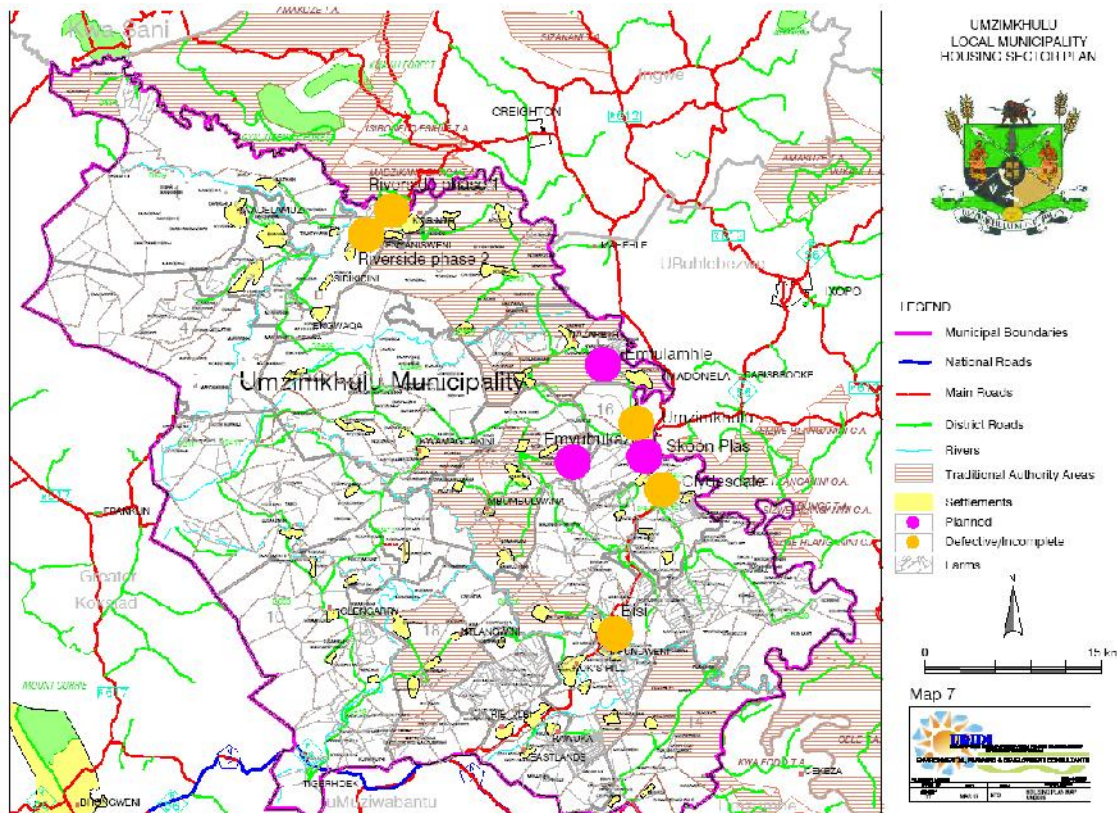
There are inherent spatial challenges associated with housing development in the rest of the municipality herewith listed below:

- ⇒ Dispersed low density settlement patterns make the cost of installing, operating and maintaining of physical and social infrastructure (roads, water, electricity, clinics, schools and police stations) very high;
- ⇒ Steep river valleys and hilly terrain, which create obstacles to accessibility, and limits the extent of agricultural production;
- ⇒ Weak road and communication linkages exacerbated by hilly topography, with few tarred surfaces and few bridges across rivers. In particular, north-south linkages are very poorly developed within and beyond the sub-region.

Housing interventions in the dispersed parts of the municipality need to be strongly directed towards the installation of infrastructure such as roads, water and sanitation to enhance the quality of life.

Below is the map which outlines the spatial location of the projects in the municipal area. The UMzikhulu, Clydesdale and Skoonplaas housing projects are located within the UMzikhulu primary corridor where there are retail activities and bulk infrastructure. The Mubukazi and Emfulamuhle are rural projects at the periphery of UMzikhulu corridor. The Ibisi and Riverside projects are located within the secondary corridors in terms of the current SDF.

Figure 16: Housing Areas



Irrespective of the challenges faced with regards to addressing housing issues, the Municipality with the assistance from The Department of Human Settlement and Department of Social Development has constructed or is in the process of constructing following number of houses on different wards:

3.4.7.4. Current Projects 2011/12

Riverside Phase 1

This project is currently being implemented by Provincial Department of Human Settlements. It was decided that the old defective structures should be demolished as they did not meet the National Housing and Building Regulation Council Regulations. The project is currently at foundation phase. 470 sites were initially approved before the project was blocked. On unblocking the project 208 beneficiaries could not be traced. As a result thereof these sites were deregistered and subsequently registered to new beneficiaries. As the project stand there are 262 registered sites, with 184 sites awaiting approval, while 24 sites are still unregistered.

Operation Sukuma Sakhe Housing Project

This project was identified by the Department of Social Development to provide housing for families who live in houses that the extent of defect is classified as life risk. There is no fixed number of units planned as the identification of these families is ongoing. A show house has been built at Lourdes. Villages in Ward 6 and 9 have been identified, these include amongst others, Mvubukazi, Chancele, Mambulwini, Ndzelu and Mahawini.

3.4.7.5. Planned Projects 2012/13

The projects planned for the 2012/13 Financial Year are made up of rectifications of the blocked projects that were transferred from the Eastern Cape in 2006. These projects are implemented by the Provincial Department of Human Settlements.

Riverside Phase 2

This project is at an advanced planning phase. It is one of the projects that were transferred from the Eastern Cape currently implemented by the Provincial Department of Human Settlements. The project is scheduled to commence in the 2012/13 financial year. There are two main activities that are delaying the implementation of this project, that is, the finalization of the Land Transfer from the Department of Land Reform and Agriculture.

Ibisi

This project is also at an advanced project planning phase. It is made up of 636 of which 560 units had been constructed. These now constitute the list of defective projects that are subject to rectification. Commencement of the project is scheduled for the 2012/13 financial year on completion of the installation of bulk services by the Sisonke District Municipality.

Clydesdale

The original project was made up of a total of 900 subsidies. This project has encountered a number of problems. First, the NHRBC declared the units structurally unsound for human habitation. Second, the allocated sites have been evaded. Consequently, the initial beneficiaries have to be deregistered and then reallocated new sites. Third, the bulk services were not installed. Finally, the disputed ownership of land between the state and the community of Clydesdale and the state has finally been resolved with the ownership transferred to the municipality.

UMzimkhulu Extension 5&6

The project is made up of a total of 709 units of which 705 beneficiaries had already been approved. Similar to the other projects that were developed through the People's Housing Process these units were all found to be structurally defective by the NHRBC. Secondly, there have been encroachments on the sites which required re-surveying of the sites. The community has conceded to the rectification process that is scheduled to commence in the next financial year.

UMzimkhulu Extension 9&10 – Slums Clearance

This is a slums clearance project made up of a total of 100 units. The project is now scheduled to commence in the 2012/13 financial year using the funds that were transferred from the Eastern Cape in 2007.

3.4.7.6. Future Projects 2013/14

UMzimkhulu Villages

This project constitutes 1850 units that make up rural housing in uMzimkhulu Municipality. The scheduling of these projects is largely informed by the estimated period for the release of land and supply of bulk water. The water schemes have already been constructed in some of the villages.

However, the land for the project area is vested to the Department of Rural Development.

Table 14: Future Projects

Project Area	No of Units	Subsidy Instrument
Mvubukazi	500	Rural
Mabandla	500	Rural
Khiliva	500	Rural
Roodevaal	350	Rural

Skoon Plaas

This project constitutes 100 units that are situated below the demarcated flood line. The Reviewed Housing Sector Plan (2010) indicates further investigation is required as it has not been determined whether this argument remains valid after the flood mitigating studies conducted by the municipality. Second, the plan depicts that ownership of these properties requires investigation as the current inhabitants are not the legal owners of the land.

3.4.7.7. Unclassified future projects

The municipality has a list of 109 future projects made up of 31 348 units. If this list is taken at face value it will mean that every household in the municipality requires housing support which renders this list invalid. Second, these projects have not been scheduled in order of priority. With the new council in office, the process of classification becomes urgent as this list has been carried over from previous housing plans. Furthermore, these projects have not been assessed for feasibility. Consequently, cash flow projections of these projects have not been done. The Housing Sector Plan therefore proposes that the list should be given serious consideration by council to draw annual projects.

3.4.8. Infrastructure Investment Plan:

The municipality is currently developing an Infrastructure Investment Plan that will be ready for adoption by the Municipal Council before the June 2013 submission to COGTA. This plan will give detailed analysis of the situation of the infrastructure within UMzimkhulu and interventional strategies meant to address the identified gaps or challenges.

3.4.9. Conclusion on Housing Processes

Based on the assessment and compilation of the information and findings reported the following conclusions and their respective recommendations are drawn.

- ⇒ The UMzimkhulu Municipality is home to approximately 180 302 people. The municipality has recorded a 0.34% growth in population between 2001 and 2011. This puts the municipality under pressure to deliver housing;
- ⇒ The conditions under which families live in the Municipality are severe. These conditions include high levels of poverty, poor access to services and social infrastructure. The single contributors to underdevelopment in the Municipality are the high levels of poverty coupled with low levels of education as well as the rural nature of the area;
- ⇒ Unless the Municipality considers economic development strategies that will create a vibrant local economy, the high levels of state dependency and the inability of households to adequately meet their basic needs including housing will continue into the future. Secondly, the spatial location of projects should focus on increasing access to opportunities, thus the proposals to locate on nodes and corridors should be emphasized;
- ⇒ UMzimkhulu Municipality has a housing waiting list that is used to quantify the need for housing development. More than 14 000 beneficiaries on the list have not been verified for qualification through the national system. To ensure the accuracy of the housing waiting list it needs to be linked to the municipal housing list to the National Housing Subsidy System (HSS);
- ⇒ The majority of settlement in uMzimkhulu is vested with the Department of Rural Development and Land Reform. This poses a challenge as full township establishment (PDA) processes are required in order to provide individual title;
- ⇒ There is limited land in the urban centre for further development. There are a number of peri-urban settlements in the municipality that offer a viable alternative to the CBD. The municipality has developed a layout plan for the new CBD. A PDA application is underway to unlock development of the new CBD;
- ⇒ The regeneration of the CBD could offer immediate opportunities for the development of a diversified housing market that will attract both middle income and high income earners. Thus the municipality needs to consider public private partnerships to roll out middle and high income housing opportunities that will enable it to generate revenue on property tax while encouraging more business development in the area;

⇒ Municipality is still facing backlogs in providing bulk services but it is striving to address this challenge;

Table 15: SWOT Analysis for Service Delivery & Infrastructure

Opportunities	Threats
<ul style="list-style-type: none"> ⇒ Room to provide water services; ⇒ Ground Water Contamination Plan serves as a precursor for the development of a Sanitation Plan for the entire Sisonke District; ⇒ Room to facelift the CBD; 	<ul style="list-style-type: none"> ⇒ Waterborne diseases; ⇒ Slow development; ⇒ Lack of bulk services adversely affecting the housing developments (both old and new projects) in the area; ⇒ Lack of bulk services adversely affects packaging of new projects; ⇒ Majority of settlement in uMzimkhulu is vested with the Department of Rural Development and Land Reform. This poses a challenge as full township establishment (PDA) processes are required in order to provide individual title; ⇒ Dispersed low density settlement patterns make the cost of installing, operating and maintaining of physical and social infrastructure (roads, water, electricity, clinics, schools and police stations) very high;
Strengths	Weaknesses
<ul style="list-style-type: none"> ⇒ Slight improvements to households' access to clean and hygienic water ⇒ Main sewer line has been installed within the uMzimkhulu CBD and surroundings; ⇒ A Draft Protocol to Manage the Potential of Groundwater Contamination from on-site Sanitation for uMzimkhulu Local Municipality has been developed; ⇒ There is a rail link connecting Pietermaritzburg with Riverside, Singisi, Kokstad and Matatiele; ⇒ R56 connects different sections of the municipality with adjoining areas; ⇒ Weekly refuse removal services in the municipal area has slightly improved; ⇒ Municipality has a refuse collection truck which is fully operational; ⇒ Tractors with tipper trailer augment this service at least once a week; ⇒ Municipality has experienced a significant improvement in the use of electricity 	<ul style="list-style-type: none"> ⇒ Lack of water and sanitation services ⇒ There are no national roads in the municipality; ⇒ Majority of the population does not enjoy the refuse removal service; ⇒ No recycling plant; ⇒ No weigh-bridge to weigh incoming refuse in-order to charge other users; ⇒ There is human resource capacity but funds are lacking; ⇒ Lack of adequate bulk services and/or funding for the provision of bulk services within uMzimkhulu Municipality; ⇒ Majority of settlement in uMzimkhulu is vested with the Department of Rural Development and Land Reform; ⇒ Dispersed low density settlement patterns;

3.5. LOCAL ECONOMIC & SOCIAL DEVELOPMENT ANALYSIS

3.5.1. Local Economic Development Analysis

UMzimkhulu Municipality adopted a Local Economic Development Strategy (LED) in July 2007. However, the municipality is currently seeking funding to review the LED Strategy since it is over 5 years old now. The national framework for LED in South Africa aims to support the development of sustainable local economies through integrated government action. This government action is developmental and stimulates the heart of the economy, which consists of a collection of enterprises including cooperatives that operate in local municipal spaces.

LED is one of the five Key Performance Areas (KPA's) for Local Government. As a key performance area, LED is strongly interrelated and dependent on the other four KPA's. The alignment of the Municipal LED Plan with National and Provincial objectives will be catered for when the strategy is being reviewed. However, the District Municipality is in the process of developing its LED Plan and alignment with district objectives will also be considered in the review of the plan.

The municipality is currently reviewing the LED and Comprehensive Agricultural Plan that will be incorporated in the SDF.

The strategy identified the following sectors as the sectors that currently exist in UMzimkhulu.

- ⇒ Agriculture;
- ⇒ Forestry;
- ⇒ Community , social and other personal services;
- ⇒ Trade and tourism;
- ⇒ Informal Traders Development Plan

3.5.1.1. Agriculture

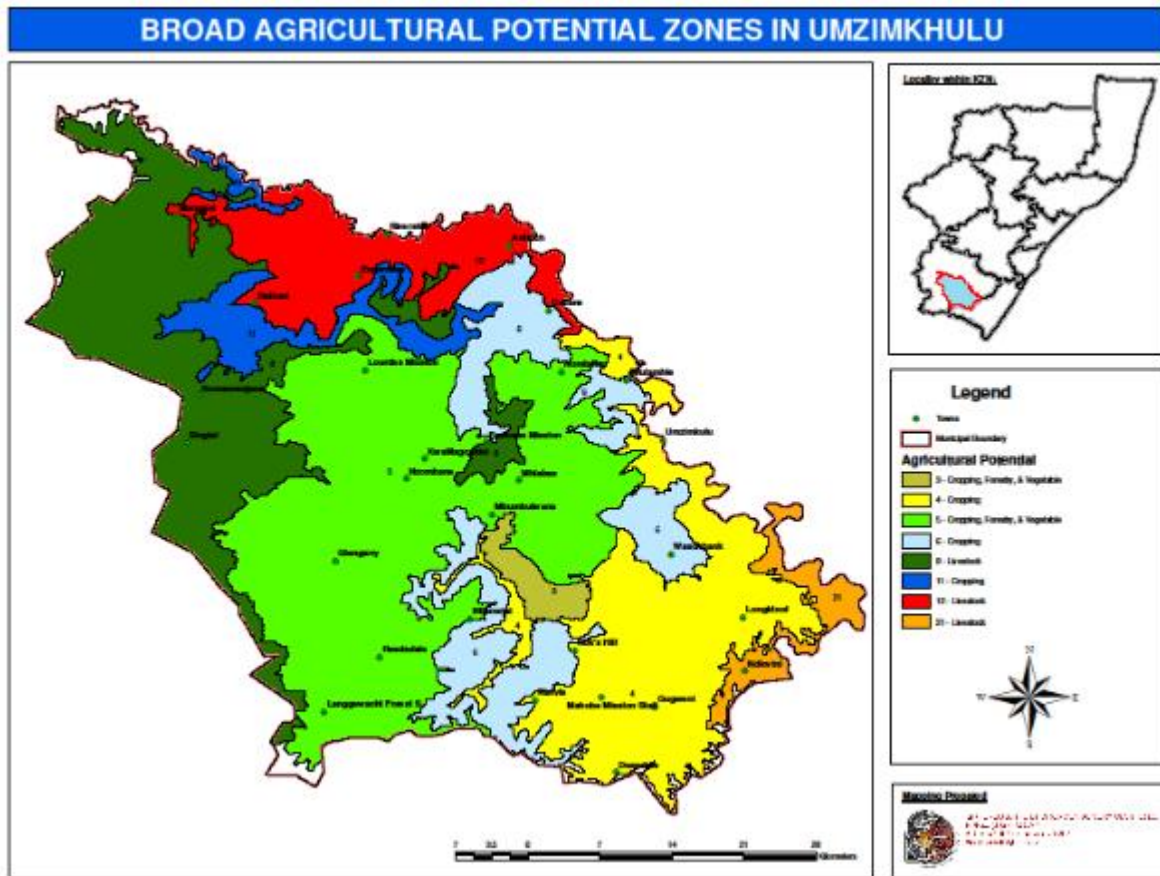
The municipality has developed an Agriculture Development Plan. Agriculture sector accounts for the largest formal number of employees in the municipality. The Plan has identified a number of land parcels within UMzimkhulu that have potential for various farming practices. Following 10 different types of agricultural land use were identified by the Plan:

- 1) Settlements and towns where there is no or limited cultivation taking place;
- 2) Homesteads with gardens in villages;
- 3) Household production with external lands;
- 4) Small scale farmer production;
- 5) Large scale production;
- 6) Plantation crops;

- 7) Woodlots;
- 8) Livestock production where large areas of grass and bush land in UMzimkhulu are being used for livestock grazing, particularly for cattle, sheep and goats;
- 9) Citrus production;
- 10) Deciduous fruit production

The map following depicts the broad agricultural potential zones in UMzimkhulu.

Figure 17: Broad Agricultural Potential Zones in UMzimkhulu



3.5.1.2. Forestry

Forestry makes up most of the income generation in UMzimkhulu however most of these forests are privately owned. Singisi Forest is the biggest stakeholder of forestry in UMzimkhulu. According to information obtained through interviews the forests cover 60 000 hectares. Singisi Forests is looking at expanding to twice the current capacity. Currently they have three (3) sawmills and a mushroom plant. The mushroom plant deals with packaging and exportation of mushrooms that are found in all the pine forests.

These forests currently have pine, gumtree and wattle as the planted species. The pine is used for making furniture, building material, chemicals and cosmetics (pine gel). The gumtree and wattle don't create jobs in the area as they are mostly used for paper manufacturing and UMzimkhulu doesn't have the plants to manufacture paper so it is sent to manufacturers in Richards Bay as a raw product.

The main threat to the forests is veld fires and livestock. Singisi has a fleet of fire extinguishers however more still needs to be done in the actual prevention of veld fires.

As part of their Corporate Social Responsibility Plan the Hans Merenskie group (Singisi Forests) has community development projects that target education, training and capacity building. The companies achieve this through providing bursaries, building schools and community clinics etc. Furthermore Singisi Forests have opened a trust fund in the areas where they have forests so they could plough back the money they make from the natural resource of the community. The trust fund is used at the community's discretion.

3.5.1.3. Community, social and other personal services

This is the second largest employment sector. It includes public administration, education, health and social work and other community, social and personal service activities and recreational, cultural and sporting activities.

3.5.1.4. Trade and tourism

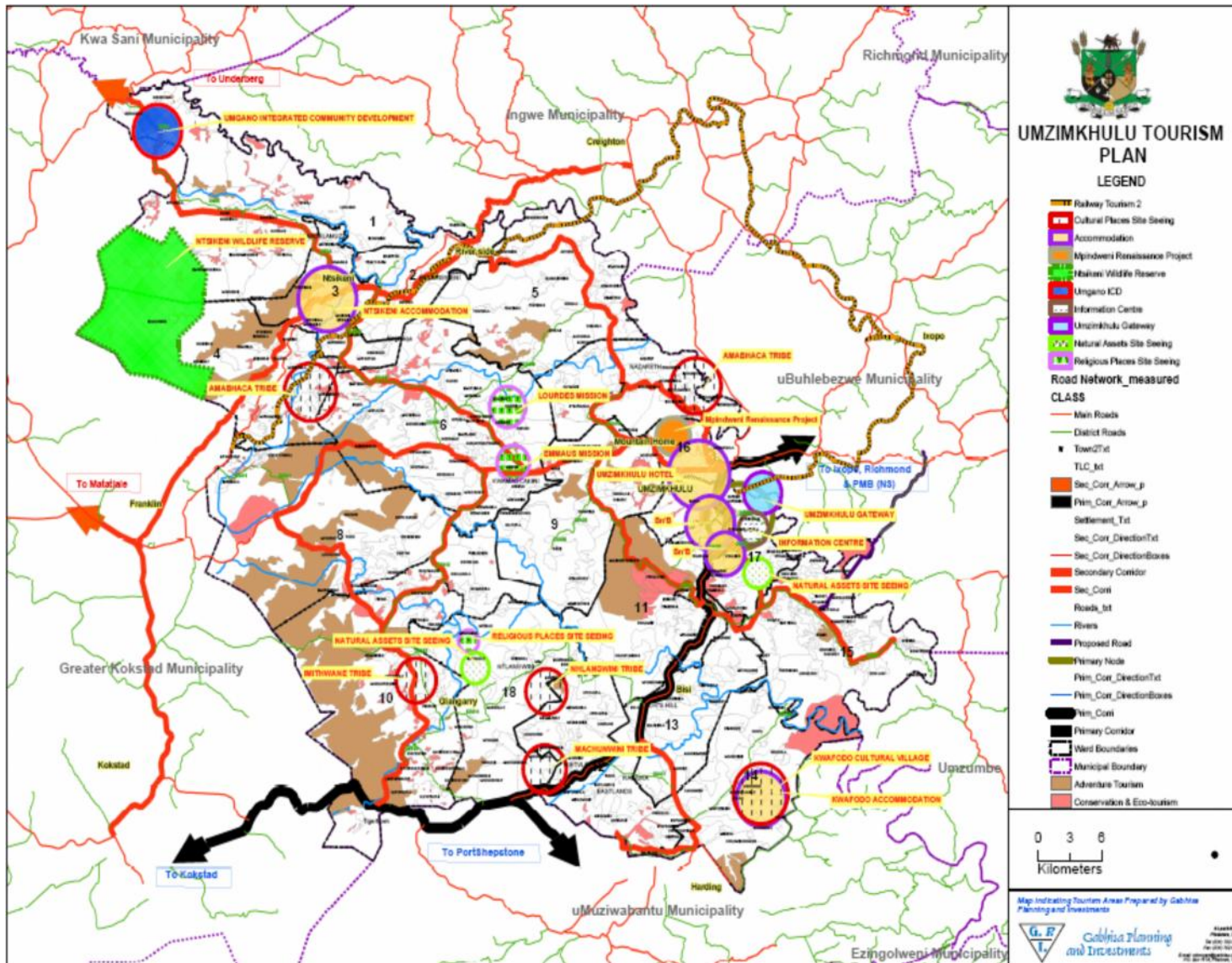
This is the third largest sector. It includes wholesale and retail trade, repair of motor vehicles, personal and household goods, accommodation establishments that to a large extent fall within a category of formal economy.

The tourism product is a combination of eco- and cultural tourism. The broader retail, wholesale, catering and accommodation sector contributes 12% of GDP and 12% to employment. Private and public-private tourism initiatives e.g. the development of the rail tourism in neighboring municipalities is underway and herein lies the potential to grow tourism in UMzimkhulu.

Tourism is recognized as one economic contributor that has major potential in boosting the economy of UMzimkhulu. The sector has just recently been explored with only a few projects completed. The competitive advantage of this sector is the availability of beautiful scenery, wildlife, monumental places and forests that harbor rich bio diversity. It must be highlighted that the Municipality has completed its Tourism Sector Plan which highlights various tourism attractions within the Municipality and strategies towards their development. A number of projects were also highlighted.

Currently this sector is not properly marketed or advertised. However for the growth of this sector various infrastructural assets that hamper the functioning of tourism require upgrade. The following map indicates spatially the UMzimkhulu Tourism Sector Plan:

Figure 18: Tourism Sector Plan



Economic activity in the **informal economy**, which has historically been difficult to define, is also growing. In the context of UMzimkhulu the informal economy ranges from people selling on tables on the street side to people operating from the transido and mobile vendors. The working conditions of most of these traders are not conducive to the growth of their businesses. The economy is also very fluid in that the consumer trend / interest is unpredictable for the kinds of goods they generally sell... Although some street furniture is provided some of it is left unused as the traders complain that there are no customers coming towards their direction. This furniture has become a “waiting area” for school children that are waiting for transport and need shade from the sun.

The traders that are selling from the streets and at the stands in the rank also have a problem with ablution facilities, amongst other things. There is poor parking space organization for both deliveries and customers, and issue that can potentially discourage potential customers. There are also no storage facilities for these vendors and they end up renting at the transido's to keep their goods overnight. Even such space is not enough for all the traders.

The transido's accommodate hair salons, dressmakers, catering, appliance repairs, herbalists and a driving school. The workers that are operating from transido's are operating with no water and ablution facilities.

3.5.1.5. Finance and Business Services

This sector has average performance in terms of number of employees but substantial GDP contribution and rapid growth over the last decade. However this sector is largely dependent on the growth of the other sectors and the potential for direct growth in this sector is limited.

3.5.1.6. Local Economic Development: SWOT Analysis

Table 16: LED SWOT Analysis

STRENGTHS	OPPORTUNITIES
<ul style="list-style-type: none"> ✓ High quality soil / fertile ✓ River streams with abundant water ✓ Excellent weather for high value agriculture production ✓ Forestry makes up most of income generation particularly those privately owned e.g. Singisi forest ✓ Trade / Business is the fourth largest sector ✓ Retail give this sector high potential growth ✓ Rich agriculture land; ✓ Good climate; ✓ Rich in tourism sites; ✓ Gateway to Eastern Cape Province; ✓ 	<ul style="list-style-type: none"> ✓ Schools with agriculture subjects ✓ New appointment of staff in the department of agriculture ✓ Equipment from the department of agriculture ✓ Proposed maize mill at UMzimkhulu ✓ Singisi the biggest stakeholder with community development projects targeting educ. training and capacity building ✓ Furntech incubator for training and incubation to small scale furniture manufactures ✓ There is room for trade and business opportunities in all nodal points i.e. Riverside, Clydesdale, ✓ Presidential node receiving attention from national and provincial government ✓ Potential to practice agriculture; ✓ Attract tourism/related activities; ✓ Potential to stimulate economy of municipality
WEAKNESSES	THREATS
<ul style="list-style-type: none"> ✓ People too dependent on government for agriculture development ✓ Low skill level due to low educ. Levels ✓ Lack of abattoirs critical for stock farmers ✓ Veld fires and livestock ✓ Poor access to land through suitable roads: a stumbling block results in high cost of getting products to the market. ✓ Lack of human resources ✓ Lack of ablution for informal traders ✓ Poor parking for both deliveries & customers ✓ Poor road conditions limit access to some destinations ✓ Lack of parking in the CBD ✓ Outdated LED Strategy; ✓ Outdated Tourism Strategy; ✓ Poor road infrastructure; ✓ High Illiteracy rate; ✓ 	<ul style="list-style-type: none"> ✓ Youth not interested in agriculture activities ✓ Theft of livestock ✓ Water and forest plantation License closure by land affairs in UMzimkhulu. ✓ Frequent Veld fires due to negligence & ignorance about environmental impact and its beauty destroyed ✓ Pollution and improper waste disposal of both domestic and business waste. ✓ Land invasion a major problem in terms of land tenure. ✓ Town appearance renders it unattractive to visitors

3.5.1.7. Conclusion

LED in UMzimkhulu has various sectors that need to be developed. It is important to emphasize that the importance to identify and build on the agricultural, forestry and tourism potential of the area and target investment to LED related initiatives and programmes taking place outside of the urban centres that have potential for growth and to generate economic spin-off benefiting the large number of rural poor.

LED in the area can be better achieved through the formation of partnerships with the various private and public entities. The LED will improve the livelihoods of most households in the area and this can be achieved by improvement of other sectors in the area. For example the road condition has a bearing on the accessibility of the various tourist destinations in UMzimkhulu.

The transport system will also need to be improved and regulated to cater for the projects that are far from the main mobility routes. The transport system will also ensure accessibility to the remote areas.

3.5.2. Social Development Analysis

3.5.2.1 Education Profile

Education levels have a major bearing on the quality of life. The inability of an individual to perform certain basic functions due to illiteracy is also part of elements that define human poverty. Low educational levels are likely to push individuals to unemployment and to low paying jobs. Low educational levels also limit the ability of an individual to learn new skills and be trained.

In 2011 6.4% of the population in UMzimkhulu did not go to school. Approximately 2.1% had higher education and 15.2% had matric. However, primary education enrollment for the 6-13 years was standing at an impressive 93.9%. This is encouraging and the municipality together with other government tiers should strategize to ensure that these pupils go beyond the secondary levels.

Nonetheless, it is evident that majority of the population in the municipal area have no high education level. This is a major challenge which is likely to lead to low households' income levels which further limit the ability of families to invest into the education of youthful members. Such low figures also limit the ability of absorbing new skills and effectively compete for higher paying jobs.

UMzimkhulu area has 176 public schools recognized by the Department of Education including one technical college. Much of the education-associated problems are experienced in farms and rural schools. Existing schools do not offer up to standard science and technical subjects. School property is continuously vandalized. Most schools lack water and sanitation and the infrastructure of most schools is a health hazard to the pupils.

Effects or consequences of the problems are:

⇒ Low educational levels for the youth in the area;

- ⇒ Low science and technical skills base;
- ⇒ Migration of youth to urban areas;
- ⇒ High unemployment rates;
- ⇒ High dependency rates;
- ⇒ Employment to low paying jobs and
- ⇒ Poor payments for services rendered by the municipality.

To assist in promoting reading, the municipality with assistance from the Department of Arts Culture and Tourism has renovated a public library in the CBD. The library is well resourced in terms of book material due to numerous donations that have been received.

Projects that will be undertaken through the library auspices include;

- ⇒ Creating library awareness to generate interest from the communities so that satellite libraries can be built in areas where there is interest;
- ⇒ Establishing a computer center with an internet café will be opened and free computer lessons will be offered to the community.

3.5.2.2. Health

3.5.2.2.1. Health Facilities

The prevalent settlement pattern in farming areas as well as the traditional areas makes effective delivery of health services difficult. UMzimkhulu has currently 13 built clinics and the following **Table 7** below highlights the infrastructural update of the clinics:

Table 17: Infrastructure Status of Clinics

Name of Clinic	Piped water	Toilets	Electricity	Telephone	Fax
Rietmei	Yes (on & off from community)	Not up to standard.	Yes	Yes	Yes
Ibisi	Yes	Yes	Yes	Yes	Yes
Gugwini	Yes (Borehole)	Yes	Yes	No	No
Sihleza	Yes (Borehole)	Yes	Yes	Yes	No
Gowanlea	Yes	Yes	Yes	Yes	No

Singisi	Yes	Yes	Yes	Yes	No
Ndawana	Yes	Yes		No	
St Margaret's	Yes (on and off)	Yes (pit privy)	Yes	Yes (Not working)	No
Umzimkhulu	Yes	Yes	Yes	Yes	No
Umvoti	No	Yes	Yes	Yes	No
Lourdes	No	Yes	No (installation on)	Yes (Not working)	No
Ladam	Yes	Yes	Yes	No	No
Mvubukazi	Yes (Borehole no working)	Yes	Yes (Solar)	No	No

(Source: Presentation by Department of Health – UMzimkhulu IDP Rep Forum 2013/2014)

In addition to these clinics, the Department of Health offers the following services to the community of UMzimkhulu:

- ⇒ 4 mobile services with 57 points;
- ⇒ Currently 1 team on school health services, however planning to add 4 teams this financial year;
- ⇒ Started Imbizo per ward.
- ⇒ War room attendance

UMzimkhulu has 3 hospitals namely Rietvlei Hospital, St Margaret's Hospital and UMzimkhulu Hospital.

Challenges

- ⇒ Shortage of Doctors
- ⇒ EMRS bays (Umzimkhulu, Rietvlei, Ntsikeni)
- ⇒ Hospital board

3.5.2.2.2. HIV / AIDS

The fight against HIV/AIDS should be handled in a co-coordinated manner by government departments and NGO's. Community involvement in AIDS awareness campaigns is crucial where strategies like abstinence, education and other relevant methods must be promoted with active participation from councilors, traditional leaders, church leaders, school stakeholders, and sports stakeholders. The St Margaret's Hospital in UMzimkhulu specializes in the provision of services for HIV/Aids patients. These range from VCT, provision of ARV's, TB etc.

The municipality has also developed an HIV/AIDS Strategy which is for 2011-2016. The Strategy looks at broad programmes of dealing with pandemic in the greater municipal area in the next five years.

Recommendations

- ⇒ Health service needs to address the greater vulnerability of women to HIV infections in terms of the services they offer to women. They need in particular, to focus on effective services for cervical cancer and STIs, which are often not easily detected in women;
- ⇒ Inculcating a culture of rights and equality, as provided for in the constitution, is one of the most important ways in which vulnerable groups such as women can be protected against HIV infection;
- ⇒ Deeply entrenched social differences such as class, gender, color and age need to be recognized and engaged with openly in all government services;
- ⇒ Young people need to be taught in the formal education curriculum and elsewhere that every individual has the right to say no to sex, coercion is unacceptable;
- ⇒ Sex education and education in the use of condoms needs to begin at an early stage, as South Africans youth are on average sexually active by the age of 15 years for girls and 14 years for boys and, as shown in research, reluctant to use them.

3.5.2.3. Safety and Security

UMzimkhulu has a number of police stations within its jurisdiction. The current state is that the communities in other areas experience that the stations are not properly servicing them, as there is a low level of resources for the police to perform their jobs.

Based on interactions with various stakeholders and the community, issues that were to be taken into account to improve this service included:

- ⇒ Tightening up relationship between SAPS and CPFs;
- ⇒ Communication system must be provided for CPFs to contact SAPS;
- ⇒ Shortage of police staff;
- ⇒ Poor response to crimes or reported incidents;
- ⇒ Outdated police equipment;
- ⇒ Few police posts or stations;

- ⇒ Street controls and by laws on taverns and shebeens (alcohol, drug abuse, fire – arms, knives and all other weapons of death) to be developed;
- ⇒ Law enforcement on illegal trading;
- ⇒ Police principals not acquainted to new technologies, (e.g. new speed machines);
- ⇒ Transformation plan to ensure promotion of racial mix in the context of staff / resources;
- ⇒ Ongoing training of police officers;
- ⇒ Upgrade of facilities and equipment.

To date the municipality together with the law enforcement services have undertaken the following activities to address the aforementioned issues or challenges:

- ⇒ SAPS management has approved and allocated 8 more police officers to UMzimkhulu;
- ⇒ Police attend forums to create a good relationship with community and other stakeholders;
- ⇒ A motivation letter to address lack of police resources was approved by municipal EXCO. This effort enabled the municipality to sponsor a police officer to undergo further training;
- ⇒ The municipality allocated stall numbers and licenses to hawkers which police request the hawkers to provide when removing illegal trading on the streets;

In addition, the municipality has submitted a proposal to the Finance Department to provide funding for the development of Safety Plan which will provide guidance or framework to appropriate response on the challenges currently encountered.

3.5.2.4. National Building and Social Cohesion

The whole municipal area still lags far behind in the development of a range of sports codes. The municipality currently has six sport fields located in wards 3, 4, 11, 12, 15 and 16. Whilst some funding has been received to improve certain sport and recreational facilities, there is still a huge backlog as 16 wards still do not have the facilities. However, the Department of Sports has requested UMzimkhulu LM to submit request for assistance to develop more sport fields in other wards. The municipality is currently in the process pursuing this avenue.

3.5.2.5. Community Development with special focus on Vulnerable Groups

The municipality has continuously focused in addressing the needs of special groups such as orphans, disabled, youth, children and people living with HIV/AIDS. Some of the interventions include the following aspects:

- ⇒ **Care for people with disabilities:** This is launching income generating projects for the aged and assistance in accessing social grants;
- ⇒ **Youth development:** This includes the developments of skills and knowledge for the youth to improve employment opportunities. This is achieved through internships and other community development programmes;

- ⇒ Sustainable livelihood: This includes poverty alleviation programmes. The department provides an integrated programme that responds to poverty;
- ⇒ Research and demography: This is the research in population development trends;
- ⇒ **Youth and Women Capacitation:** This is population capacity development where the youth and women are trained on HIV issues;
- ⇒ **HIV/AIDS:** This programme includes establishment of community based centres, provision of support to victims and launching a prevention programme;
- ⇒ **Child care and protection services:** This includes child placements, foster care grant and child abuse cases;
- ⇒ **Substance abuse:** This is rehabilitation and counseling to substance abusers;
- ⇒ **Care for the aged:** This includes referrals to residential care and providing support to the NPO's;
- ⇒ **Victim empowerment programme:** These are support centres for abused women and children where counseling is provided to victims of violent crimes. Referrals for domestic restraining orders are also issued.

These programs and initiatives have been implemented in various wards of the municipality and some of them have shown good signs of impact to the community. These programs and the wards that have been initiated are clearly demonstrated in the project list program and the HIV Strategic Plan.

3.6. FINANCIAL VIABILITY & MANAGEMENT ANALYSIS

The Municipality has a fully functional Finance Department which is in the process of reviewing its financial plan for 2013/2014 financial year.

It is important to note that the implementation of Property rates affected the current parameters in the indigent policy. In this regard, it became necessary to review the thresholds within the indigent policy from R2000 to R2500.

The municipality continued to receive an unqualified report from the Auditor General from 2008 to date with matters of emphasis and corrective Action Plan is attached.

3.6.1. Debt collection and credit control

The municipality will focus on providing a holistic solution in developing and implementing a credit control and debt collection policy from ensuring that an effort is applied towards making the environment, from employees to the community/consumers, conducive towards transforming its credit control and debt collection policy to the necessary capacity to enable effective execution against the municipality's debt collection initiative.

The municipality will thus ensure that the following key components of an effective and sustainable credit control and debt collection policy are functioning effectively:

Personnel/HR:

- ⇒ Effective policies and procedures must be put in place to enable a streamlined and coordinated functioning of HR;
- ⇒ Detailed job descriptions must be developed for the relevant positions enabling execution on the credit control and debt collection policy;
- ⇒ Placing of suitably able personnel into the relevant positions

Information Technology (IT) Systems:

- ⇒ Effective IT support and maintenance capability should be secured;
- ⇒ Personnel should be provided of the necessary training on all the relevant IT systems and software programs;
- ⇒ IT systems should be operated within a suitably secured operating environment

Processes and Activities:

- ⇒ Processes to be followed in executing on credit control and debt collection should be fully documented and personnel should have a full working knowledge of these policies

Reporting and Performance Measurement:

- ⇒ Ensuring a sustainable and continuously improving credit control and debt collection policy entails putting in place effective reporting and performance measurement mechanisms, thus allowing for continuous review of progress and allowing for comparison of targets against actual results

In dealing with government, institutional and large commercial customers the municipality will first ascertain the proportion of its debtors book, particularly accounts in arrears, attributable to government, institutional and large commercial customers. This will be an important step in the process as it will allow the municipality to determine the influence of these customers on its revenue generating and debt collection ability and ultimately its overall financial viability and sustainability.

Essentially the debt collection effort aimed at government, institutional and large commercial customers will be driven or rather preceded by a well-structured communication plan. This will be aimed at creating cordial and mutually beneficial relationships with such customers. The municipality intends to gain an understanding of the relevant customers' operating environment and the municipality's influence on such environment on service delivery terms.

With respect to medium sized businesses, particularly local businesses and residential customers the municipality may elect to adopt a more lenient approach by allowing such customers arrear settlement terms of between three to six months. The overriding principle though of such arrear settlement arrangements should be that customers should settle their current accounts in full on a monthly basis such that there is no further accumulation of arrears and thus undermining the process of arrear settlement.

The strategy of debt collection for all categories of customers will thus be underpinned by the following principles:

- ⇒ The municipality will devise a communication plan to be deployed through public community forums and various communication media, including the local press, community radio and other relevant publications, informing the community of the municipality's intended debt collection initiative, including the initiative's intended objectives and the relevant timelines;
- ⇒ The municipality will then commence a fieldwork exercise which will comprise site visits to facilitate dialogue with customers on arrear settlement terms. The municipality will also consider requesting customers to sign acknowledgement of debt agreements as a sign of commitment to the full settlement of outstanding debt;
- ⇒ The municipality will then monitor adherence with such acknowledgement of debt agreements on a monthly basis until the customer has fully met his/her obligations;
- ⇒ The municipality will also consider provide ongoing updates on the success of such debt collection initiative to the community through newsletters or the local press so as to create more awareness and also to galvanize the community's support of such initiative.

3.6.2 Customer Care and Management

In terms of section 95 of the Municipal Systems Act No. 32 of 2000 municipalities should adopt a customer care management system to achieve the following:

- ⇒ Create a positive and reciprocal relationship between the ratepayers and service consumers and the municipality and where applicable a service provider;
- ⇒ Pay points that provide customers with online facilities for accessing account query information to facilitate quick resolution of customer queries;
- ⇒ Multiple pay points and mechanisms including kiosks, Easypay, online payments, direct deposits, etc.;
- ⇒ Presentable premises utilized for banking hall and customer care facilities, including suitably furnished, equipped, proper signage, convenient office hours, well trained, courteous and helpful personnel;
- ⇒ Conducting of regular network audits to ensure that accurate consumption metering occurs and also as a means of minimizing water and/or electricity losses;
- ⇒ Issuing of accurate, regular and timeous accounts to ratepayers and customers that clearly record the tariff utilized, the level of consumption and the time period used to calculate the billed amount; and
- ⇒ Consistent and impartial application of the municipality's credit control and debt collection policies.

Having noted the above the municipality intends to review its customer care and management systems to ensure that any debt collection initiative that is implemented is supported by a fully functional and effective customer care and management function.

3.6.3 Revenue Enhancement

UMzimkhulu, as a municipality covers an area which is largely rural and the municipality's revenue base consists primarily of the equitable share grant and of services in the form of refuse removal, electricity and protection and traffic management services and also rates. In formulating strategies for the enhancement of its revenue sources the municipality has to take into account the demographics of its area of jurisdiction. In essence, most revenue enhancement plans in a municipality should fall under one of the following enhancement principles:

- ⇒ The extension and improvement of any existing revenue source; and
- ⇒ The formulation and implementation of a new source of revenue.

An example of formulation of a new source of revenue would be in the case of a municipality that decides to offer traffic management and protection services where there were not offered before, which of course

would entail the acquisition of new infrastructure and resources, such as trained and qualified personnel to enable the conducting of such service.

An example of the extension and improvement of any existing revenue source would include the offering of extended operational hours for learners' and drivers' licenses tests as an incentive for the general public to utilize the service and to also offer UMzimkhulu an advantage over other municipalities offering the same service. In essence they are various means by which this can be achieved but what is most critical is for such an exercise to be a collective effort by all the municipality's departments so as to dispense with the notion that this is purely a financial department responsibility.

This is particularly relevant considering that the various services that can be offered to drive the revenue enhancement effort reside and are controlled within the various line departments, such as infrastructure services and social development departments. It is thus critical that these departments' ideas and plans are brought to bear in formulating such plans. As part of its strategic long term financial planning process the municipality intends to explore various revenue enhancement initiatives as further means of entrenching its long term financial viability and sustainability.

Table 18: SWOT Analysis for Financial Viability & Management

Opportunities	Threats
⇒ There is room to increase revenue collection;	⇒ Slow development due to lack of financial resources;
Strengths	Weaknesses
⇒ Municipality has a fully functional Finance Department; ⇒ Municipality continues to receive an unqualified report from the Auditor General from 2008 to date; ⇒ Municipality has a Revenue Enhancement Strategy; ⇒ Dependent on grant funding;	⇒ Lack of financial resources;

3.7. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Good Governance is described as “involving fairness, accountability, responsibility and transparency on a foundation of intellectual honesty”. Good governance encourages municipal representatives and officials to collaborate with their communities in order to fulfill their needs in a more efficient manner and accountability. The participation of the public in all IDP processes forms the indispensable and integral part of the process and ensures identification with the final product.

3.7.1. National and Provincial Programmes rolled-out

3.7.1.1. Operation Sukuma Sakhe

Due to the high poverty levels in UMzimkhulu, many families depend solely on social grants for sustenance. More than 77% of households earn less than R9, 600 per annum and live below the poverty line. The UMzimkhulu municipality has a high unemployment rate; only 10, 2% of the population is employed.

To address poverty and social developments, the municipalities through the Department of Community and Social Services with other governments and NGOs have embarked on the following Operation Sukuma Sakhe Programs:

- ⇒ Sukuma Sakhe Program: The municipality undertook a household profiling / needs analysis for all the wards. And in those wards “war rooms” comprising of all relevant department staff were established to implement immediate interventions. This program is recording positive response with challenges on participation of other government departments and slow pace implementation of the interventions identified;
- ⇒ Community Health Clubs: This program is supported by the Department of health, hygiene and nutrition. To promote the nutrition of the community, the Department sponsors the establishment of community gardens in each ward within UMzimkhulu. There are currently two community gardens that are in operation and more gardens are being initiated in other wards;
- ⇒ Food for Waste Program: In this program the community in most needy wards i.e. wards 12, 13, 17, 2 and 3 are asked to collect waste in and around their compounds in exchange for food parcels worth R800. This program has played a crucial role in curbing garbage dumping and act as a source of food security for some needy families.

UMzimkhulu Municipality consists of 20 wards. To address the issues affecting the community, the municipality decided to take the services to the community by establishing war rooms in each and every ward within UMzimkhulu. The table following details the war rooms per ward, their challenges and successes:

Table 19: War Rooms in the Municipal Area

WARD	CHALLENGES	SUCSESSES
1	<ul style="list-style-type: none"> ✓ There is no budget dedicated for Operation Sukuma Sakhe. E.g. Human Settlement, Home Affairs; ✓ Government Departments in the war rooms are under -funded; ✓ Some department staff are not always available to address the issues raised by the community; ✓ The ward is still hard hit with poverty and unemployment; ✓ The ward is far from town and makes it difficult for government departments to attend to war rooms 	<ul style="list-style-type: none"> ✓ 1 war room and 3 Satellites have been established; ✓ An NGO run by Canadians partnered with Health Department initiated HIV/AIDS programs that encourage affected people to start up home gardens. Department of agriculture make frequent visits to these gardens and have shown signs of progress; ✓ Matron joined as a coordinators and is very active
2 & 3	<ul style="list-style-type: none"> ✓ War rooms are very far and coordinators are having problems attending to issues frequently 	Motivated coordinators – DSD is failing the program
4	<ul style="list-style-type: none"> ✓ Distance is long for government official; ✓ Participation from stakeholders was discouraging; 	New coordinator very motivated and the war room is slowly recovering. Following projects have been initiated: <ul style="list-style-type: none"> ✓ Poultry & Cabbage programs
5	<ul style="list-style-type: none"> ✓ There has been slow progress 	<ul style="list-style-type: none"> ✓ Current coordinator is very helpful and progress is expected
6		<ul style="list-style-type: none"> ✓ Coordinators are very motivated; ✓ Health awareness programs on substance abuse and crime were initiated where now few cases of crime have been reported in the ward; ✓ Mobile Library services have been initiated
7	<ul style="list-style-type: none"> ✓ The war room is inactive as the community is not cooperating with the coordinator 	
8	<ul style="list-style-type: none"> ✓ Coordinator discouraged because the suggested interventions are not implemented by respective government departments 	<ul style="list-style-type: none"> ✓ Poultry project is up and running
9		<ul style="list-style-type: none"> ✓ The war room is functional and effective
10		War room functional and effective. There is report on progress for any issues raised. Following projects have been initiated: <ul style="list-style-type: none"> ✓ Cultural project- Isicathamiya; ✓ Traditional music; ✓ Beadwork

11	✓ Agriculture project not effectively functioning because of conflicts amongst members of the cooperative	<ul style="list-style-type: none"> ✓ War room functional and coordinator capable of inviting department because departments are close by; ✓ Music groups & Choral Music, Cultural Festival for the youth & agriculture projects have been initiated
12	✓ Lack of funding on pottery project	<p>The war room is functional and very effective. It is one of the successful war rooms in the municipal area. Following projects have been initiated:</p> <ul style="list-style-type: none"> ✓ Pottery project; ✓ Vegetable farming project (cabbage, spinach, etc.)
13	✓ Households are sparsely scattered making profiling a difficult exercise	<ul style="list-style-type: none"> ✓ War room attendance & participation is good; ✓ Youth ambassador very active and has been assisting youths in amongst others, carrier guidance, etc.
14	✓ Not functional after the coordinator left for maternity leave	<ul style="list-style-type: none"> ✓ Anticipate things to change since the coordinator has reported back to work
15	✓ Lack of funding for the 144 Cooperatives in this ward	<ul style="list-style-type: none"> ✓ The war room is functional and has a passionate coordinator; ✓ The war rooms hosts 144 Cooperatives
16		<ul style="list-style-type: none"> ✓ The war room is functional and most of the government departments attend war room meetings; ✓ One home one garden project has been initiated and the Extension Officer makes home visits every month to ensure that home owners take care of their gardens
17		<ul style="list-style-type: none"> ✓ War room very functional and the Youth Ambassadors, Ward Committees & Coordinator are very passionate and effective; ✓ Agriculture project at prison has been initiated
18	✓ Political conflicts hinder progress (2 councilors from 2 different political parties)	<p>However following projects have been initiated:</p> <ul style="list-style-type: none"> ✓ Poultry farm; ✓ Females Tradition Music Group
19		<p>TB/HIV Care Association took over this war room and it is one of the successful war rooms in the municipal area. Following projects or interventions have been initiated:</p> <ul style="list-style-type: none"> ✓ Stepping stone: Educates on stigma attached to HIV/AIDS; ✓ Encourage affected people to start up home gardens;
20		<p>War room functional. Following projects have been initiated:</p> <ul style="list-style-type: none"> ✓ Seedling nursery; ✓ Cultural Music;

	✓ Cattle Farming
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The municipality is striving to ensure that all the war rooms in UMzimkhulu are functional and address the issues affecting the communities. However, as a municipality we still feel that funding and bureaucracy within various government departments as the general challenges and hinders implementation of many interventions that have been raised by the community.

3.7.2. Intergovernmental Relations (IGR) Structures Operating in UMzimkhulu

UMzimkhulu has various stakeholders that are servicing the municipal area. These include both government and private entities. The various entities that exist in UMzimkhulu include;

- ⇒ Sisonke District Municipality;
- ⇒ UMzimkhulu Local Municipality;
- ⇒ Department of Agriculture;
- ⇒ Department of Health;
- ⇒ Department of Social Development;
- ⇒ Department of Home Affairs;
- ⇒ Department of Education;
- ⇒ SASSA (South African Social Security Agency);
- ⇒ Singisi Forests

3.7.2.1. Sisonke District Municipality

Sisonke District Municipality is the District which offers all district services to UMzimkhulu Municipality. These include bulk water and sanitation, electricity etc.

3.7.2.2. UMzimkhulu Local Municipality

UMzimkhulu Local Municipality is the municipality that is responsible for service delivery in the UMzimkhulu Municipal Area.

The Municipality has 5 units namely:

- ⇒ Community Services Department;
- ⇒ Corporate Services Unit;
- ⇒ Infrastructure;
- ⇒ Planning, Housing and LED;
- ⇒ Finance.

3.7.2.3. Community Services department

The department has 5 units namely;

- 1) Arts & Culture;
- 2) Sports Development;
- 3) Libraries;
- 4) Social Development;
- 5) Traffic and Law enforcement,

♦ *Traffic Regulation and Law Enforcement*

Safety and security has 2 aspects to it, traffic control and policing. The aspect that falls under the municipality is traffic regulation. The unit is responsible for testing, traffic regulation and implementing the traffic bylaws. The municipality has an under resourced traffic unit. The urban regeneration programme will assist in the building of parking bays so the municipality can generate income from parking.

The municipality has established a Fire and Rescue services unit. In 2009 the Municipality through the assistance of COGTA appointed the Rural Metro for three years to service UMzimkhulu for fire and rescue. The municipality has also purchased equipment which include fire engine and bakkies sakkie.

Challenges

Currently there is no tracking system to assist with tracing of defaulters and consequently the municipality is unable to collect revenue from defaulters. The municipality does have bylaws for but they are barely implemented due to a lack of human resources. In addition the current working space of the unit is not sufficient for all their functions.

♦ *Economic Development*

There is an Economic Development Strategy in place which is outdated.

3.7.2.4 Corporate Services Unit

This department has the following aspects;

- ⇒ Human Resources;
- ⇒ Skills Development;
- ⇒ Labor Relations

- ◆ *Human Resources*

The municipality has completed a Human Resource Strategy Plan. The Internship programme has assisted with the workload especially in the Finance unit. The Organogram of the municipality has been updated to address the implementation of 2012/2013 IDP.

- ◆ *Skills Development*

The Workplace Skills Plan has been completed and is currently being implemented. However the lack of financial resources hinders the full implementation of the WSP. Skills that have been prioritized include management skills, Leadership skills and computer literacy. Learnership programmes within the municipality are used to implement scarce skills.

- ◆ *Labour Relations*

This function is handled by the manager of the Corporate Services department. Whilst the municipality strives to uphold stronger labour relations, it is committed to ensuring efficiency to work ethics and Batho Pele principles as well zero tolerance to fraud and corruption. In this regard the municipality has successfully concluded in favor of the municipality.

- *Office Space*

The Department of Cooperate Development constructed offices for traditional leaders and the building has been handed over to the municipality with 70% percent vacancy which the municipality is utilizing to allocate officer.

3.7.2.5 Infrastructure Services Unit

This unit comprises of road, refuse, electricity, parks and town beautification. The municipality in the new organogram has proposed a post for Extended Public Works Programme (EPWP) coordinator in order to improve reporting on employment creation which will aid the municipality to receive incentive grants.

Nonetheless, consultants were appointed to visit all the 18 wards and undertake a study to determine the following for all infrastructure projects.

- ⇒ Conduct a skills audit for all the projects;
- ⇒ Create a business plan for all the projects.

3.7.2.6 Planning and Housing

The municipality has employed a Housing and Planning Manager. The goal of this department is to manage and promote informed integrated planning, development and housing that accelerates quality service delivery and ensures sustainable communities.

3.7.2.7 Finance

The Municipality has a fully functional Finance Department which has recently completed the review of its financial plan for 2012/2013 financial year.

It is important to note that the implementation of Property rates affected the current parameters in the indigent policy. In this regard, it became necessary to review the thresholds within the indigent policy from R2000 to R2500.

The municipality continued to receive an unqualified report from the Auditor General from 2008 to date with matters of emphasis and corrective Action Plan is attached.

3.7.2.8 Department of Agriculture

The department is based in the CBD. This department renders the following services to the UMzinkhulu Municipal area.

- ⇒ Technical advice for agricultural services;
- ⇒ Technical advice on environmental management;
- ⇒ Veterinary services;
- ⇒ Agricultural extension services (social facilitation, project management etc.)

3.7.2.9 Department of Health

The department is based at the College. These offices are mainly focused on managing the clinics in the UMzimkhulu municipality. The services that are rendered by the department include the following:

- ⇒ Chronic services and mental health;
- ⇒ Rehabilitation service;
- ⇒ Environmental Health Service;
- ⇒ Adolescent services (youth friendly clinics);
- ⇒ TB control;
- ⇒ HIV/Aids management and ART is available in 5 clinics

3.7.2.10 Department of Social Development

The department is based at the college. This department is mainly focused on Community developments which include the following aspects:

- ⇒ Youth development: this includes the developments of skills and knowledge for the youth to improve employment opportunities. This is achieved through internships and other community development programmes;
- ⇒ Sustainable livelihood: this includes poverty alleviation programmes. The department provides an integrated programme that responds to poverty;
- ⇒ Institutional capacity and support: this includes assisting in registering community projects as Non Profit Organizations (NPO). The department also assists in the improving of governance and management of NPO's so they can be self-sustainable;
- ⇒ Research and demography: this is the research in population development trends;
- ⇒ Population capacity development: this is the training of youth and women on HIV issues;
- ⇒ HIV/AIDS: this programme includes establishment of community based centres, provision of support to victims and launching a prevention programme;
- ⇒ Child care and protection services: this includes child placements, foster care grant and child abuse cases;
- ⇒ Social crime prevention: This is a probation service for children in conflict with the law. It seeks to rehabilitate children and divert their cases from the mainstream;
- ⇒ Substance abuse: This is rehabilitation and counseling to substance abusers;
- ⇒ Care for the aged: This includes referrals to residential care and providing support to the NPO's;
- ⇒ Care for people with disabilities: This is launching income generating projects for the aged and assistance in accessing social grants;
- ⇒ Victim empowerment programme: these are support centres for abused women and children where counseling is provided to victims of violent crimes. Referrals for domestic restraining orders are also issued.

3.7.2.11 Department of Home Affairs

These offices are at the College; however they have not been renovated from the kitchen they used to be. This department offers the following services;

- ⇒ Birth Certificate;
- ⇒ Death Certificate;
- ⇒ Identity documents;
- ⇒ Marriages;
- ⇒ Passports

The department is currently suffering from a lack of working resources, which include office space, equipment and staff. The department has a mobile truck to service the areas that are far from the CBD. The truck services the entire Sisonke district and this year it will visit each municipality once a week as opposed to the once a month previously.

3.7.2.12 Department of Education

There are circuit offices in UMzimkhulu that are under the Kokstad region based. The role of this office includes:

- ⇒ Servicing of the 178 schools in UMzimkhulu through ward managers;
- ⇒ Submission and distribution of learning material;
- ⇒ Providing schools with subject advisors;
- ⇒ Coordination of district and provincial activities

Mud structures make up approximately 120 of the schools in the area. This poses a problem because of the deteriorating conditions of these structures. There is still a shortage of classes and desks for the learners. The projects for UMzimkhulu of this department are driven by the regional office in Kokstad

3.7.2.13. SASSA

SASSA is an agency that is responsible for the registration of social grants. This agency registers the following types of grants;

- ⇒ Old age grant;
- ⇒ Disability grant;
- ⇒ Care dependency grant;
- ⇒ Foster care grant and
- ⇒ Grant in aid

The agency is also responsible for social relief which includes the distribution of food parcels that are distributed to households for 3 months.

3.7.2.14. Department of Transport

The department has offices at the college; however the role of these offices is the implementation of projects from the offices in Pietermaritzburg. There are no set functions that are performed by the offices in UMzikhulu.

3.7.2.15 Singisi Forests

Singisi Forest is the biggest stakeholder of forestry in UMzikhulu. According to information obtained through interviews the forests cover 60 000 hectares. Singisi Forests is looking at expanding to twice the current capacity. Currently they have three (3) sawmills and a mushroom plant. The mushroom plant deals with packaging and exportation of mushrooms that are found in all the pine forests.

These forests currently have pine, gumtree and wattle as the planted species. The pine is used for making furniture, building material, chemicals and cosmetics (pine gel). The gumtree and wattle don't create jobs in the area as they are mostly used for paper manufacturing and UMzikhulu doesn't have the plants to manufacture paper so it is sent to manufacturers in Richards Bay as a raw product.

3.7.3 Municipal Structures

UMzikhulu Municipality is participating in the following structures that are established and very functional at a district level. All The Heads of Departments on these forums activity participate in these structures and decisions made in these structures are implemented by the appropriate municipal departments:

- ⇒ Mayors Forum;
- ⇒ Municipal Managers' Forum;
- ⇒ LED and Tourism Forum;
- ⇒ Planners Forum;
- ⇒ CFOs Forum;
- ⇒ Infrastructure Development Forum;

⇒ Corporate Services Forum.

In addition to these District structures the municipality has also established or participated in the following:

- ⇒ **Women's Council:** This structure looks at the interest of women within the municipality to ensure that women needs are put into consideration in any municipal development.
- ⇒ **Council for People Living with Disabilities:** This structure looks at the interest of people living with disability in the municipality to ensure that their needs are put into consideration in any municipal development.
- ⇒ **Youth Council:** This structure looks at the interest of youth within the municipality to ensure that their needs are put into consideration in any municipal development.
- ⇒ **Local HIV/AIDS Council:** This structure looks at the interest of people living with HIV/AIDS within the municipality to ensure that their needs are put into consideration in any municipal development.
- ⇒ **Ward Based HIV/AIDS Committees:** This structure looks at the interest of people living with HIV/AIDS at the ward level to ensure that their needs are put into consideration in any municipal development.
- ⇒ **Ward Based Sports Committees:** This structure looks at the interest of the youth within the municipality to ensure that sports facilities are considered in any municipal development.
- ⇒ **Traditional Leader:** These structures participate in the district house of traditional leaders and locally they participate through the stakeholders' forum. However, some of the chiefs in our municipal area are not recognized by COGTA which poses as a challenge where for instance there was no election of traditional leaders this year.
- ⇒ **Ward Committee:** These committees are established, functional and training has been offered.
- ⇒ **Shared Services:** The municipality is participating in this program and it has benefitted the municipality greatly as services of GIS and planning have been realized.
- ⇒ **Annual Report:** The annual report has been compiled and all public participation processes have been done and the oversight report will be adopted at the end of March.

Again these structures are also very active in the municipality and have created a big difference in the lives of the community in the municipality.

3.7.4. Status of Municipal Policies

UMzimkhulu municipality has developed the following policies/strategies that govern developments and interventions in the municipal area:

- ⇒ Service Delivery Budget & Implementation Plan (SDBIP);
- ⇒ Spatial Development Framework (SDF) and Maps;
- ⇒ Human Resource Strategy;
- ⇒ Integrated Transport Plan;
- ⇒ Revenue Enhancement Strategy;
- ⇒ Public Participation Strategy;
- ⇒ Tourism Development Strategy;
- ⇒ Housing Sector Plan;
- ⇒ LED Strategy;
- ⇒ Framework for Institutional Performance Management;
- ⇒ Employment Equity Plan;
- ⇒ Disaster Management Plan;
- ⇒ Indigent Policy;
- ⇒ Turn-Around Strategy;
- ⇒ Workplace Skills Plan;
- ⇒ Communication Plan;
- ⇒ Risk Management Policy and Strategy;
- ⇒ Fraud Prevention Strategy
- ⇒ Risk Register & Implementation Plan;
- ⇒ Internal Audit Plan & Methodology

Some of these policies are outdated and the municipality is either reviewing them or is in the process of reviewing them.

3.7.5. Public Participation Analysis

The municipality also uses websites, posters, notice boards, and radio as a means of communication to the public. The following provides an indication of the participation and consultation processes which have been undertaken:

Table 20: Communication Programme & Milestones

OBJECTIVE (s)	ACTION	REPSONSIBILITY	TIMEFRAME	STATUS
To give the communities the opportunity to participate on their development.	IDP izimbizo	IDP Manager, Public Participation /communications unit.	November 2011	Complete
	2010/2011 IDP Rep Forum	IDP Manager/ Public Participation /communications unit.	July 2011 October 2011 March 2012	Complete
	IDP Alignment meeting with sector departments	IDP Manager/ Public Participation /communications unit.	February 2012	Complete
	UMzimbhulu Stakeholders Forum	Public Participation/communications unit	Monthly	Ongoing
To inform Communities about Role of Local government	Public Education	Communications Unit, Public Participation Unit, Special Programmes unit,	November 2010	Complete
To build good relationship between the Municipality and the Media	Engage the media on municipality's programmes through Media Briefing Session	Communications Unit and the Municipality's Principals	Ongoing	Ongoing
Monitoring of Media	Collection of all media articles with Municipality's issues	Communications Unit	Ongoing	Ongoing
	Budget and IDP Izimbizo	Public Participation Unit, Communications Unit, Councilors, Finance Department.	April 2012	Planned
To market the Municipality and showcase its best Practices	Development of Municipality's News Letter	Communications Unit, GCIS(Sisonke District Municipality)	quarterly	Ongoing

SECTION D: VISION, GOALS AND OBJECTIVES

This section highlights on uMzimbhulu Municipality's Long Term Growth and Development Goals. This section will therefore highlight on the components of the Long Term Growth and Development Goals as follows:

- ⇒ National and Provincial Policy Perspective;
- ⇒ Vision, Mission and Core Values;
- ⇒ UMzimbhulu Municipality Strategic Issues;
- ⇒ Strategic Objectives and Strategies

The Strategic Objectives and Strategies are structured in line with the Key Performance Areas (KPAs) of the Five Year Local Government Strategic Agenda as indicated below:

- ⇒ Spatial Development Framework;
- ⇒ Service Delivery;
- ⇒ Sustainable Economic Growth and Development and LED;
- ⇒ Financial Viability;
- ⇒ Institutional Arrangements;
- ⇒ Performance Management System;
- ⇒ Governance

4.1. LINKAGE WITH NATIONAL AND PROVINCIAL POLICY PERSPECTIVE

4.1.1. National Spatial Development Perspective (NSDP)

The four principles underpinning NSDP are as follows:

- ⇒ Economic growth is a prerequisite for achievement of policy objectives;
- ⇒ Government spending should concentrate on fixed investment, focusing on localities of economic growth and/or economic potential;
- ⇒ Efforts to address the past and current inequalities should focus on people not on places; and
- ⇒ To overcome spatial distortions of apartheid, future settlement and economic development opportunities should be channeled into nodes adjacent to the main growth centres.

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

4.1.2 ASGISA

In developing responses to the binding constraints, certain measures to counter the constraints were developed.

- ⇒ *Macroeconomic issues;*
- ⇒ *Infrastructure programmes;*
- ⇒ *Sector investment strategies (or industrial strategies);*
- ⇒ *Skills and education initiatives,*
- ⇒ *Second economy interventions; and*
- ⇒ *Public administration issues.*

UMzinkhulu Municipality has prepared a Local Economic Development Strategy where the principles of ASGISA have been applied and addressed by the strategy.

4.1.3. New Growth Path

There is growing consensus that creating decent work, reducing inequality and defeating poverty can only happen through a new growth path founded on a restructuring of the South African economy to improve its performance in terms of labor absorption as well as the composition and rate of growth. To achieve that step change in growth and transformation of economic conditions requires hard choices and a shared determination as South Africans to see it through. The Government is committed to forging such a consensus and leading the way by

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

The New Growth Path must provide bold, imaginative and effective strategies to create the millions of new jobs South Africa needs. It must also lay out a dynamic vision for how we can collectively achieve a more developed, democratic, cohesive and equitable economy and society over the medium term, in the context of sustained growth.

Achieving the New Growth Path requires that we address key tradeoffs. Amongst other decisions, government must prioritize its own efforts and resources more rigorously to support employment creation and equity; business must take on the challenge of investing in new areas; and business and labor together must work with government to address inefficiencies and constraints across the economy and partner to create new decent work opportunities.

Some key tradeoffs include:

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

As a first step, we will prioritize efforts to support employment creation in the following key sectors:

- ⇒ Infrastructure;
- ⇒ The agricultural value chain;
- ⇒ The mining value chain;
- ⇒ The green economy;
- ⇒ Manufacturing sectors, which are included in IPAP2, and
- ⇒ Tourism and certain high-level services.

4.1.4 Provincial Growth and Development Strategy (PGDS)

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

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

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

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

4.1.5. Millennium Development Goals-2015

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

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

In addressing the above the municipality has various **poverty eradication** programmes that are part of the plan for the financial year. These programmes include assisting the local community to plant vegetables for sustenance of the families. The municipality has completed a Local Economic Development Plan. This plan will assist in the identification of **economic opportunities** within UMzimkhulu thereby unlocking job opportunities.

The municipality has acknowledged the need to build more **schools infrastructures** and that has been included in the plan to ensure that schools are accessible. . The municipality will partner with the Department of Education in addressing the issue.

To address the issue of **gender equality**, the municipality has started with the implementation of the equity plan internally. There are various programmes to assist with reversing the spread of **HIV/AIDS** and also support the families that are affected by the pandemic.

To ensure **environmental sustainability** the municipality working together with Sisonke District has increased the number of people who have access to safe drinking water. The district has quantified the backlogs in water provision service and will work on addressing the problem. The municipality also intends fast tracking the construction of houses. This plan is included in the planning of the municipality for the financial year.

4.2. VISION, MISSION AND CORE VALUES

UMzimkhulu Municipality Council adopted its development vision, mission and core values as follows:

4.2.1. Vision

The following vision was developed by the new council in the current period: *“To become an economically viable municipality by 2030”*

4.2.2. Mission

UMzimkhulu Municipality will develop institutional capacity by using all available resources at its disposal to deliver quality and sustainable services through public participation.

4.2.3 Core Values

The core values of the municipality are Commitment, Accountability and Professionalism (CAP).



4.3. UMZIMKHULU MUNICIPALITY STRATEGIC ISSUES

4.3.1. Highlights on the Municipality's strategic issues

- ⇒ To develop systems to facilitate co-operative governance and inter-governmental relations especially with the district, other spheres of government and service providers to maximize the development impact within UMzimkhulu municipality;
- ⇒ To build capacity and skills of the community, councillors and staff of UMzimkhulu Municipality to deepen democratic participation in decision making and all development processes and to facilitate horizontal and vertical communication with all stakeholders;
- ⇒ To reduce the backlog in services such as waste removal and physical infrastructure such as roads as well as social infrastructure such as clinics, sports and recreation facilities, libraries and arts and culture;
- ⇒ To manage municipal financial resources in a way that will ensure financial viability and sustainability, and the alignment of the budget with the needs and priorities of the stakeholders;
- ⇒ To mainstream and integrate issues of poverty, unemployment, environment and HIV/AIDS within the main development agenda of the municipality and to address them holistically;
- ⇒ To develop an organisational architecture, business processes and policies, which will enable the municipality to fulfil its constitutional and legislative mandates and achieve its vision and mission;
- ⇒ To facilitate growth and development of the local economy in a way that generates opportunities for sustainable job creation, poverty reduction and improves BBBEE;
- ⇒ To address issues of youth, women, disable and vulnerable sectors of society on integrated bases;
- ⇒ To ensure that the number of households eligible for free basic services is increased;

- ⇒ To manage and promote informed integrated planning, development, housing and local economic development that accelerates service delivery and ensures sustainable communities.

4.3.1.1. UMzikhulu Municipality Turn Around Strategy

UMzikhulu Municipality has developed its Turn-Around Strategy and adopted it in April 2010. The municipality is currently implementing its Turn-Around Strategy and it has been incorporated into the IDP as part of the strategic framework. The following issues were prioritized by UMzikhulu municipality for urgent attention:

- ⇒ Implementation of Revenue enhancement strategies;
- ⇒ Implementation of the CBD Renewal plan, by-laws and policies;
- ⇒ Implementation of LED Strategy;
- ⇒ Access to roads;
- ⇒ Access to water and sanitation;
- ⇒ Public Participation/ Communication Strategy;
- ⇒ Repairs and Maintenance provisions;
- ⇒ Enhancing credibility and transparency of supply chain management;
- ⇒ Access to electricity;
- ⇒ Implementation of debtors management

4.3.1.2 Strategic Objectives and Strategies

The strategic and measurable objectives as well as the indicator have been included in detail in the draft operational plan/ SDBIP developed for the municipality. (See section 7)

4.4. ALIGNING KEY PERFORMANCE AREAS TO MUNICIPAL LONG TERM GOALS

In terms of the Local Government, Municipal Planning and Performance Management Regulations (2001), Municipal KPI's were identified and aligned to the Municipal IDP goals. The table below maps the alignment:

Table 21: KPA Alignment

KPA	MUNICIPAL LONG TERM GOALS
MUNICIPAL TRANSFORMATIONAL AND INSTITUTIONAL DEVELOPMENT	To build capacity and skills of the community, councilors and staff of UMzimkhulu Local Municipality to deepen democratic participation in decision making and all development processes and to facilitate horizontal and vertical communication with all stakeholders
	To develop an organizational architecture, business processes and policies, which will enable the municipality to fulfill its constitutional and legislative mandates and achieve its vision and mission
LOCAL ECONOMIC DEVELOPMENT (LED)	To facilitate growth and development of the local economy in a way that generates opportunities for sustainable job creation, poverty reduction and improves BBBEE
	To address issues of youth, women, disabled and vulnerable sectors of society on an integrated basis
	To manage and promote informed integrated planning , development, and housing and local economic development that accelerates service delivery and ensures sustainable communities
BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT	To reduce the backlog in services such as waste removal and physical infrastructure such as roads as well as social infrastructure such as clinics, sports and recreation facilities, libraries and arts and culture
	To ensure that the number of households eligible for free basic services is increased
	To manage and promote informed integrated planning , development, and housing and local economic development that accelerates service delivery and ensures sustainable communities
FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT	To manage municipal financial resources in a way that will ensure financial
GOOD GOVERNANCE AND COMMUNITY PARTICIPATION	To develop systems to facilitate co-operative governance and inter-governmental relations especially with the district, other spheres of government and service providers to maximize the development impact within UMzimkhulu Local Municipality
	To mainstream and integrate issues of poverty, unemployment, environment and HIV/AIDS within the main development agenda of the municipality and to address them holistically viability and sustainability, and the alignment of the budget with the needs and priorities of the stakeholders

5.1. DESIRED SPATIAL FORM

It is normally accepted that a service center to a geographic area (such as a municipal area) will be centrally located, either geographically or accessibility –wise in terms of movement routes. As is clear from the spatial analysis, UMzimkhulu Town is located on the western boundary of the municipal area and in terms of topographical features and road networks does not appear to be equally accessible to all parts of its service area.

Due to the nature of movement networks, topography and linkages with surrounding municipalities, it is important to consider the relationship of less accessible part of UMzimkhulu (in terms of the current main service centre being UMzimkhulu town) with other potential service centres in adjoining municipalities. Although administratively, the municipal area was until recently part of the Eastern Cape, it should be spatially and functionally integrated with the surrounding KwaZulu – Natal areas. In terms of administrative functions, it however remains important to ensure access to such functions to all parts of the municipal area of jurisdiction.

The principle of accessibility and hierarchy of settlement and service centres need to be applied to the municipal area in a manner that will ensure optimal levels of access is achieved in all parts of the municipality.

5.1.1. Settlement Nodes and Hierarchy

The criteria used by the Provincial Spatial Development Plan to define nodal points were:

- ⇒ Currently capacity availability of existing infrastructure and facilities (higher order facilities such as health facilities, police station, administrative offices, sport / recreation and community facilities);
- ⇒ Accessibility: Access via higher order roads, positioning at intersections of National, Trunk, Main and District Road network.

Using the above criteria, the following is proposed in UMzimkhulu:

- ⇒ UMzimkhulu Town and adjoining Clydesdale peri – urban area is regarded as the primary node, both administrative and economic, within the municipal area;
- ⇒ Rietmei, Riverside and Ibisi are regarded as secondary nodes, fulfilling the role of rural service centres;
- ⇒ Other settlements such as Mountain Home, Glengarry, Ntsikeni and Ncambele (Gowan Lea) can be regarded as minor service centres (being accessible in terms of transportation networks and service facilities such as police stations and clinics are situated within).

The towns of Creighton and Franklin (both situated just outside of the north western part of UMzimkhulu Municipal area) need to be considered as functioning economic service centres that are accessible to the north-western part of the municipal area. Likewise Harding needs to be considered for the same reasons, in relation to the southern part.

Other rural settlements within the study area functioning as dispersed/low density settlements depend on their immediate surrounding communal land (and social grants and income from migrant labour outside the area) for subsistence. It is proposed that these settlements be included in a phased formalisation and upgrade program. The emphasis being improvement of the rural livelihoods through the following:

- ⇒ Improved infrastructure;
- ⇒ Improved access to social services;
- ⇒ Improved utilisation of the natural environment for economic benefit of rural residents.

5.1.2. Urban Edge

In order to promote compact settlements and to prevent low density sprawl of settlement areas with a predominant “urban residential” function, it is proposed that an urban edge be defined / demarcated around such areas. Areas included within the urban edge are to be targeted for upgrading of levels of infrastructure. This will in turn support higher densities of residential development and in time, development of industrial and commercial areas linked to the residential function of the settlement.

Settlement areas outside the urban edge are defined as rural, which implies lower density with basic infrastructure and social facilities.

For the town of UMzimkhulu, the urban edge was traditionally seen as the commonage boundary. However the settlement area of Clydesdale to the south of the town can be regarded as functionally being part of the town. More recent residential expansion in the area has extended towards the south-western side of the town. It is therefore proposed that the urban edge be demarcated along the southern bank of the river, extending in a westerly direction up to the edge of the more recent residential extensions, and then to extent the urban edge southwards to include the peri urban settlement of Clydesdale and surrounds.

5.1.3 Corridors / Mobility Routes

High mobility in terms of road and rail infrastructure within the municipal area exists in terms of the southwest – northeast direction. These are mainly regional and sub-regional linkages passing through the municipal area.

The R56 is the main transport route passing through the UMzimkhulu Municipal area linking the municipal area with KwaZulu Natal to the North and Eastern Cape Local Municipalities to the south. The district road passing through Riverside in an East West direction (in the northern extent) links the northern extent with the adjoining towns and municipalities.

As is clear from the assessment of current settlement patterns and population distribution, the high accessibility along these routes have over time, led to the routes attracting additional settlement and establishment of business uses dependent on accessibility and population concentrations.

Priorities of upgrade projects on access routes leading to areas that are regarded as having high development potential, or areas that are regarded as rural service centres, are considered more feasible for creating sustainable development. Such upgrade projects are more likely to generate spin off effects from investment. Areas with high development potential may include strategic development nodes / areas, such as high potential for forestry and agriculture are areas with tourism development potential. This principle supports the phased approach to development, targeting areas of greatest potential first.

5.1.4. Tourism Nodes and Hierarchy and Related Structural Elements

While efforts are centred on infrastructure provision and service delivery, backlogs remain vast. Agriculture, forestry and tourism have been identified as key economic growth drivers in UMzimkhulu Municipality. Projects launched within each of these sectors are at various stages of development; the transfer of UMzimkhulu to Sisonke DM has halted further investment into many of these projects pending the outcome of newly commissioned feasibility studies.

Planning processes in UMzimkhulu are being realigned to KwaZulu Natal standards. Consultants have been engaged to develop an LED strategy for the area and assist with drafting the new IDP.

There needs to be a fast track in the provision of basic needs and infrastructure and the development of a municipal capacity, especially in the areas of LED, agriculture and tourism. The municipal area needs to unlock land potential by resolving land ownership issues so that agricultural self-sustaining and commercial production can be achieved. A strong farming co-operation that includes private and communal farmers to facilitate the sourcing of inputs, improved marketing, transport services and transfer of skills would be of good advantage to the area. Development of tourism around current initiatives like birding, rail and cycle tourism should focus on the tourism offer (accommodation, catering, and activities) at Ntsikeni Nature Reserve and maximise the planned UMzimkhulu Gateway through careful planning around location and offering.

This will require involvement of key stakeholders such:

- ⇒ Local government (municipal and district);
- ⇒ Department of Local Government and Traditional Affairs, KwaZulu Natal, department of Provincial and Local Government;
- ⇒ Spoomet, Eskom;
- ⇒ Independent Development Trust;
- ⇒ Department of Land Affairs, Department of agriculture, Department of Water Affairs and Forestry, Department of Trade and Industry, Department of Economic Affairs and Tourism, Department of Transport;
- ⇒ District tourism bodies, operators, expects;
- ⇒ Local business people

5.1.5. Conservation / Open Space

These are regarded as areas of specific sensitivity and include

- ⇒ Steep Areas, slopes and valleys around drainage features;
- ⇒ Already degraded areas;
- ⇒ Drainage features, water bodies, wetlands and rivers;
- ⇒ Areas with pristine vegetation/indigenous forest;
- ⇒ Conservation;
- ⇒ Other areas identified as ecologically sensitive or as conservation worthy

5.1.6. Strategic Areas – Priority Basic Needs

Areas of greatest need are identified as those areas with the lowest per capita income levels and the worst off settlement areas to the poverty index. These areas require priority basic needs intervention and strategic proposals to improve the level of well-being of communities in these areas (poverty alleviation programmes and basic infrastructure investment). With the majority of the households within the municipal area being regarded as poor (approximately 77% earning below R800.00 per month) it is impossible to single out one area above the next. The main principle to be applied in targeting areas of greatest need will be to first focus on areas that are worst off in terms of access to basic infrastructure and services (access to water, sanitation, electricity, health care and education).

5.1.7. Strategic Areas – Opportunity Based

Sectors of economic opportunity evident in UMzimkhulu area as follows:

- ⇒ Agriculture and rural development with areas identified as falling within land capability classes I – IV;
- ⇒ Forestry with areas identified as having moderate to high potential for commercial forestry development;
- ⇒ Tourism or eco-tourism and cultural tourism. This refers to the historical sites, nature reserve areas with potential for tourism development and conservation.

5.1.8. CBD Expansion/Regeneration

Due to the potential for flooding of the area between the CBD and the river, there lies limited potential for expansion in that direction. The CBD expansion plan has created additional business, commercial and light industrial even on under-utilized land to the South West and West of the CBD. Future demand for expansion of the CBD should be directed to lower density residential even in close proximity to existing and proposed movement routes, south west of the CBD. It is proposed future middle-income residential expansion to be accommodated to the west of the CBD

The objectives of the CBD expansion include the positioning of the UMzimkhulu Town centre to be within the context of the sub-region. The accommodation activities within the CBD should be in a manner, which enhances its present/future use as a symbolic and functional town centre within the wider municipal setting and addressing those areas with biggest need in service delivery. The functional and spatial physical integration of the town centre into the surrounding should be addressed by promoting the clustering of facilities in a manner which ensures the efficient use of public funds and that allows for systematic private sector investment to support local economic development. The establishment of mixed and diverse land uses should include adequate consideration of existing uses as well as the broader stakeholder needs and concerns, promoting the integrated civic and development function of the town centre and enhancing place making opportunity. The CBD expansion should ensure the facilitation of local economic development through appropriate design and promoting a planning approach that is ecologically and environmentally sensitive.

The CBD expansion focuses on areas south of UMzimkhulu River due to municipal boundary. The public investment focuses outside of flood area with first priority to relocate threatened infrastructure. There should be residential integration aimed at better infill planning. Focus should be paid upon accessible investment nodes and long-term removal of all infrastructures from flood line.

The following indicates the proposed Spatial Development Framework for the Municipality:

5.2 IMPLEMENTATION PLAN

The municipality is still busy populating the Implementation Plan. However, this is part of the plan that has been populated thus far. A complete Implementation Plan will be completed before the final submission to COGTA in June 2013.

Table 22: Implementation Plan

SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT														
Key Challenge	Obj. Ref	Objective	Strategies	Performance Indicator	Baseline	5 Year Target					Target & yr (if outside 5 yr period)	Budget (R) ('000)	Source	Responsibility (In Municipality)
						Yr 1 13/14	Yr 2 14/15	Yr 3 15/16	Yr 4 16/17	Yr 5 17/18				
Cemeteries not fenced		Secure cemeteries	To fencing the cemeteries	Fenced Cemeteries		✓						5 404	MIG	Manager Infrastructure
Lack of sportsfield		Provide sportsfield	Construct sportsfield	Completed sportsfield		✓						6,979	MIG	Manager Infrastructure
Poor access to road to Matshitshi		Improve Matshitshi accessible	Gravel Matshitshi Road	Gravelled Matshitshi Road		✓						2 031		Manager Infrastructure
Poor access road to Nsingizi – Mtshayazafe		Improve Nsingizi – Mtshayazafe	Make Nsingizi – Mtshayazafe accessible	Gravelled Nsingizi – Mtshayazafe		✓						5 668	MIG	Manager Infrastructure
No Community Hall in Kokshill		Avail Kokshill Community Hall	Construct a Community Hall	Completed Kokshill Community Hall		✓						4 203	MIG	Manager Infrastructure
Poor residential Roads		To improve residential Roads	Tarring of Residential Roads	Tarred residential Roads		✓						9 000	MIG	Manager Infrastructure
Lack of landfill site		To develop a landfill site	Develop a landfill site	Completed landfill site		✓						12 000	MIG	Manager Infrastructure
Lack of Soccer field		Provide sportsfield at	Construct sportsfield at	Completed sportsfield		✓						3,478	MIG	Manager Infrastructure

- Hopewell		Hopewell	Hopewell											
Lack of Pound		Development of pound	Develop pound development	Completed pound		✓						1 000	MG	Manager Infrastructure
Lack of roads as per new lay-out plan		To develop roads as per new lay-out plan	Develop roads as per new lay-out plan	Completed roads as per new lay-out plan		✓						30 000		Manager Infrastructure
Lack of provision of waste skips		Provide waste skips	Provision of waste skips	Established of waste skips		✓						200		Manager Infrastructure
Need to rehabilitate the town		To rehabilitate the town	Paving of streets, public toilets etc.	Paved streets, refurbished public toilets, etc.		✓						8 700		Manager Infrastructure
Poor stormwater system, traffic Centre, Street Naming, Solar lighting streets		Improve stormwater system, traffic Centre, Street Naming, Solar lighting streets	Construct proper stormwater system & traffic Centre, Street Naming, Solar lighting streets	Completed stormwater system, traffic centre, named streets and solar lighting streets		✓						20 570		Manager Infrastructure
High poverty and untidy areas		To address poverty and clean town/areas	Establish Food For Waste Programme	Operating Food For Waste Programme		✓						1 000		Manager Infrastructure

LOCAL ECONOMIC AND SOCIAL DEVELOPMENT													
Key Challenge	Obj. Ref	Objective	Strategies	Performance Indicator	5 Year Target					Target & yr (if outside 5 yr period)	Budget (R) ('000)	Source	Responsibility (In Municipality)
					Baseline	Yr 1 13/14	Yr 2 14/15	Yr 3 15/16	Yr 4 16/17				
Lack of Agriculture policy		To address lack of Agriculture Policy	Develop an Agriculture Policy	Adopted Agriculture Policy		✓						150	Manager (Planning, LED & Housing)
Lack of Maize Association		To have a common Association	Establish a Maize Association	A Registered Maize Association		✓						50	Manager (Planning, LED & Housing)
FINANCIAL VIABILITY AND SOCIAL MANAGEMENT													
Key Challenge	Obj. Ref	Objective	Strategies	Performance Indicator	5 Year Target					Target & yr (if outside 5 yr period)	Budget (R) ('000)	Source	Responsibility (In Municipality)
					Baseline	Yr 1 13/14	Yr 2 14/15	Yr 3 15/16	Yr 4 16/17				

COMMUNITY AND SOCIAL SERVICES														
Key Challenge	Obj. Ref	Objective	Strategies	Performance Indicator	5 Year Target						Target & yr (if outside 5 yr period)	Budget (R) ('000)	Source	Responsibility (In Municipality)
					Baseline	Yr 1 13/14	Yr 2 14/15	Yr 3 15/16	Yr 4 16/17	Yr 5 17/18				
Lack Operation MBO		Operation MBO	Develop an Operation MBO	Established Operation MBO		✓						50		Manager (Community & Social Services)
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT														
Key Challenge	Obj. Ref	Objective	Strategies	Performance Indicator	5 Year Target						Target & yr (if outside 5 yr period)	Budget (R) ('000)	Source	Responsibility (In Municipality)
					Baseline	Yr 1 13/14	Yr 2 14/15	Yr 3 15/16	Yr 4 16/17	Yr 5 17/18				
Lack of Skills on unemployed youth		To address lack of skills amongst unemployed youth	Develop a Skills Programme for Unemployed youth	Established Skills Programme for Unemployed youth		✓								Manager (Corporate Service)

6.1. OVERVIEW OF FINANCIAL PLAN – 2011/2012 TO 2015/2016

The purpose of the financial plan is to provide the UMzikhulu Municipality with an overview of the financial implications, over the medium term, of the priorities contained within the municipality's IDP. The UMzikhulu Municipality has taken into cognizance the need to align the municipality's IDP to a robust but flexible financial plan for purposes of ensuring that the priorities provided for in the IDP have been adequately planned and budgeted for in relation to the municipality's available financial resources over the medium term. Also in terms of the Municipal Finance Management Act No. 56 of 2003 (MFMA) there is a need to take into account the IDP priorities in preparing the municipality's budget, thus ensuring that both the budget and the IDP are consistently aligned. Further to this, the MFMA also requires that the municipality takes all reasonable steps to ensure that the municipality revises the IDP in terms of section 34 of the Municipal Systems Act No. 32 of 2000, taking into account realistic revenue and expenditure projections for future years.

The principles contained within this financial plan section of the IDP are to be incorporated into the municipality's medium to long-term financial plan covering a period of five years. Through this medium to long-term financial planning exercise the municipality intends to develop a comprehensive strategic and long-term financial planning and forecasting model, of which the ultimate objective is to develop a tool that the municipality can utilize to ascertain the effects on its financial viability and sustainability of short, medium and long-term financial commitments and decisions. The municipality also intends that such a tool should be utilized to guide its forecasting and management of its financial resources, including cash and investments, to enable it to realize satisfactory returns on such investments. This financial plan section is set out below according to these components:

- ⇒ Overview of the financial plan – 2011/2012 to 2015/2016;
- ⇒ Financial viability and sustainability issues; and
- ⇒ Detailed five year financial plan.

Thus taking the above discourse into account, the UMzikhulu Municipality has embarked on this financial planning exercise as part of its endeavor to achieve specific goals and objectives in relation to its mandate which includes service delivery, infrastructure development and local economic development. In performing this exercise the municipality recognizes that its role and mandate, guided by the key National Key Performance Areas (KPA's), is broad encompassing not only service delivery and infrastructure development but also governance, socio-economic development and capacity building. Having mentioned this, the municipality also recognizes that the primary objective of this financial planning exercise is to focus on those matters that will ultimately bring financial viability and sustainability, which in the long run will then allow the municipality to gradually expand the scope and quality of its service offering to the community of UMzikhulu, as this will be underpinned by the municipality's long-term financial sustainability.

6.2 FINANCIAL PLANNING

The uMzimkhulu Municipality through its long-term investment and financial planning process intends to improve its annual budgeting process by integrating national fiscal policies and guidelines (including the annual Division of Revenue Act), financial planning strategies and action plans and forecasting data and information into a comprehensive strategic and long-term financial planning and forecasting model. The municipality intends to make such long-term financial planning and forecasting model, along with the municipality's financial policies available for purposes of engaging stakeholders during processes of IDP review and project prioritization and also during the budget preparation and consultation processes such that the uMzimkhulu Municipality's financial situation and the municipality's plans for achieving financial viability and sustainability are widely consulted and understood by all relevant stakeholders, so as to facilitate meaningful participation in decision making by all relevant stakeholders. The municipality intends to workshop such comprehensive strategic and long-term financial planning and forecasting model to the municipality's councilors', managers and officials so as to further enhance understanding of the municipality's plans to achieve financial viability and sustainability over the medium to long-term.

The budget preparation process of the uMzimkhulu Municipality has gradually moved away from the previous year-on-year incremental and one dimensional methodology and now incorporates some principles of zero-based budgeting. The municipality expects that this long term financial planning and forecasting approach would go some way towards reducing the pain and stress of the budget preparation process and the need for undue competition and adversity amongst the municipality's departments. It is also intended to negate the view that budget preparation is entirely a budget and treasury office/finance department function rather than a joint effort by all departments. Also by viewing budget preparation as a multi-year planning process, the need for the budget and treasury office to have to find means to allocate resources to past commitments to multiyear projects for which no ongoing funding had been allocated will fall away.

Over the next three years – 2012/2013 to 2014/2015, the uMzimkhulu Municipality intends to improve and enhance its budget preparation process, aiming particularly towards achieving better budget management, including budget variance analysis and performance measurement, financial modeling and forecasting and maximization of available financial resources. This ultimately should lead to the municipality's councilors and officials and other stakeholders viewing the entire budgeting and financial planning process as a strategic and operational function that is an integral part of their respective duties and responsibilities as municipal councilors, officials and stakeholders.

6.2.1. Financial Resources

For purposes of the financial plan, the municipality has considered financial resources in relation to operational and capital expenditure. The various financial resources available to the municipality are summarized below:

Capital expenditure:

- ⇒ Grant funding from the national and provincial government departments;
- ⇒ External borrowings and other forms of funding (e.g. donor funding);
- ⇒ Capital receipts from the disposal of impaired and/or obsolete assets

Operational expenditure:

- ⇒ Municipal own revenue – including rates, refuse removal, traffic fines, etc.;
- ⇒ Grant funding – equitable share;
- ⇒ Investment income;
- ⇒ Interest income

6.2.2 Financial Plan Assumption

A year-on-year increase of more or less 6% was utilized for purposes of projecting revenue and expenditure going forward – this is in line with the current downward trend of inflation figures in the current economic environment. In terms of a National Treasury directive farmers are to retained at the 75% rebate level for an additional financial year (2010/2011), but the effects of this was regarded as relatively minor and thus was not shown separately. The equitable share is shown in accordance with DoRA and the neighborhood grant is shown separately The financial plan assumptions are built into sensitivity switches to allow for the variation of the various assumptions to demonstrate the effect of different scenarios on the municipality's financial position and results.

6.2.3 Financial Plan Results

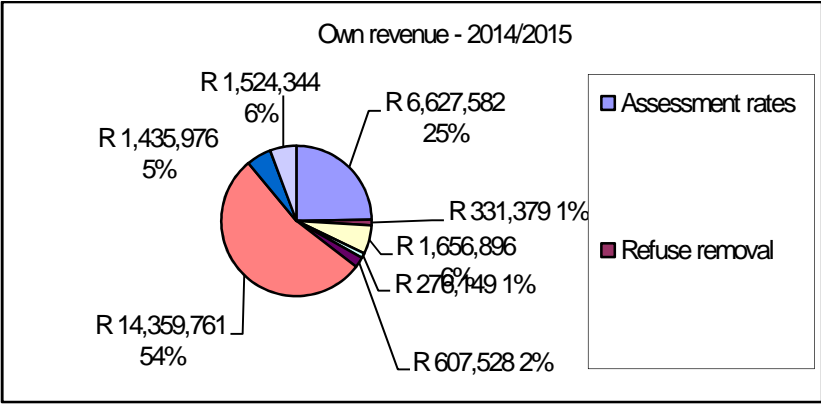
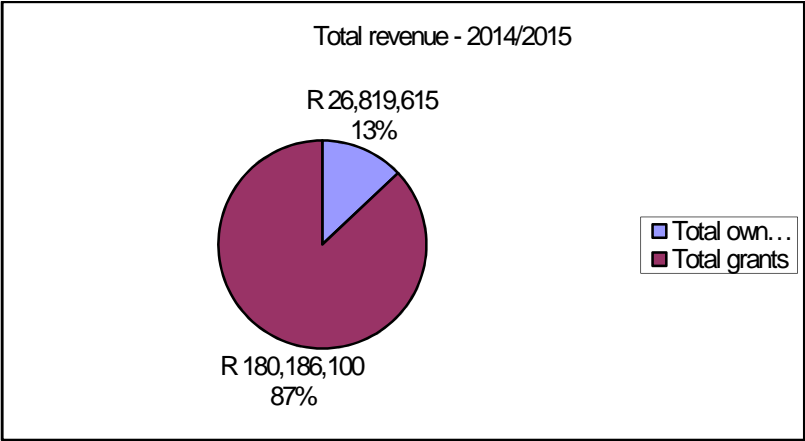
An overview of the financial plan clearly demonstrates that the uMzimkhulu Municipality is still largely a grant funded municipality with grant funding expected to make up 87% of total municipal revenues during the 2014/2015 financial year. Thus, taking into account this current dependency on grants, the municipality has to focus on developmental priorities that improve the infrastructure base of the municipality as a means of enhancing economic activity and also in growing its revenue base – including the probable ring-fencing of revenue generating functions such as refuse removal so as to be able to harness cash-flows from such activity to enable the municipality to access funding to improve and expand the service – the raising of funding against rates revenue to accelerate infrastructure development. Greater emphasis on revenue

generation should be placed including implementation of debt collection and credit control measures, customer care and revenue enhancement projects. Even with an assumption of a material increase in rates income due to the implementation of the Municipal Property Rates Act (MPRA), the contribution to total revenue of rates will remain minimal at 3% - 2014/2015.

Revenue – 2011/2012 to 2015/2016

Table 23: Revenue 2011/12 - 2015/16

Revenue - 2010/2011 to 2014/2015				
	2011/2012	2012/2013	2013/2014	2014/2015
Own revenue				
Assessment rates	5 693 791	6 000 000	6 318 000	6 627 582
Refuse removal	600 000	300 000	315 900	331 379
Interest on investments	2 200 000	1 500 000	1 579 500	1 656 896
Interest on o/s accounts	300 000	250 000	263 250	276 149
Traffic fines, licences and vehicle registration fees	400 000	550 000	579 150	607 528
SARS	11 000 000	13 000 000	13 689 000	14 359 761
Sundry income	1 320 000	1 300 000	1 368 900	1 435 976
Other revenue sources	575 000	1 380 000	1 453 140	1 524 344
Total own revenue	22 088 791	24 280 000	25 566 840	26 819 615
Grant funding				
Equitable share	75 002 998	85 298 997	91 643 000	99 559 000
MIG	54 688 000	58 144 000	73 325 300	77 408 100
Neighbourhood grant	-	-	-	-
Electricity grant	-	-	-	-
Other grants	2 240 000	4 092 000	3 141 000	3 219 000
Total grants	131 930 998	147 534 997	168 109 300	180 186 100
Total revenue	154 019 789	171 814 997	193 676 140	207 005 715



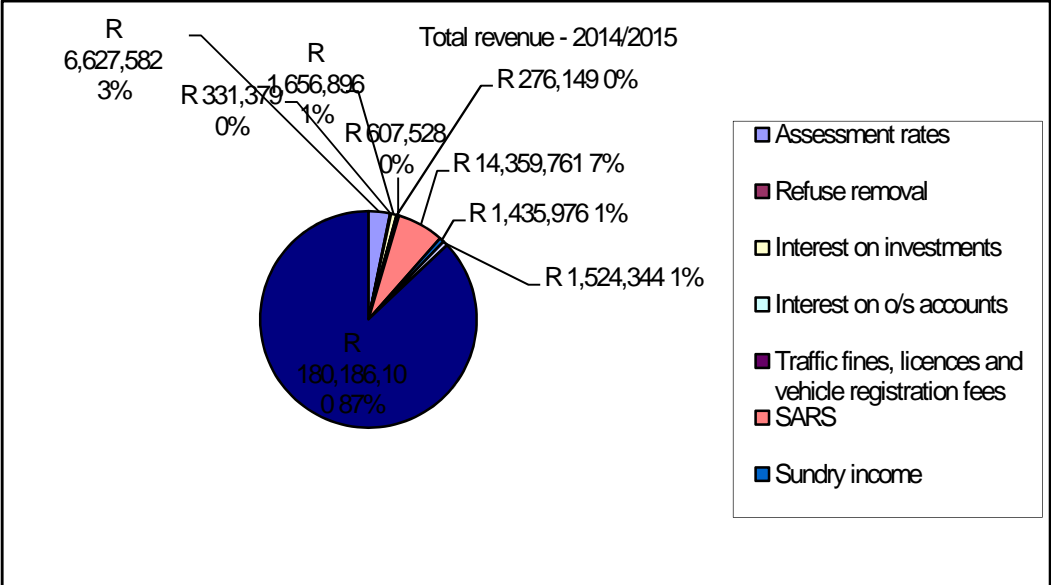
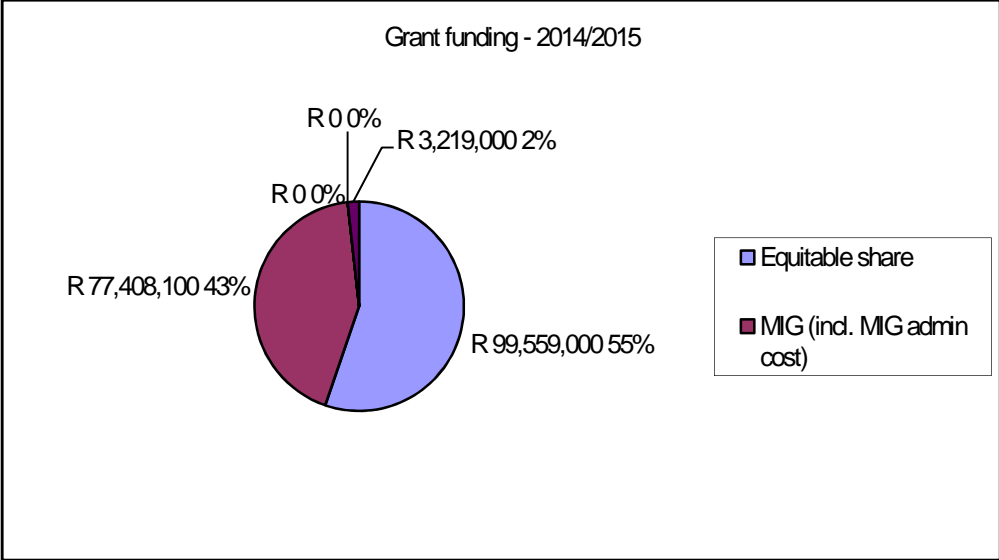
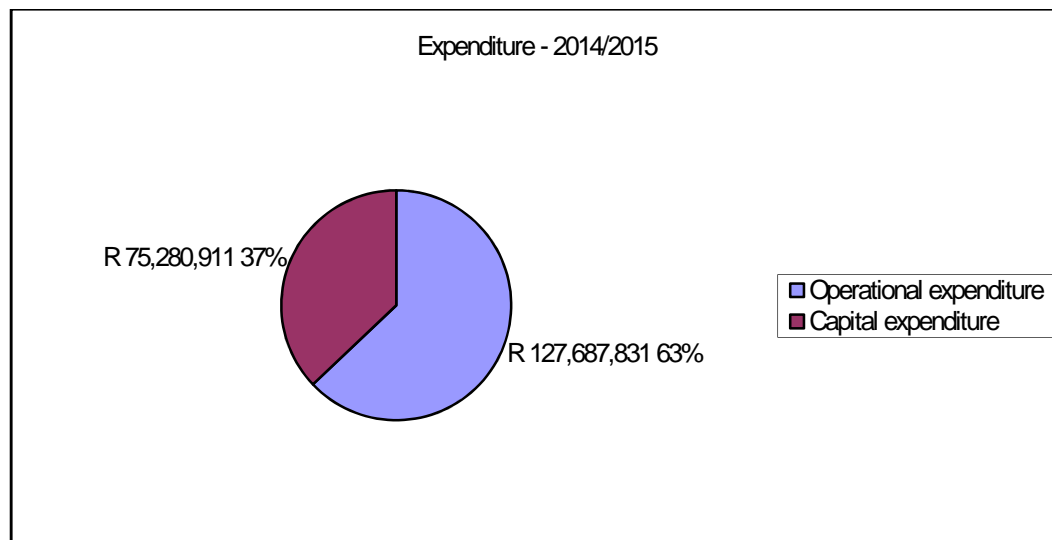
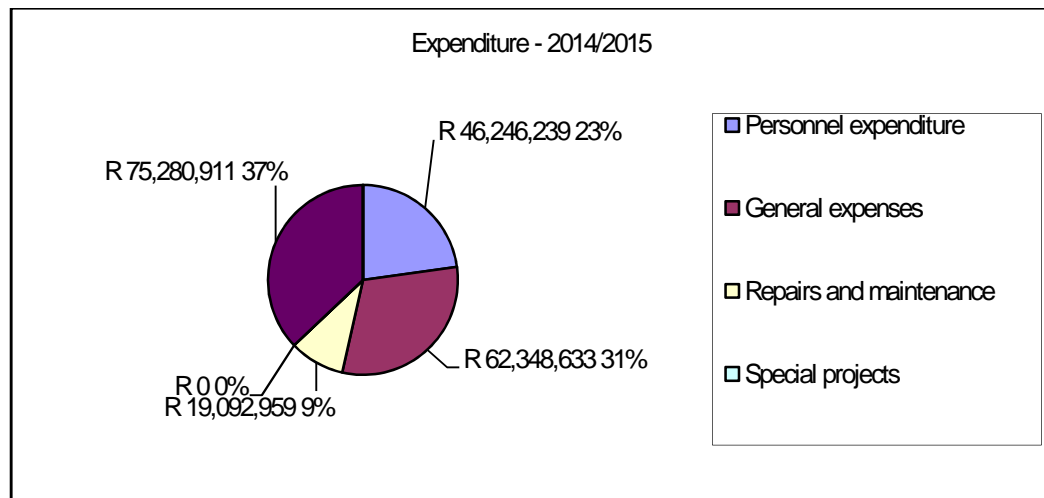
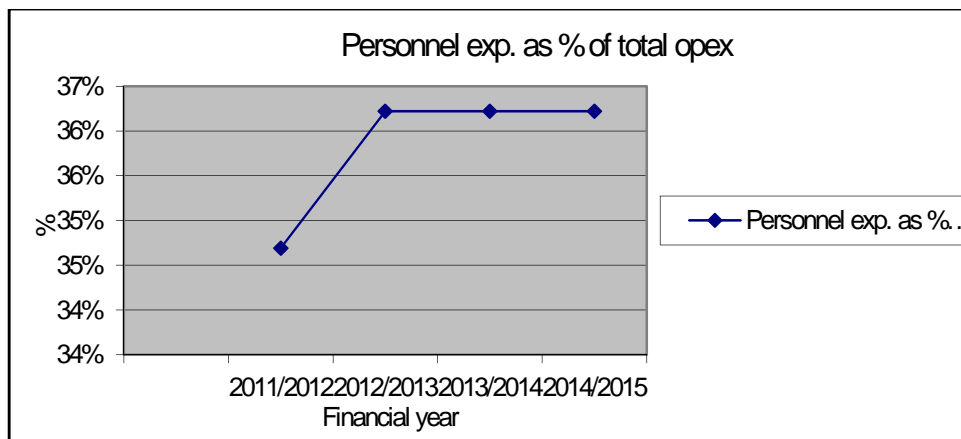
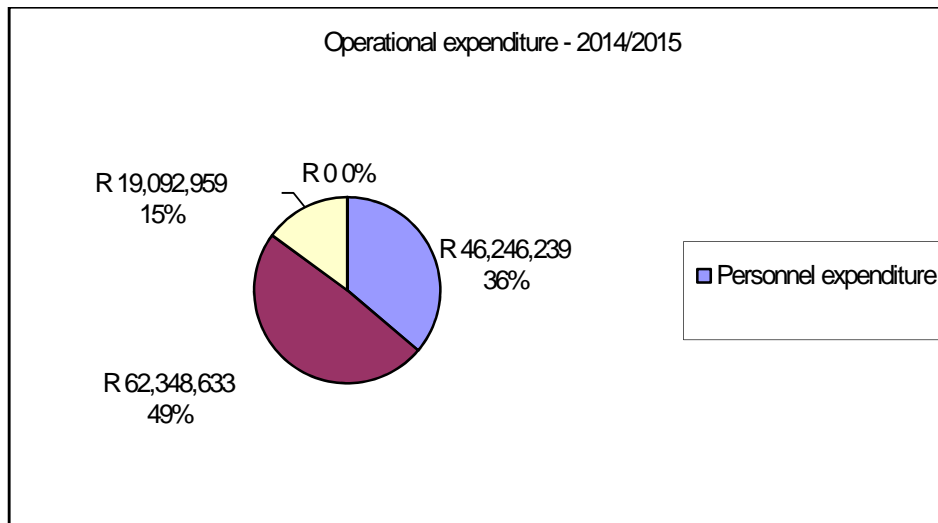


Table 24: Expenditure

Expenditure	2011/2012	2012/2013	2013/2014	2014/2015
Personnel expenditure	35 146 091	41 867 069	44 086 024	46 246 239
General expenses	36 920 985	56 444 688	59 436 257	62 348 633
Repairs and maintenance	15 646 195	17 285 000	18 201 105	19 092 959
Special projects	13 602 918	-	-	-
MIG Capex	52 703 600	56 218 240	71 297 475	75 280 911
Neighbourhood grant Capex	-	-	-	-
Electricity grant Capex	-	-	-	-
Total expenditure	154 019 789	171 814 997	193 020 861	202 968 742
Net surplus	0	0	655 280	4 036 973





6.2.4. Revenue Enhancement

UMzimkhulu, as a municipality covers an area which is largely rural and the municipality's revenue base consists primarily of the equitable share grant and of services in the form of refuse removal, electricity and protection and traffic management services and also rates. In formulating strategies for the enhancement of its revenue sources the municipality has to take into account the demographics of its area of jurisdiction. In essence, most revenue enhancement plans in a municipality should fall under one of the following enhancement principles:

- ⇒ The extension and improvement of any existing revenue source; and
- ⇒ The formulation and implementation of a new source of revenue.

An example of formulation of a new source of revenue would be in the case of a municipality that decides to offer traffic management and protection services where there were not offered before, which of course would entail the acquisition of new infrastructure and resources, such as trained and qualified personnel to enable the conducting of such service.

An example of the extension and improvement of any existing revenue source would include the offering of extended operational hours for learners' and drivers' licenses tests as an incentive for the general public to utilize the service and to also offer UMzimkhulu an advantage over other municipalities offering the same service. In essence they are various means by which this can be achieved but what is most critical is for such an exercise to be a collective effort by all the municipality's departments so as to dispense with the notion that this is purely a financial department responsibility.

This is particularly relevant considering that the various services that can be offered to drive the revenue enhancement effort reside and are controlled within the various line departments, such as infrastructure services and social development departments. It is thus critical that these departments' ideas and plans are brought to bear in formulating such plans. As part of its strategic long term financial planning process the municipality intends to explore various revenue enhancement initiatives as further means of entrenching its long term financial viability and sustainability.

6.2.5. Debt Collection and Credit Control

The municipality will focus on providing a holistic solution in developing and implementing a credit control and debt collection policy from ensuring that an effort is applied towards making the environment, from employees to the community/consumers, conducive towards transforming its credit control and debt collection policy to the necessary capacity to enable effective execution against the municipality's debt collection initiative.

The municipality will thus ensure that the following key components of an effective and sustainable credit control and debt collection policy are functioning effectively:

Personnel/HR:

- ⇒ Effective policies and procedures must be put in place to enable a streamlined and coordinated functioning of HR;
- ⇒ Detailed job descriptions must be developed for the relevant positions enabling execution on the credit control and debt collection policy;
- ⇒ Placing of suitably able personnel into the relevant positions

Information Technology (IT) Systems:

- ⇒ Effective IT support and maintenance capability should be secured;
- ⇒ Personnel should be provided of the necessary training on all the relevant IT systems and software programs;
- ⇒ IT systems should be operated within a suitably secured operating environment

Processes and Activities:

- ⇒ Processes to be followed in executing on credit control and debt collection should be fully documented and personnel should have a full working knowledge of these policies

Reporting and Performance Measurement:

- ⇒ Ensuring a sustainable and continuously improving credit control and debt collection policy entails putting in place effective reporting and performance measurement mechanisms, thus allowing for continuous review of progress and allowing for comparison of targets against actual results

In dealing with government, institutional and large commercial customers the municipality will first ascertain the proportion of its debtors book, particularly accounts in arrears, attributable to government, institutional and large commercial customers. This will be an important step in the process as it will allow the municipality to determine the influence of these customers on its revenue generating and debt collection ability and ultimately its overall financial viability and sustainability.

Essentially the debt collection effort aimed at government, institutional and large commercial customers will be driven or rather preceded by a well-structured communication plan. This will be aimed at creating cordial and mutually beneficial relationships with such customers. The municipality intends to gain an understanding of the relevant customers' operating environment and the municipality's influence on such environment on service delivery terms.

With respect to medium sized businesses, particularly local businesses and residential customers the municipality may elect to adopt a more lenient approach by allowing such customers arrear settlement terms of between three to six months. The overriding principle though of such arrear settlement arrangements should be that customers should settle their current accounts in full on a monthly basis such that there is no further accumulation of arrears and thus undermining the process of arrear settlement.

The strategy of debt collection for all categories of customers will thus be underpinned by the following principles:

- ⇒ The municipality will devise a communication plan to be deployed through public community forums and various communication media, including the local press, community radio and other relevant publications, informing the community of the municipality's intended debt collection initiative, including the initiative's intended objectives and the relevant timelines;
- ⇒ The municipality will then commence a fieldwork exercise which will comprise site visits to facilitate dialogue with customers on arrear settlement terms. The municipality will also consider requesting customers to sign acknowledgement of debt agreements as a sign of commitment to the full settlement of outstanding debt;
- ⇒ The municipality will then monitor adherence with such acknowledgement of debt agreements on a monthly basis until the customer has fully met his/her obligations;
- ⇒ The municipality will also consider provide ongoing updates on the success of such debt collection initiative to the community through newsletters or the local press so as to create more awareness and also to galvanize the community's support of such initiative.

6.2.6. Customer Care and Management

In terms of section 95 of the Municipal Systems Act No. 32 of 2000 municipalities should adopt a customer care management system to achieve the following:

- ⇒ Create a positive and reciprocal relationship between the ratepayers and service consumers and the municipality and where applicable a service provider;
- ⇒ Pay points that provide customers with online facilities for accessing account query information to facilitate quick resolution of customer queries;
- ⇒ Multiple pay points and mechanisms including kiosks, Easypay, online payments, direct deposits, etc.;
- ⇒ Presentable premises utilized for banking hall and customer care facilities, including suitably furnished, equipped, proper signage, convenient office hours, well trained, courteous and helpful personnel;
- ⇒ Conducting of regular network audits to ensure that accurate consumption metering occurs and also as a means of minimizing water and/or electricity losses;
- ⇒ Issuing of accurate, regular and timeous accounts to ratepayers and customers that clearly record the tariff utilized, the level of consumption and the time period used to calculate the billed amount; and
- ⇒ Consistent and impartial application of the municipality's credit control and debt collection policies.

Having noted the above the municipality intends to review its customer care and management systems to ensure that any debt collection initiative that is implemented is supported by a fully functional and effective customer care and management function.

6.3 AUDITOR GENERAL'S REPORT AND RESPONSE

The municipality prepared an action plan regarding auditor general's recommendations. The table following elaborates:

Table 25: Action Plan on Auditor General's Comments

ACTION PLAN REGARDING AUDITOR GENERAL'S RECOMMENDATIONS.								
NAME OF INSTITUTION ISSUING REPORT	NUMBER OF FINDING	YEAR OF REPORT	FINDINGS	ACTION PLAN	IMPLEMENT ACTION DATE	RESPONSIBLE DEPARTMENT	RESPONSIBLE PERSON	STATUS
1. Investments are redeemable within 90 days and are not classified as cash and cash equivalents								
Auditor-General	1	2011/2012	In terms of paragraph 6 of GRAP 1, Presentation of Financial Statements, cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Current investments redeemable within 90 days have been disclosed as investments in the statement of financial position instead of being classified as cash and cash equivalents in the annual financial statements	Municipality intends to implement controls aimed at preventing non-compliance with GRAP statements by preparing monthly financial statements. The Monthly financial statements will be reviewed every month to ensure all requirements of GRAP have been complied with. Quarterly financial statements will also be submitted to the Audit Committee for independent review.	31 July 2012	Budget and Treasury Office	Mr Z Cezu	In progress 60 % The first 5 set of monthly financial statements have been produced. (July 2012 to November 2012).
2. Inconsistencies between planned and reported indicators								

Auditor-General	2	2011/2012	The Municipal Systems Act 32 of 2000 paragraph 40 states the municipality must establish mechanisms to monitor and review its performance management system. The planned indicators as per the IDP were not consistent when compared to the APR. Furthermore these changes were not approved.					
3. Review of financial statements								
Auditor-General	3	2011/2012	In terms of Appendix E: 1 April 2011 of Directive No. 5 of 2009 issued by the Accounting Standards Board, entities are required to apply the Standards of GRAP where the Minister has determined the effective date. A review of the financial statements for the 2011/2012 financial year revealed a number of instances where the financial statements had not been prepared in terms of GRAP	Municipality intends to implement controls aimed at preventing non-compliance with GRAP statements by preparing monthly financial statements. The Monthly financial statements will be reviewed every month to ensure all requirements of GRAP have been complied with. Quarterly financial statements will also be submitted to the Audit Committee for independent review.	31 July 2012	Budget and Treasury Office	Mr Z Cezu	In progress 60 % The first 5 set of monthly financial statements have been produced. (July 2012 to November 2012)
4. Awards made to suppliers in the service of the state								

Auditor-General	4	2011/2012	SCM regulation 44 states that awards may not be made to a person who is in the service of the state if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or who is an advisor or consultant contracted with the municipality	The Supply Chain Management Unit will verify all the service providers before they are awarded. A system that identifies persons that are in the service of the state will be used (trans union). A report from trans union system will be printed and be filed as the evidence. All tender documents will incorporate MBD4 so that the service providers who are the service of the state will declare. The Municipality will continually use the SCM Declaration forms for SCM officials.	01 July 2012	Budget and Treasury Office	Mr Z Cezu	The process is ongoing
5. Unauthorised expenditure not disclosed in the financial statements								

Auditor-General	5	2011/2012	In terms of section 15 of the MFMA, a municipality may, except where otherwise provided in this Act, incur expenditure only in terms of an (a) approved budget; (b) and within the limits of the amounts appropriated for the different votes in an approved budget	The municipality will report all irregular and unauthorized expenditure to the Finance Committee and the Council on a monthly basis. Monthly financial statements will include note/disclosure for all irregular and unauthorized expenditure identified during that month. Monthly section 71 reports will also be used to detect any unauthorized expenditure. The municipality will also review the current SCM procedure manuals and budget checklists to ensure that unauthorized and irregular expenditure are prevented and detected.	30 October 2012	Budget and Treasury Office	Mr Z Cezu	the budget is closely monitored on a monthly basis to ensure that our expenditure is within the budget amounts to avoid the unauthorised expenditure. We will also be increasing the salaries during the adjustments budget to include the salaries that were under general expenses as MIG ADMIN into our salaries budget.
7. Landfill site operating without a license								

Auditor-General	6	2011/2012	In terms of section 20(b) of the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008) and section 20(1) of the Environmental Conservation Act, 1989 (Act No. 73 of 1989) requires waste disposal sites to operate with a waste management license or permit. As reported	An application for a license has been submitted to the Department of Environmental Affairs, Agriculture and Rural Development for the current site. Continuous audits and maintenance are done as required.	01 August 2012	Technical and Infrastructure department	Ms K Dweba	progress is at 80%
8. Receivables from non-exchange transactions is not separately disclosed								

Auditor-General	8	2011/2012	<p>Intens of GRAP 1 Presentation of Financial Statements, paragraph 36 states that each material class of similar items shall be presented separately in the financial statements. Paragraph 84 further states that an entity shall disclose, either on the face of the statement of financial position or in the notes to the statement of financial position, further sub-classifications of the line items presented, classified in a manner appropriate to the entity's operations. In paragraph 85(b) this is expanded to explain that the receivables are disaggregated into amounts receivable from user charges, taxes and other non-exchange revenues, other members of the economic entity, receivables from related parties, prepayments and other amounts; Rates and refuse consumer debtors are separate classes of similar debtors and have not been separately disclosed in note 5 to the financial statements. Amounts owed by other spheres of government are included in total consumer debtors in note 5 to the financial statements and have not been separately disclosed as receivables. The disclosure requirements for the financial statements are not presented as required.</p>	<p>The municipality will prepare debtors report by customer classification and by category/service. As from January 2012 the monthly financial statements will include such disclosure. The municipality will ensure that consumer debtors are disclosed by category on mid-year financial statements. The municipality will also assess the completeness of GRAP disclosure on the 30 June 2012(using National Treasury Checklist 2012). If a need to add more disclosure notes is discovered, the municipality will then incorporate those disclosures on the 2012/2013 monthly financial statements</p>	16 January 2012	Budget and Treasury Office	Mr Z Cezu	Not yet started
9. Proceeds on sale of asset not accounted for or recovered								

Auditor-General	9	2011/2012	Section 64 (2) (e) of the Municipal Finance Management Act (Act No. 56 of 2003), states that the accounting officer must for the purposes of subsection (1) take all reasonable steps to ensure that the municipality has and maintains a management, accounting and information system which recognizes revenue when it is earned accounts for debtors; and accounts for receipts of revenue; Through a review of the fixed asset register it was noted that the proceeds on the assets sold to the former Municipal Manager and former Councilors have not been received nor have these amounts been raised as debtors:	The Municipality will be fully utilizing the Treasury Assets Reconciliation Checklist that will ensure that all the proceeds from any disposal of an asset are recognized and recorded in that month they were disposed. This Treasury checklist will be monitored by the person accountable for asset management, and be reviewed by the Senior Accountant.	31 January 2013	Budget and Treasury Office	Mr Z Cezu	we are recording the proceeds on disposal of assets on a monthly basis. We have since recognized the profit on sale of the vehicles, and also recognized proceeds on lost Lap Top, and we processed the journals in the General ledger, written off those assets in our asset register.
10. Incorrect accounting for assets disposed of								
Auditor-General	10	2011/2012	In terms of paragraph 76 of GRAP 17, Property, Plant and Equipment, the carrying amount of an item of property, plant and Equipment shall be de-recognized on disposal; or (a) when no future economic benefits or service potential are expected from its use or disposal. It was noted that assets disposed of during 2011/2012 incorrectly included assets that were disposed of during the previous financial year	The Municipality will fully utilise the Treasury Assets Reconciliation Checklist that will ensure that all the proceeds from any disposal of an asset are recognised and recorded in that month they were disposed. This Treasury checklist will be prepare by the person accountable for asset management, and be reviewed by the senior accountant.	31 January 2013	Budget and Treasury Office	Mr Z Cezu	we are recording the proceeds on disposal of assets on a monthly basis. We have since recognised the profit on sale of the vehicles, and also recognised proceeds on lost Lap Top, and we processed the journals in the General ledger, written off those assets in our asset register.
11. Re-assessment of useful lives incorrectly accounted for								

Auditor-General	11	2011/2012	<p>In terms of paragraph 61 of GRAP 17, Property, Plant and Equipment, the residual value and the useful life of an asset shall be reviewed at least at each reporting date and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate in accordance with the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors. According to paragraph 38 of GRAP 3, Accounting Policies, Changes in Accounting Estimates and Errors, prospective recognition of the effect of a change in an accounting estimate means that the change is applied to transactions, other events, and conditions from the date of change in estimate. A change in an accounting estimate may affect the current period's surplus or deficit or the surplus or deficit of both the current period and future periods. For example, a change in the estimate of the amount of bad debts affects only the current period's surplus or deficit in the estimate of the amount of bad debts affects only the current period's surplus or deficit and is therefore recognised in the current period. However, a change in the estimated useful life of or the expected pattern of consumption of economic benefits or service potential of a depreciable asset affects the depreciation expense for the current period and for each future period during the asset's remaining useful life. In both cases, the effect of the change relating to the current period is recognised as revenue or expense in the current period. The effect, if any, on future periods is recognised as revenue or expense in those future periods.</p> <p>The effect of the change relating to the re-assessment of useful lives was incorrectly accounted for through the appropriation account instead of being recognised as revenue in the</p>	<p>The Municipality will re-assess the useful lives of the assets at least once in a year to ensure that there all the assets that are still in good condition yet about to be fully depreciated, to extend their useful lives.. GRAP checklist will also be used to ensure the correct accounting of assets.</p>	31 May 2013	Budget and Treasury Office	Mr Z Cezu	<p>we are currently finalising the asset verification that will help us in determining the conditions of the assets in our asset register. As at end of January there were no assets that had nil values.</p>
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			current period.					
12. Comparative figures not restated for prior period errors								
Auditor-General	12	2011/2012	In terms of paragraph 42 of GRAP 3, Accounting Policies, Changes in Accounting Estimates and Errors, subject to paragraph 43, an entity shall correct material prior period errors retrospectively in the first set of financial statements authorised for issue after their discovery by (a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or (b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets for the earliest prior period presented.	Municipality intends to implement controls aimed at preventing non-compliance with GRAP statements by preparing monthly financial statements. The Monthly financial statements will be reviewed every month to ensure all requirements of GRAP have been complied with. Quarterly financial statements will also be submitted to the Audit Committee for independent review.	31 July 2012	Budget and Treasury Office	Mr Z Cezu	Ongoing
13. UIF expenditure								

Auditor-General	13	2011/2012	In terms of SALGA Circular 01/2012 dated 26 January 2012, Councilors are now exempted from paying UIF as from 1 April 2002. An accrued expense for UIF for Councilors in the amount of R409 424 is incorrectly disclosed in the annual financial statements.	A reconciliation reflecting amounts to be refunded to councilors and the contributions by the Municipality is performed already. Refunds to councilor's will be made before the financial year ended 30 June 2013.	30 June 2013	Budget and Treasury Office	Mr Z Cezu	A reconciliation reflecting amounts to be refunded to councilor's and the contributions by the Municipality is performed already. Refunds to councilor's will be made before the financial year ended 30 June 2013.
14. Future minimum lease payments for operating leases not disclosed								
Auditor-General	14	2011/2012	In terms of paragraph 50 (a) of GRAP 13, Leases, Lessees shall, in addition to meeting the requirements of the Standard of GRAP on Financial Instruments: Disclosure and Presentation make the following disclosures for operating leases. The total of future minimum lease payments under non-cancellable operating leases for each of the following periods: (i) Not Later than one year (ii) later than one year but not later than five years (iii) and not later than five years. The future minimum lease payments for vehicle and photocopier operating leases have not been disclosed in the financial statements	Municipality intends to implement controls aimed at preventing non-compliance with GRAP statements by preparing monthly financial statements. The Monthly financial statements will be reviewed every month to ensure all requirements of GRAP have been complied with. Quarterly financial statements will also be submitted to the Audit Committee for independent review.	31 July 2012	Budget and Treasury Office	Mr Z Cezu	Ongoing
15. Incorrect unwinding of provision for landfill site								

Auditor-General	15	2011/2012	According to paragraph 49 of GRAP 19, Provisions, Contingent Liabilities and Contingent Assets, the amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation at the reporting date. Paragraph 72 also states that provisions shall be reviewed at each reporting date and adjusted to reflect the current best estimate. Furthermore, paragraph 58 states that where the effect of the time value of money is material, the amount of a provision shall be the present value of the expenditures expected to be required to settle the obligation. Paragraph 60 states that the discount rate (or rates) shall be a pre-tax rate (or rates) that reflect(s) current market assessments of the time value of money and the risks specific to the liability. The discount rate(s) shall not reflect risks for which future cash flow estimates have been adjusted	The municipality will download and custom the National Treasury GRAP checklist. The checklist will ensure that all accounts measurements and disclosures are incorporated on the annual financial statements.	15 December 2012	Budget and Treasury Office	Mr Z Cezu	In Progress 60% This project is currently underway. The GRAP checklist have been downloaded. Reconciliation and Comparison against the current set of financial statements is in progress
16. Incorrect depreciation amount offset against the revaluation reserve								
Auditor-General	16	2011/2012	Paragraph 51 of GRAP 17, Property, Plant and Equipment, states that the revaluation surplus included in net assets in respect of an item of property, plant and equipment may be transferred directly to accumulated surpluses or deficits when the asset is derecognised. This may involve transferring the whole of the surplus when the asset is retired or disposed of. However, some of the surplus may be transferred as the asset is used by an entity. In such a case, the amount of the surplus transferred would be the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Transfers from revaluation surplus to accumulated surpluses or deficits are not made through surplus or deficit.	The Municipality will be fully utilising the Treasury Assets Reconciliation Checklist that will ensure that all the proceeds from any disposal of an asset are recognised and recorded in that month they were disposed. This Treasury checklist will be prepared by the person accountable for asset management, and be reviewed by the senior accountant.	30 June 2013	Budget and Treasury Office	Mr Z Cezu	Not yet started

16. Budget allocation not per development priority/objective							
Auditor-General	17	2011/2012	<p>Section 25 of the Municipal System Act No.32 of 2000 (MSA) states that each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which:</p> <p>(a) links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;</p> <p>(b) aligns the resources and capacity of the municipality with the implementation of the plan;</p> <p>(c) forms the policy framework and general basis on which annual budgets must be based;</p> <p>(d) complies with the provisions of this Chapter; and</p> <p>(e) is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation</p> <p>The budget allocation of the municipality for the 2010/11 financial year is not allocated per development priority/objective.</p>				
17. Revenue disclosure incomplete							

Auditor-General	17	2011/2012	<p>In terms of paragraph 119 (c) of GRAP 1, Presentation of Financial Statements, the notes shall provide additional information that is not presented on the face of the statement of financial position, statement of financial performance, statement of changes in net assets or cash flow statement, but is relevant to an understanding of any of them In reviewing Note 19 on Property Rates it was noted that the following additional information was not disclosed. a. The market value per category of rateable property (i.e. residential, commercial, government etc.) as per the Valuation Roll b. The rates randage for the current year and prior year.</p> <p>The above information is relevant to an understanding of how rates were raised and provides information about the financial performance of the municipality that is useful to a wide range of users in making economic decisions.</p>	<p>The municipality will download and custom the National Treasury GRAP checklist. The checklist will ensure that all relevant disclosures are incorporated on the monthly financial statements. The Municipality will ensure that the market values per category of rateable property (i.e. residential, commercial, government etc.) are disclosed in the monthly/annual financial statement as per the summary Valuation Roll and the rates randage for the current year and prior year are also disclosed in the mid-year financial statements for 2012/2013 financial year</p>	15 December 2012	Budget and Treasury Office	Mr Z Cezu	<p>In Progress 60% This project is currently underway. The GRAP checklist has been downloaded. Reconciliation and Comparison against the current set of financial statements is in progress</p>
18. No segregation of duties in human resources								

Auditor-General	18	2011/2012	Section 62(c) of the Municipal Finance Management Act, (Act No. 56 of 2003)(MFMA) states that the accounting officer of a municipality is responsible for managing the financial administration of municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. There is no segregation of duties in the HR department as the Personnel officer is performing incompatible functions such as adding an employee on to the system, amending employee details and remove an employee from the system	We have engaged VIP to come and upgrade the system to segregate activities within the Personnel history module where each activity will be performed by one official .VIP consultant is coming to review the system on the 22nd of February 2013.	February	Corporate Services Manager	Miss N. Nduku	Currently the Personnel Officer has a full access to Personnel history module but she is supervised by Senior HR Office
19. Review of financial statements								

Auditor-General	19	2011/2012	In terms of Appendix E: 1 April 2011 of Directive No. 5 of 2009 issued by the Accounting Standards Board, entities are required to apply the Standards of GRAP where the Minister has determined the effective date. A review of the financial statements for the 2011/2012 financial year revealed a number of instances where the financial statements had not been prepared in terms of GRAP	Municipality intends to implement controls aimed at preventing non-compliance with GRAP statements by preparing monthly financial statements. The Monthly financial statements will be reviewed every month to ensure all requirements of GRAP have been complied with. Quarterly financial statements will also be submitted to the Audit Committee for independent review.	31 July 2012	Budget and Treasury Office	Mr Z Cezu	Ongoing
20. Award to person in the service of the state not disclosed								
Auditor-General	20	2011/2012	Supply chain management regulation 45 states that notes to the financial statements of a municipality must disclose particulars of any award of more than R2000 to a person who is a spouse, child or parent of a person in the service of the state or has been in the service of the state in the previous twelve months, including - The name of the person - the capacity in which the person is in the service of the state; - and the amount of the award	The municipality will report all irregular and unauthorized expenditure to the Finance Committee and the Council on a monthly basis. Monthly financial statements will include notes/disclosure for all irregular expenditure identified during that month. The municipality will also review the current SCM procedure manuals and the checklists to ensure the correct treatment of irregular expenditure.	30 October 2012	Budget and Treasury Office	Mr Z Cezu	The process has been started and is ongoing.
21. Risk assessment of the SCM system not performed								
Auditor-General	21	2011/2012	Supply chain management regulation 41(2) states that risk management must include: (a) The identification of risks on a case-by-case basis (b) The allocation of risks to the party best suited to manage such risks; (c) Acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it; (d) The management of risks in a pro-active	Process Risk Assessment was done around SCM unit all future actions as a result of the report will be implemented by SCM and monitored by Risk Management Unit.	Quarterly	Budget and Treasury Office for implementation and MM for monitoring	Mr Z Cezu	80%

			<p>manner (e) and the provision of the adequate cover for residual risks; and the assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.</p> <p>The risk assessment process conducted in the current year did not include assessment of risks specific to the supply chain management system</p>					
22. Measurable objectives per IDP not consistent with APR								
Auditor-General	22	2011/2012	<p>The Municipal Systems Act 32 of 2000 paragraph 40 states-municipality must establish mechanisms to monitor and review its performance management system. The measurable objectives as per the IDP were not consistent when compared to the APR. Furthermore these changes were not approved.</p>	<p>The measurable objectives in the 2012/13 IDP have been accurately aligned to the scorecard and Service Delivery Budget Implementation plan, and furthermore this is continuously monitored by the Monitoring and Evaluation Unit on a quarterly basis by comparing the reported actual results to planned measurable objectives, outputs, key performance indicators and targets on the approved scorecard and IDP for continued consistency.</p>	Quarterly	MM (Monitoring and Evaluation)	Mr M Mkhize	
23. Quarterly actual performance not reconciling to annual performance on scorecard								
Auditor-General	23	2011/2012	<p>Section 62(1) (b) of the MFMA states, the accounting officer of a municipality is responsible for managing the financial administration of the municipality and must for this purpose take all reasonable steps to ensure that full and proper records of the financial affairs of the municipality are kept in accordance with any prescribed norms and standards.</p>	<p>The Monitoring and Evaluation Unit maintains and continuously updates the organizational scorecard with quarterly reports and ensures that information is accurately captured. This will ensure that at the end, the Annual Performance Report is consistent with quarterly actual results</p>	Quarterly	MM (Monitoring and Evaluation)	Mr M Mkhize	
24.. Reported performance against targets is not valid and accurate when compared to source information								

Auditor-General	24	2011/2012	Section 62(1) (b) of the MFMA states, the accounting officer of a municipality is responsible for managing the financial administration of the municipality and must for this purpose take all reasonable steps to ensure that full and proper records of the financial affairs of the municipality are kept in accordance with any prescribed norms and standards	The monitoring and Evaluation Unit is continuously scrutinising and compares the supporting documents furnished by Heads of departments against the quarterly reports and if any gaps are identified, these are communicated to the Hods. Internal audit also performs quarterly verification of quarterly reports against the evidence and findings are discussed with M&E and Hods for corrective action.	Quarterly	MM (Monitoring and Evaluation)	Mr M Mkhize	
25. Indicators not verifiable and targets not measurable								
Auditor-General	25	2011/2012	In terms of paragraph 3.2 (c) of the National Treasury Framework for Managing Program Performance Information, a municipality should set indicators that are verifiable: it must be possible to validate the processes and systems that produce the indicator. In terms of paragraph 3.3 of the National Treasury Framework for Managing Program Performance Information, a municipality should set suitable performance indicators and targets as part of its performance management system and express a specific level of performance that the institution, programme or individual is aiming to achieve within a given time period					
26. Performance audit committee charter								

Auditor-General	26	2011/2012	<p>According to section 14 (2) (b) of the Municipal Planning and Performance Management Regulations, 2001 A performance audit committee appointed in terms of paragraph (a) must include at least one person who has expertise in performance management. According to section 14 (4) (a) (ii) of the Municipal Planning and Performance Management Regulations, 2001 a performance audit committee must review the municipality's performance management system and make recommendations in this regard to the council of that municipality. Furthermore in terms of (b) section 14 (4) (b) of the Municipal Planning and Performance Management Regulations, 2001 in reviewing the municipality's performance management system in terms of paragraph (a) (ii), the performance audit committee must focus on economy, efficiency, effectiveness and impact in so far as the key performance indicators and performance targets set by the municipality are concerned. The performance audit committee charter does not address and prescribe for the review of the systems, processes, procedures and controls that are in place for performance reporting by the performance audit committee. Furthermore, the charter does not specify that at least one member of the committee shall have performance information expertise in order to have the necessary and appropriate expertise and skills to effectively carry out the roles and responsibilities relating to the municipality's performance management system</p>	<p>The charter for the performance audit committee will be reviewed in May 2013 to include: review the municipality's performance management system and make recommendations in this regard to the council of that municipality. review of the systems, processes, procedures and controls that are in place for performance reporting by the performance audit committee</p>	01 July 2013	Municipal Manager	Mr Sibiya	To be reviewed by Audit Committee May 2013
27. Quarterly reports on predetermined objectives not prepared and audited								
Auditor-General	27	2011/2012	<p>In terms of section 45(a) of the MSA, the results of performance measurements in terms of section 41(1) (c) must be audited as part of the municipalities internal auditing processes. The municipality did not timely prepare and submit</p>					

			its quarterly performance reports for review and audit by the internal audit unit as required by the MSA.					
28. Annual performance report does not reflect performance of each service provider								
Auditor-General	28	2011/2012	In terms of section 46(1) (a) of Municipal systems Act(No.32 of 2000) annual performance reports, a municipality must prepare for each financial year a performance report reflecting the performance of the municipality and of each service provider during that financial year.					
29. Information governance framework								
Auditor-General	29	2011/2012	Section 62(c) (i) of the Municipal Finance Management Act, (Act No. 56 of 2003)(MFMA) states that the accounting officer of a municipality is responsible for managing the financial administration of municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The municipality does not have an information technology (IT) governance framework in place	The Municipality signed the SLA agreement with SITA to assist in ICT related issues, however there were delays in the implementation of the project as Budget and Treasury Office wanted to ensure that all the relevant legislation had been followed to commence with the project. This included communicating with the Provincial Treasury office to ensure the right procedure was followed in initiating the project with SITA. The order note has been issued to Sita and the project plan is to be finalised on the 25th of February 2013, the timeframe for the completion of this project is the 31st of MARCH 2013.	February 2013	CORPORATE SERVICES	Ms N. Nduku	The order note has been issued to SITA , the Project manager has been appointed and the meeting is scheduled to sit on the 25th of February 2013 to prepare the project plan.

30. Information technology strategy plan								
Auditor-General	30	2011/2012	Section 62(c) (i) of the Municipal Finance Management Act, (Act No. 56 of 2003)(MFMA) states that the accounting officer of a municipality is responsible for managing the financial administration of municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The municipality does not have an IT strategic plan in place	The Municipality signed the SLA agreement with SITA to assist in ICT related issues, however there were delays in the implementation of the project as Budget and Treasury Office wanted to ensure that all the relevant legislation had been followed to commence with the project. This included communicating with the Provincial Treasury office to ensure the right procedure was followed in initiating the project with SITA, The order note has been issued to Sita and the project plan is to be finalised on the 25th of February 2013, the timeframe for the completion of this project is the 31st of MARCH 2013.	February 2013	CORPORATE SERVICES	Ms N. Nduku	The order note has been issued to SITA , the Project manager has been appointed and the meeting is scheduled to sit on the 25th of February 2013 to prepare the project plan.
31. Formally documented and approved processes to manage updates made to all financial systems								
Auditor-General	31	2011/2012	Section 62(c) (i) of the Municipal Finance Management Act, (Act No. 56 of 2003)(MFMA) states that the accounting officer of a municipality is responsible for managing the financial administration of municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. Formally documented and approved program change control policies and procedures were not in place to detail the process that should be followed when system updates were made to application systems.					
32. Formal change request forms								

Auditor-General	32	2011/2012	Section 62(c) (i) of the Municipal Finance Management Act, (Act No. 56 of 2003) (MFMA) states that the accounting officer of a municipality is responsible for managing the financial administration of municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control.	Part of the project with SITA is to develop Systems Development and Change Control Policy. This policy aims to ensure that information security is addressed at each stage of the systems development lifecycle. The policy also highlights the management of emergency responses and change control processes to ensure that responses are quickly and effectively managed reducing any potential business impact. The order note has been issued to Sita and the project plan is to be finalised on the 25th of February 2013, the timeframe for the completion of this project is the 31st of MARCH 2013.	February 2013	CORPORATE SERVICES	Ms N. Nduku	The order notes has been issued to SITA , the Project manager has been appointed and the meeting is scheduled to sit on the 25th of February 2013 to prepare the project plan.
33. Upgrades not approved by management								
Auditor-General	33	2011/2012	Section 62(c) (i) of the Municipal Finance Management Act, (Act No. 56 of 2003)(MFMA) states that "The accounting officer of a municipality is responsible for managing the financial administration of municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. Munsoft system upgrades were not approved by management	Ensure that with all changes done to system, there's an approved (by system owner and the HOD) change management form and after changes are done ensure that User Acceptance Testing are performed. The municipality with assistance of SITA is developing a change management form and processes and ensures vendors complete it before making system changes and the timeframe for the completion of this project is the 31st of MARCH 2013.	February 2013	CORPORATE SERVICES	Ms N. Nduku	The order notes has been issued to SITA , the Project manager has been appointed and the meeting is scheduled to sit on the 25th of February 2013 to prepare the project plan.
34. Public holidays marked off against leave								

Auditor-General	34	2011/2012	In terms of employee's Letter of Appointment, employees are entitled to public holidays provided for in the Public Holidays Act, 1994. In addition employees are entitled to 24 working days leave per annum. It was noted that when an employee takes leave over a period that includes public holidays, these public holidays are recorded as leave days taken on VIP and deducted off the employee's leave balance	In the beginning of every month the HR clerk flags the public holidays and the senior HR Officer checks and verify the information captured by HR clerk on weekly basis so as to ensure that there are no public holidays recorded as leave taken .	Ongoing	CORPORATE SERVICES	Ms N. Nduku	In the beginning of every month the HR clerk flags the public holidays and the senior HR Officer checks and verify the information captured by HR clerk on monthly basis so as to ensure that there are no public holidays recorded as leave taken .
35. Lack of performance audit committee minutes								
Auditor-General	35	2011/2012	Section 166(4)(b) of the MFMA states that an audit committee must meet as often as is required to perform its functions, but at least four times a year. There were three meetings held during the financial year which was evidenced by attendance registers, however only one set of minutes has been received for audit	The minutes of the performance audit committee will be prepared as a separate set.		Municipal Manager	Mr Sibiya	Members are available for quarter 1
36. Expenditure incorrectly raised as an accrued expense								

Auditor-General	36	2011/2012	In terms of paragraph 6 of GRAP 1, Presentation of Financial Statements, accrual basis means a basis of accounting under which transactions and other events are recognised when they occur (and not only when cash or its equivalent is received or paid). Therefore, the transactions and events are recorded in the accounting records and recognised in the financial statements of the periods to which they relate. The elements recognised under accrual accounting are assets, liabilities, net assets, revenue and expenses	The Municipality will change the cut-off time for payments (to be 20th June 2013) in order to scrutinise all invoices submitted in the financial year end and make sure that all expenses are recorded in the correct period.	30 June 2013	Budget and Treasury Office	Mr Z Cezu	
37. Inadequate controls over the compilation of the supplier database								
Auditor-General	37	2011/2012	According to section 62(1) (b) of the MFMA, the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that full and proper records of the financial affairs of the municipality are kept in accordance with any prescribed norms and standards. The information systems audit revealed that the following suppliers have duplicated information on the database; this may result in payments being processed to incorrect bank accounts or to fictitious suppliers:	The Municipality will engage MUNSOF office for the assistance to correct the error and improve database controls since the duplication occurred during the upgrade of the system	01 January 2013	Budget and Treasury Office	Mr Z Cezu	The process has been started and is ongoing.

Table 26: Project List

NAME OF PROJECT	BENEFICIARIES / WARD	SOURCE OF FUNDING	IMPLEMENTING AGENCY	BUDGET	TIMEFRAME
SERVICE DELIVERY & INFRASTRUCTURE					
Ward rural projects1	Ward 1	Department of Human Settlements	DOHS	TBC	2014/2015
Ward rural projects7	Ward 7	Department of Human Settlements	DOHS	TBC	2014/2015
Ward rural projects9	Ward 9	Department of Human Settlements	DOHS	TBC	2014/2015
Ward rural projects12	Ward 12	Department of Human Settlements	DOHS	TBC	2014/2015
Ward rural projects14	Ward 14	Department of Human Settlements	DOHS	TBC	2014/2015
Extension 9 & 10 (slums clearance)	Ward16	Department of Human Settlements	DOHS	TBC	2013/14/15
Blocked housing projects – Ibisi, Ext 5&6, Clydesdale & Riverside	16	Department of Human Settlements	DOHS	TBC	2010/11/12/13/14/15
Development of Community Residential Units	16	Department of Human Settlements	DOHS	TBC	2013/14/15
Development of Environmental Management Plan	All wards	UMZ	UMzimkhulu LM	R700 000.00	2012/2013
Development of Wall to Wall Scheme	All wards	UMZ/CoGTA	UMzimkhulu LM	R800 000.00	2013/2014
Settlement Planning Projects (Ibisi, Clydesdale, Riverside and Rietvlei	2,11,12,17	UMZ/CoGTA	UMzimkhulu LM	R1 000 000.00	2013/2014
Nsingizi - Mtshayazafe Gravel Access road	8	UMZ/ MIG	UMzimkhulu LM	R 5 668 000.00	2013/2014
Matshitshi Gravel Access Road	3	UMZ/ MIG	UMzimkhulu LM	R 2 031 000.00	2013/2014
Tarring of residential roads (3km)	16	UMZ/ MIG	UMzimkhulu LM	R 9 000 000.00	2013/2014

NAME OF PROJECT	BENEFICIARIES / WARD	SOURCE OF FUNDING	IMPLEMENTING AGENCY	BUDGET	TIMEFRAME
Fencing of Cemeteries	2,11,12,13,16,17,	UMZ/ MIG	UMzimkhulu LM	R 5 404 000.00	2013/2014
Ward 19 Sports field - Mountain	19	UMZ/ MIG	UMzimkhulu LM	R 6 979 000.00	2013/2014
Development of Umzimkhulu Landfill Site	16	UMZ/ MIG	UMzimkhulu LM	R 12 000 000.00	2013/2014
Ward 16 Relocation of Soccer field - Town	17	UMZ/ MIG	UMzimkhulu LM	R 3 478 000.00	2013/2014
Ward 13 Community Hall - Mfundweni	13	UMZ/ MIG	UMzimkhulu LM	R 4 203 000.00	2013/2014
Nsingizi - Mtshayazafe Gravel Access road	8	UMZ/ MIG	UMzimkhulu LM	R 5 668 000.00	2013/2014
Gudlintaba (eNtsikeni) Access Road - 2.5km	3	UMZ (Road Maintenance)	UMzimkhulu LM	447,000.00	2013/2014
Ngqumarheni Access Road - 4.5km	10	UMZ (Road Maintenance)	UMzimkhulu LM	1,900,000.00	2013/2014
Driefontein Access Road	8	UMZ (Road Maintenance)	UMzimkhulu LM	200,000.00	2013/2014
Sangweni Access Road - 1km	2	UMZ (Road Maintenance)	UMzimkhulu LM	612,500.00	2013/2014
Marhwaqa/sayimani Access Road	19	UMZ (Road Maintenance)	UMzimkhulu LM	500,000.00	2013/2014
Mvolozana Access Road - 3km	18	UMZ (Road Maintenance)	UMzimkhulu LM	800,000.00	2013/2014
Ndzombane Access Road - 3.5km	6	UMZ (Road Maintenance)	UMzimkhulu LM	900,000.00	2013/2014
St Paul Access Road - 4.5km	6	UMZ (Road Maintenance)	UMzimkhulu LM	1,000,000.00	2013/2014
Goxe Access Road	9	UMZ (Road Maintenance)	UMzimkhulu LM	787,500.00	2013/2014
Edgeton Access Road	2	DOT (Road Maintenance)	DOT	675,000.00	2013/2014
Gudlintaba (Maphayiphini) access Road - 3.5km	7	DOT (Road maintenance)	DOT	800,000.00	2013/2014

NAME OF PROJECT	BENEFICIARIES / WARD	SOURCE OF FUNDING	IMPLEMENTING AGENCY	BUDGET	TIMEFRAME
Ndabayilali access Road	5	UMZ (Road maintenance)	UMzimkhulu LM	1,095,000.00	2013/2014
Mbuzweni Access Road	12	UMZ (Road maintenance)	UMzimkhulu LM	700,000.00	2013/2014
Hambanathi Access Road - 3.5km	13	UMZ (Road maintenance)	UMzimkhulu LM	800,000.00	2013/2014
Ndideni Access Road	14	UMZ (Road maintenance)	UMzimkhulu LM	530,000.00	2013/2014
Mvusi Access Road - 3km	15	UMZ (Road maintenance)	UMzimkhulu LM	700,000.00	2013/2014
Breama Access Road	20	UMZ (Road maintenance)	UMzimkhulu LM	1,200,000.00	2013/2014
Mbuzweni Access Road	12	UMZ (Road maintenance)	UMzimkhulu LM	700,000.00	2013/2014
Vuka	4 & 6	UMZ/DoE	UMzimkhulu LM	4,323,000.00	2015/16
Eratyeni	6	UMZ/DoE	UMzimkhulu LM	4,356,000.00	2015/16
Gudintaba	6	UMZ/DoE	UMzimkhulu LM	5,203,000.00	2015/16
Dumisa	6	UMZ/DoE	UMzimkhulu LM	5,225,000.00	2015/16
Siphangeni	6	UMZ/DoE	UMzimkhulu LM	3,685,000.00	2015/16
Nzombane	3 & 18	UMZ/DoE	UMzimkhulu LM	3,751,000.00	2016/17
Mawuse	6 & 9	UMZ/DoE	UMzimkhulu LM	4,620,000.00	2016/17
Driefontein	8	UMZ/DoE	UMzimkhulu LM	4,675,000.00	2016/17
Ncarbele	8	UMZ/DoE	UMzimkhulu LM	3,234,000.00	2016/17
Rocky mount	10	UMZ/DoE	UMzimkhulu LM	1,265,000.00	2016/17
Ndawane	1	UMZ/DoE	UMzimkhulu LM	5,643,000.00	2016/17

NAME OF PROJECT	BENEFICIARIES / WARD	SOURCE OF FUNDING	IMPLEMENTING AGENCY	BUDGET	TIMEFRAME
Gaybrook	10	UMZ/DoE	UMzimkhulu LM	3,520,000.00	2016/17
Glengary s1 Planned In-fills (120)		ESKOM	ESKOM/ UMzimkhulu LM	R 1 680 000.00	2013/2014
Antioch s1 Planned In-fills (54)		ESKOM	ESKOM/ UMzimkhulu LM	R 756 000.00	2013/2014
Corinth s1Planned In-fills (56)		ESKOM	ESKOM/ UMzimkhulu LM	R 784 000.00	2013/2014
Cabane s1- Planned In-fills (58)		ESKOM	ESKOM/ UMzimkhulu LM	R 870 000.00	2013/2014
Ervubukazi s1- Planned In-fills (82)		ESKOM	ESKOM/ UMzimkhulu LM	R 1 230 000.00	2013/2014
Highlands s1- Planned In-fills (64)		ESKOM	ESKOM/ UMzimkhulu LM	R 960 000.00	2013/2014
Madwala s1- Planned In-fills (85)		ESKOM	ESKOM/ UMzimkhulu LM	R 1 275 000.00	2013/2014
Mfulamhle s1- Planned In fills (70)		ESKOM	ESKOM/ UMzimkhulu LM	R 1 050 000.00	2013/2014
Mahobe s1-Planned In-fills (103)		ESKOM	ESKOM/ UMzimkhulu LM	R 1 545 000.00	2013/2014
Umzimkhulu Mall (Private Mall Development)	16	Private Developer	Private Developer	TBC	2012/13/14
Community Health Clinic ; Private Hospital	16	Department of Health/Public Works	Department of Public Works	TBC	2013/14/15
Light Industrial development – Mortuaries, abattoirs etc	16	UMZ		TBC	2014/15/16
Commercial Development	16	UMZ/Private Developer	UMZ/Private Developer	TBC	2014/15/16
New residential – Medium density	16	UMZ/DOHS	UMZ/DOHS	TBC	2014/15/16
Bus and Taxi Rank	16	DOT/UMZ	Umzimkhulu LM	TBC	2012/13/14
Pound development	16	CoGTA/ National Treasury/	Umzimkhulu LM	R1m	2011/12

NAME OF PROJECT	BENEFICIARIES / WARD	SOURCE OF FUNDING	IMPLEMENTING AGENCY	BUDGET	TIMEFRAME
		UMZ			
Extension of cemeteries (appears in MIG projects)	16	National Treasury/ UMZ	Umzimkhulu LM	TBC	2012/13/14
Upgrading of Memorial Hall	16	National Treasury/ UMZ	Umzimkhulu LM	TBC	2012/13/14
Establishment of Museum, Coffee shop and Gymnasium	16	National Treasury/ UMZ	Umzimkhulu LM	TBC	2012/13/14
Development of landfill site (appears in MIG projects)	16	UMZ	Umzimkhulu LM	R12 000 000.00	2010 -13
Street lighting	16	UMZ	Umzimkhulu LM	TBC	2012/13/14
Roads as per new lay-out plan: 2130,2129, 2131 etc	16	National Treasury/ UMZ	Umzimkhulu LM	R30m	2012/13/14
Upgrading & Widening of R56 & extension of P601	16	DOT	Umzimkhulu LM	TBC	2012/13/14
Park development	16	National Treasury/ UMZ	Umzimkhulu LM	TBC	2010 -13
Provision of waste skips	16			R 200 000.00	2010/11/12
Small Towns Rehabilitation Phase 1– Paving of streets, Public Toilets etc	16	COGTA/UMZ	Umzimkhulu LM	R 8 700 000.00	2012/13
Small Towns Rehabilitation Phase 2 - Stormwater upgrading, Upgrading of Traffic Centre, Street Naming, Solar lighting streets	16	COGTA/UMZ	Umzimkhulu LM	R 20 570 000.00	
Construction of Trader's stalls	16				2012/13/14

NAME OF PROJECT	BENEFICIARIES / WARD	SOURCE OF FUNDING	IMPLEMENTING AGENCY	BUDGET	TIMEFRAME
Community Work Programme	All	COGTA/UMZ	Umzimkhulu LM	TBC	2012/3/14/15
Food For Waste Programme	All	CoGTA/UMZ	Umzimkhulu LM	R 1 000 000.00	2012/13/14/15
Santombe Water Supply – Phase 3		SDM/CoGTA	Sisonke District Municipality		2013/2014
Greater Umzimkhulu Sanitation Project		SDM/CoGTA	Sisonke District Municipality	TBC	2013/2014
Greater Summerfilled water project		SDM/CoGTA	Sisonke District Municipality	TBC	2013/2014
Umzimkhulu Sewer Upgrade Phase 2		SDM/CoGTA	Sisonke District Municipality	TBC	2013/2014
Umzimkhulu Bulk Water Supply		SDM/CoGTA	Sisonke District Municipality	TBC	2013/2014
LOCAL ECONOMIC DEVELOPMENT					
1. Agricultural policy and procedure making.	All wards	UMZ	Umzimkhulu LM	R 150 000	2013/2014
2. Ndawana No1 Maize Association	1	UMZ	Umzimkhulu LM	R50 000	2013/2014
3. SMME database updating (advertisement costs)	All wards	UMZ	Umzimkhulu LM	R 10 000	2013/2014
4. youth in Agriculture indaba	All wards	UMZ	Umzimkhulu LM	R 350 000	2013/2014
5. Tourism event	2	UMZ	Umzimkhulu LM	R20 000	2013/2014
6. Egwaqa community project(Sphumelele Co-op)	2	UMZ	Umzimkhulu LM	R150 000	2013/2014
7. DPM Agric Co-op (Bomvini youthProject)	3	UMZ	Umzimkhulu LM	R100 000	2013/2014

NAME OF PROJECT	BENEFICIARIES / WARD	SOURCE OF FUNDING	IMPLEMENTING AGENCY	BUDGET	TIMEFRAME
8. Dulini no1 Simanye and Thembelani	4	UMZ	Umzimkhulu LM	R100 000	2013/2014
9. Renewal of LED strategy	All wards	UMZ	Umzimkhulu LM	R250 000	2013/2014
10. business plan and feasibility study	All wards	UMZ	Umzimkhulu LM	R500 000	2013/2014
11. co-operative assistance and skills development / training	All wards	UMZ	Umzimkhulu LM	R150 000	2013/2014
10. Sizakancana Community project	5	UMZ	Umzimkhulu LM	R100 000	2013/2014
11. Siqondokuhle Dumanomhu	6	UMZ	Umzimkhulu LM	R100 000	2013/2014
12. Thandokwakhe Project	7	UMZ	Umzimkhulu LM	R100 000	2013/2014
13. SMME assistance and skills development	All wards (subject to selection)	UMZ	Umzimkhulu LM	R150 000	2013/2014
14. Siyazenzela Primary Co-op	8	UMZ	Umzimkhulu LM	R150.00	2013/2014
15. Isidiliya	9	UMZ	Umzimkhulu LM	R50 000	2013/2014
16. Readsdale	10	UMZ	Umzimkhulu LM	R150 000	2013/2014
18. Mpikeli (Mpile Co-op)	11	UMZ	Umzimkhulu LM	R100 000	2013/2014
19. Mbulumba	12	UMZ	Umzimkhulu LM	R150 000	2013/2014
20. Masondleke Vegetables	13	UMZ	Umzimkhulu LM	R150 000	2013/2014
21. Gugwini	14	UMZ	Umzimkhulu LM	R150 000	2013/2014
22. Iron Iesh community project	15	UMZ	Umzimkhulu LM	R100 000	2013/2014
23. Gowensa fencing	18	UMZ	Umzimkhulu LM	R150 000	2013/2014

NAME OF PROJECT	BENEFICIARIES / WARD	SOURCE OF FUNDING	IMPLEMENTING AGENCY	BUDGET	TIMEFRAME
24. Amadlakuthina Agric Co-op	19	UMZ	Umzimkhulu LM	R80 000	2013/2014
24. SMME Lockable Stores.	16	UMZ/MIG	Umzimkhulu LM	R 2 500 000	2013/2014
25. SMME Trading Bays	16	UMZ/MIG	Umzimkhulu LM	R 1 000 000	2013/2014
26. Tourism and led agriculture awareness campaigns	5,7,9,10,11,13,14,16,20	UMZ	Umzimkhulu LM	R 60 000	2013/2014
27. Refurbishment of Memorial Hall & Museum	16	National Treasury/ UMZ	Umzimkhulu LM	R4 000 000.00	2013/2014
28. Renewal of the tourism destinations Brochure	All wards	UMZ	Umzimkhulu LM	R200 000	2013/2014
29. Renewal of Tourism strategy and plan	All wards	UMZ	Umzimkhulu LM	R250 000	2013/2014
30. Feasibility Study For The Establishment of abattoir and milk Scheme.	16	UMZ	Umzimkhulu LM	R 200 000	2013/2014
31. Establishment of abattoir and milk scheme	TBC	UMZ	Umzimkhulu LM	MIG	2013/2014
32. Market stalls	16	UMZ	Umzimkhulu LM	MIG	2013/2014
33. Fencing of arable land	16	UMZ	Umzimkhulu LM	MIG	2013/2014
34. SMME trading and light scale industry	16	TBC	Umzimkhulu LM	MIG	2013/2014
35. Resuscitation of Umzimkhulu Maize Meal	20	TBC	Umzimkhulu LM	R 9000 000.00	2014/2015
36. Development of SMME Facility	16	UMZ/ National Treasury/MIG	Umzimkhulu LM	R5 000 000.00	2013/2014

NAME OF PROJECT	BENEFICIARIES / WARD	SOURCE OF FUNDING	IMPLEMENTING AGENCY	BUDGET	TIMEFRAME
COMMUNITY SERVICES & SOCIAL SERVICES					
Public service week house profiling	All wards	UMZ	UMzimkhulu LM	N/A	2013/2014
Operation MBO	2,5,7	UMZ	UMzimkhulu LM	R50.000	2013/2014
Operation Sukuma Sakhe Indaba	16	UMZ	UMzimkhulu LM	R30.000	2013/2014
Arts and Culture Talent Search.	All	UMZ	UMzimkhulu LM	R250,000	2013/2014
Human rights awareness campaign	12,13,14,15	UMZ	UMzimkhulu LM	R80 000	2013/2014
Children awareness campaign	6,9,11,19	UMZ	UMzimkhulu LM	R80.000	2013/2014
Library road show and Open Day	12,13,14,15	UMZ	UMzimkhulu LM	R80.000	2013/2014
Mobile Library visit	3,4,8,12,14,15,16,17	UMZ	UMzimkhulu LM	R120.000	2013/2014
Support to orphanage	12	UMZ	UMzimkhulu LM	R30.000	2013/2014
HIV/AIDS Awareness Campaign	Zone 5	UMZ	UMzimkhulu LM	N/A	2013/2014
Moral regeneration event	All wards	UMZ	UMzimkhulu LM	R100.000	2013/2014
Disability awareness Campaign	8,10,18	UMZ	UMzimkhulu LM	R200,000	2013/2014
Fire Fighting Awareness Campaign	All wards	UMZ	UMzimkhulu LM	R50.000	2013/2014
Disaster Management Awareness Campaign	All Zones	UMZ	UMzimkhulu LM	R200,000	2013/2014
Road safety awareness campaign	10,12,18	UMZ	UMzimkhulu LM	R50,000	2013/2014
Back to school campaign	All Zones	UMZ	UMzimkhulu LM	R20 000	2013/2014
Youth Day	All wards	UMZ	UMzimkhulu LM	R50 000	2013/2014
Mayoral Cup	All wards	UMZ	UMzimkhulu LM	R60 000	2013/2014
Disability Day	All wards	UMZ	UMzimkhulu LM	R50 000	2013/2014
Christmas Party for senior citizens and	Zone 4	UMZ	UMzimkhulu LM	R60 000	2013/2014

NAME OF PROJECT	BENEFICIARIES / WARD	SOURCE OF FUNDING	IMPLEMENTING AGENCY	BUDGET	TIMEFRAME
children					
Women training on gender issues.	Zone 2 & 5	UMZ	UMzimkhulu LM	R120 000	2013/2014
MUNICIPAL FINANCIAL VIABILITY					
Municipal Property Rates	All wards	UMZ	UMzimkhulu LM	TBC	2013/2014
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT					
Human Resource Development Strategy	All wards (institutional)	UMZ	UMzimkhulu LM	TBC	2013/2014
Skills Programme for Unemployed youth	All wards (institutional)	UMZ	UMzimkhulu LM	R 250 000.00	2013/2014
Development of ICT Framework	All wards (institutional)	UMZ	UMzimkhulu LM	TBC	2013/2014
Leanship for Unemployed (Agriculture, Tourism & Artisan) for water & sanitation	All wards (institutional)	Department of Higher Education	UMzimkhulu LM	TBC	2013/2014
Customer Satisfaction Survey	All wards (institutional)	UMZ	UMzimkhulu LM	R 250 000.00	2013/2014
Customer Care Management System	All wards (institutional)	UMZ	UMzimkhulu LM	TBC	2013/2014

SECTION G: SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN (SDBIP)

This is an integral financial planning tool in the preparation of IDPs.

This plan is therefore largely a one-year detailed implementation plan which gives effect to the IDP and approved budget of the Municipality. It is a “contract” between the administration, Council and community expressing the goals and objectives set by Council as quantifiable outcomes that can be implemented by the administration over the next twelve months. This provides the basis for measuring performance in service delivery against end of year targets and implementing the budget. The draft 2013/2014 annual budget was tabled at an ordinary council meeting as required in terms of Section 16 of the MFMA, Act 56 of 2003. As per the MFMA the tabled budget will then be taken to the community to ascertain their views, through budget public participation sessions. The issues raised at these sessions will then be considered for incorporation into the final budget to be tabled before Council for adoption before the commencement of the 2013/2014 financial year.

The full and final SDBIP will be annexed to the IDP in the final June 2013 submission.

SECTION H: ORGANIZATIONAL PERFORMANCE MANAGEMENT SYSTEM

8.1. HOW THE OPMS IS APPLIED IN THE MUNICIPALITY

The municipality adopted the Key Performance Area Model as its preferred performance model. According to the Planning and Performance Management Regulations, a municipal Organizational Performance Management System (OPMS) must entail a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role players.

The Key Performance Area Model the performance indicators are grouped together per KPA; for example, the key performance indicators dealing with economic development will be grouped together and those dealing with infrastructure and services will be grouped together.

The municipality has cascaded PMS to all levels below section 57 for the year 2012/2013 and performance promises and accountability agreement have been signed.

KEY PERFORMANCE AREA MODEL—Advantages

- ⇒ Easy to understand;
- ⇒ Directly linked to IDP through KPAs;
- ⇒ Based on nationally defined KPAs

KEY PERFORMANCE AREA MODEL—Disadvantages

- ⇒ No cause and effect relationship between KPAs

PROCESS OF MANAGING PERFORMANCE

The process of managing performance in UMzimbhulu Municipality is mapped by the following stages:

1. Performance Planning;
2. Performance Monitoring;
3. Performance Measuring;
4. Performance Analysis;
5. Performance Reporting;
6. Performance Review;

Each of the stages in the cycle is underpinned by Council and community oversight over the performance of the Municipal Executive and Administration. The **revised OPMS 2013/2014 has been developed but does not fit in the A4 size and has such is attached in the IDP as an annexure.** Following is the previous year's OPMS.

8.2. ANNUAL PERFORMANCE REPORT OF THE PREVIOUS YEAR

Table 27: OPMS for 2012/13

MUNICIPALITY ORGANISATIONAL SCORECARD 2012/2013					
2012/2013 IDP Ref No	National KPA	Strategic Objective	Measurable Objective/Output	Performance Measure / Indicator (Unit of Measure)	IDP2012/2013
					Annual Target
BS 1	Basic Service Delivery And Infrastructure	To provide access to free basic electricity to Umzimkhulu community by 2017	Provision of infrastructure (pole box / CDU) to connect electricity to 1400 households in ward 15 (Gcebeni, Summerfield, kwa Chuqhu, Long Kloof and Brindale polygons) and ward 17 (villages)	Electricity infrastructure (pole box / CDU) to connect electricity to 1400 households in ward 15 provided.	Electricity infrastructure (pole box / CDU) to connect electricity to 1400 households in ward 15 provided.
BS 2			Electrification of 984 households in ward 11 (Cutter Msomi) 14 (Lukhetheni, Mtshazo and Ndlovini) and 12 (Kwakhiliva and Spitskop).	984 households in ward 11 (Cutter Msomi) 14 (Lukhetheni, Mtshazo and Ndlovini) and 12 (Kwakhiliva and Spitskop) connected and lighting.	984 households in ward 11 (Cutter Msomi) 14 (Lukhetheni, Mtshazo and Ndlovini) and 12 (Kwakhiliva and Spitskop) connected and lighting.

BS 3			Facilitate (through forums) electrification of Ndawana (ward 1) and Thusi (ward 18) through attendance of 4 infrastructure development forum meetings.	4 Quarterly infrastructure development forums attended in relation to electrification of Ndawana and Thusi	4 Quarterly infrastructure development forums attended in relation to electrification of Ndawana and Thusi
BS 4		Provision of street lights in the new Umzimkhulu CBD by 2014.	Installation of 25 street lights at CBD road 2129.	25 street lights installed at CBD road 2129	25 street lights installed at CBD road 2129
BS 5		Provision of sustainable water and sanitation to Umzimkhulu community by 2017	Facilitate provision of basic water to households of Umzimkhulu through meetings and / or forums)	4 quarterly reports indicating facilitation of basic water provision to households of Umzimkhulu through meetings and/ or forums)	4 quarterly reports indicating facilitation of basic water provision to households of Umzimkhulu through meetings and / or forums)
BS 6			Facilitate provision of free basic water to households of Umzimkhulu through meetings and/ or forums)	4 quarterly reports indicating facilitation of free basic water provision to households of Umzimkhulu through meetings and / or forums)	4 quarterly reports indicating facilitation of free basic water provision to households of Umzimkhulu through meetings and / or forums)
BS 7			Facilitate provision of basic sanitation to households of Umzimkhulu through meetings and/ or forums)	4 quarterly reports indicating facilitation of provision of basic sanitation to households of Umzimkhulu through meetings and / or forums)	4 quarterly reports indicating facilitation of provision of basic sanitation to households of Umzimkhulu through meetings and / or forums)

BS 8			Facilitate provision of free basic sanitation to households of Umzimkhulu through meetings and/ or forums)	4 quarterly reports indicating facilitation of provision of free basic sanitation provision to households of Umzimkhulu through meetings and / or forums)	4 quarterly reports indicating facilitation of provision of free basic sanitation provision to households of Umzimkhulu through meetings and / or forums)
BS 9	Provision of sustainable road infrastructure to Umzimkhulu community by 2017		Construction of 1 new tarred road in the new CBD (2129)	1 new tarred road in the new CBD (2129) constructed.	1 new tarred road in the new CBD (2129) constructed.
BS 10			Construction of 9 new gravel access roads in ward1 (Khayeka(13km) 2 (Ntokozweni (5km) 5 Antioch (4.5km)) 7 (Gudlintaba (4.5km)) 9 (Emaus (4.1km)) 10 (Mpola (4km)) 14 (Siphahleni (7km)) 15 (Bombo (2.3km)) 17 (Gijima to Magaqa (3.7km).	9 new gravel access roads in ward1 (Khayeka (13km),) 2 (Ntokozweni (5km)) 5 (Antioch (4.5km)) 7 (Gudlintaba (4.5km)) 9 (Emaus (4.1km)) 10 (Mpola (4km)) 14 (Siphahleni (7km)) 15 (Bombo (2.3km)) 17 (Gijima to Magaqa (3.7km) constructed	9 new gravel access roads in ward1 (Khayeka (13km),) 2 (Ntokozweni (5km)) 5 (Antioch (4.5km)) 7 (Gudlintaba (4.5km)) 9 (Emaus (4.1km)) 10 (Mpola (4km)) 14 (Siphahleni (7km)) 15 (Bombo (2.3km)) 17 (Gijima to Magaqa (3.7km) constructed
BS 11			Ensure monitor and evaluation of quality of completed projects.	6 Close out reports for roads in Ward 3 (Spring) 4 (Mkangala) 6 (Laleni) 11 (Mathathane) 12 (Nxaphanxapheni/ Masamini) 13 (Mfundweni)	6 Close out reports for roads in Ward 3 (Spring) 4 (Mkangala) 6 (Laleni) 11 (Mathathane) 12 (Nxaphanxapheni/ Masamini) 13 (Mfundweni)
BS 12			Implementation of the roads' maintenance plan	4 Quarterly reports indicating 100% maintenance of prioritised roads as per maintenance plan (specified roads)	4 Quarterly reports indicating 100% maintenance of prioritised roads as per maintenance plan (specified roads)

BS 13		To provide sustainable public facilities to Umzimkhulu community by 2017	Construction of 1 new community hall in ward 16	1 new community hall constructed in ward 16	1 new community hall constructed in ward 16
BS 14			Monitor and evaluate quality of completed projects.	Close out reports for 1 community hall in ward 8 (Ngunjini) , 3 sport fields in wards 8 (Dressin) 10 (Zwelinzima) 12 (Rietvei)	Close out reports for 1 community hall in ward 8 (Ngunjini) , 3 sport fields in wards 8 (Dressin) 10 (Zwelinzima) 12 (Rietvei)
BS 15			Implementation of the public facilities maintenance plan	4 Quarterly reports indicating 100% maintenance of prioritised public facilities as per public facilities maintenance plan.	4 Quarterly reports indicating 100% maintenance of prioritised public facilities as per public facilities maintenance plan.
BS 16		Continuously provide environmentally acceptable waste management to the Umzimkhulu community	Identification of a new candidate land fill site for Umzimkhulu community	Proposed candidate land fill site for Umzimkhulu community approved by Environmental Affairs.	Proposed candidate land fill site for Umzimkhulu community approved by Environmental Affairs.
BS 17			Conduct 10 waste management awareness campaigns in 5 zones (to cover all 20 wards)	10 waste management awareness campaigns conducted in 5 zones (to cover all 20 wards)	10 waste management awareness campaigns conducted in 5 zones (to cover all 20 wards)
BS 18			Provision of recycling equipment to 5 nodes (Rietvei, Kokshill, Clydesdale, Ntsikeni and Riverside)	Recycling equipment provided to 5 nodes (Rietvei, Kokshill, Clydesdale, Ntsikeni and Riverside)	Recycling equipment provided to 5 nodes (Rietvei, Kokshill, Clydesdale, Ntsikeni and Riverside)

BS 19		Continuous greening and creation of an attractive environment throughout Umzimkhulu municipal area	Maintenance of verges, gardens, cemeteries and parks as per approved schedule	4 Quarterly reports indicating 100% maintenance of verges and parks (4000 000 square meters cut per quarter)	4 Quarterly reports indicating 100% maintenance of verges and parks (4000 000 square meters cut per quarter)
BS 20			Planting of 40 trees in 2 nodes (Rietvlei and Riverside)	40 trees planted in 2 nodes (Rietvlei and Riverside)	40 trees planted in 2 nodes (Rietvlei and Riverside)
BS 21		To continuously instill a sense of ownership of infrastructure projects for future sustainability.	Transformation of our communities through effective social facilitation during implementation of capital projects.	4 quarterly reports indicating effective social facilitation during implementation of capital projects.	4 quarterly reports indicating effective social facilitation during implementation of capital projects.
BS 22			Implementation of the Social Facilitation policy	4 quarterly reports indicating 100% implementation of the Social Facilitation policy	4 quarterly reports indicating 100% implementation of the Social Facilitation policy
BS 23		To provide support to local business and emerging black entrepreneurs	Construction of trading facilities (Market stalls) in the old CBD.	Trading facilities constructed (Market stalls) in the old CBD	Trading facilities (Market stalls) in the old CBD constructed
BS 24			Rehabilitation of the memorial hall and establishment of the museum	Rehabilitated memorial hall and fully established and 100% functional museum	Rehabilitated memorial hall and fully established and 100%functional museum
BS-CSS 25		Increase traffic contribution to total municipal revenue by 10% in 2012/2013	Extension of traffic offices by 2013 (construction 6 new offices)	Traffic offices extended (6 new offices constructed)	Traffic offices extended (6 new offices constructed)

BS-CSS 26		To continuously promote and preserve indigenous languages (i.e. isiXhosa and isiZulu)	Coordinate 4 competitions around poetry, reading & writing (Zone 3, Zone 1 & 2 and Zone 5 & 4).	4 competitions around poetry, reading & writing coordinated (Zone 3, Zone 1 & 2 and Zone 5 & 4).	4 competitions around poetry, reading & writing coordinated (Zone 3, Zone 1 & 2 and Zone 5 & 4).
BS-CSS 27			Implementation of the Arts, Culture and Heritage strategy and policy.	4 quarterly reports indicating 100% implementation of the Arts, Culture and Heritage strategy and policy.	4 quarterly reports indicating 100% implementation of the Arts, Culture and Heritage strategy and policy.
BS-CSS 28		To continuously develop and promote the visual arts and craft industry.	Conduct 3 capacity building workshops on the visual arts and crafts. (zone 5, 3,&2)	3 capacity building workshops on visual arts and crafts conducted (zone 5, 3,&2)	3 capacity building workshops on visual arts and crafts conducted (zone 5, 3,&2)
BS-CSS 29			Promotion of performing arts (2 capacity building workshops locally, 3 competitions (all wards, all zones and local)	(2 capacity building workshops locally , 3 competitions (all wards, all zones and local) conducted for performing arts .	(2 capacity building workshops locally , 3 competitions (all wards, all zones and local) conducted for performing arts .
BS-CSS 30		To continuously promote moral regulation within Umzimkhulu community	Conduct 2 capacity building workshops for Onomehlo (1 District & 1 Local)	2 Capacity building workshops conducted for Onomehlo (1 District & 1 Local)	2 Capacity building workshops conducted for Onomehlo (1 District & 1 Local)
BS-CSS 31			Coordinate and participate in 2 moral regeneration initiatives (umkhosi womhlanga nomcimbi wentombi).	2 moral regeneration initiatives (umkhosi womhlanga nomcimbi wentombi) coordinated and participated in.	2 moral regeneration initiatives (umkhosi womhlanga nomcimbi wentombi) coordinated and participated in.

BS-CSS 32		To reduce accidents and road carnages by 5% by 2014	Implementation of the Law enforcement plan (Traffic control minimum of 8 tickets per day per officer)	4 quarterly reports indicating 100% implementation of the law enforcement plan	4 quarterly reports indicating 100% implementation of the law enforcement plan
BS-CSS 33			Conduct 8 road safety campaigns in 8 schools along P416, P417 and P750	8 road safety campaigns in 8 schools along P416, P417 and P750 conducted	8 road safety campaigns in 8 schools along P416, P417 and P750 conducted
BS-CSS 34			Enforcement of by-laws	1. 10 transgression tickets per day per traffic warden 2. 90% of by-law transgressions resolved monthly	1. 10 transgression tickets per day per traffic warden 2. 90% of by-law transgressions resolved monthly
BS-CSS 35			Adherence to legislation (NRTA , AARTO, RTMC and CPA)	100% compliance with legislation (NRTA , AARTO, RTMC and CPA)	100% compliance with legislation (NRTA , AARTO, RTMC and CPA)
BS-CSS 36			Extension of traffic offices by 2013 (construction 6 new offices)	Traffic offices extended (6 new offices constructed)	Traffic offices extended (6 new offices constructed)
BS-CSS 37			To ensure effective functioning of the library by 2020	Conduct 4 library road shows and 4 open days (zone 1,2,3,&4)	4 library road shows and 4 open days conducted (zone 1,2,3,&4)
BS-CSS 38	Conduct 12 mobile library visits by 2013	12 mobile library visits conducted by 2013		12 mobile library visits conducted.	

BS-CSS 39	To continuously minimise disaster occurrence and disaster consequences	Implementation of the Disaster management plan (4 disaster awareness campaigns) and policy (response to occurred disasters and incidents).	4 Disaster awareness campaigns (zone 1, 2 , 3 & 5) conducted as per the approved plan and budget.	4 Disaster awareness campaigns (zone 1, 2 , 3 & 5) conducted as per the approved plan and budget.
BS-CSS 40			4 quarterly reports indicating that all reported disaster incidents and disasters are responded to within 72 hours in terms of short-term interventions	4 quarterly reports indicating that all reported disaster incidents and disasters are responded to within 72 hours in terms of short-term interventions
BS-CSS 41	To continuously minimise the occurrence of fire and fire consequences.	Implementation of the Fire services feasibility study report recommendations in terms of in-sourcing the fire department	Fully fledged Fire department in town (in terms of equipment, staff and budget) plus 680 manual fire extinguishers (izibhulo) per chief.	Fully fledged Fire department in town (in terms of equipment, staff and budget) plus 680 manual fire extinguishers (izibhulo) per chief.
BS-CSS 42	Reduce HIV/AIDS prevalence in Umzimkhulu municipal area by 2%by 2015	Monitor the effectiveness of the HIV/AIDS structures as per the approved terms of reference.	4 Quarterly reports confirming 100% functionality of the HIV/AIDS structures.	4 Quarterly reports confirming 100% functionality of the HIV/AIDS structures.
BS-CSS 43		Conduct 5 HIV/AIDS awareness campaigns in all 5 zones	5 HIV/AIDS awareness campaigns conducted in all 5 zones	5 HIV/AIDS awareness campaigns conducted in all 5 zones
BS-CSS 44	To continuously alleviate poverty within the UMzimkhulu community.	Monitor implementation of the Poverty alleviation strategy (Expanded Public Works programme- Food for waste)	4 Quarterly reports indicating 100% implementation of the Poverty alleviation strategy -F4WP in ward 2, 3,12,13 and 17 (20 workers per ward).	4 Quarterly reports indicating 100% implementation of the Poverty alleviation strategy - F4WP in ward 2, 3,12,13 and 17 (20 workers per ward).

BS-CSS 45		To continuously strengthen implementation of the Sukuma-Sakhe (Flagship programme)	Coordination and monitoring of the Sukuma-Sakhe programs as per the approved action plan by the KZN Premier.	4 Quarterly reports indicating 48 war-room meetings coordinated and immediate interventions provided within 5 working days	4 Quarterly reports indicating 48 war-room meetings coordinated and immediate interventions provided within 5 working days
BS-CSS 46		To continuously facilitate the Alignment and Integration of Special Programmes	Implementation of the approved SPU mainstreaming strategy.	4 quarterly reports indicating 100% implementation of each SPU initiative as per the approved strategy.	4 quarterly reports indicating 100% implementation of each SPU initiative as per the approved strategy.
BS-CSS 47			Establishment and monitoring of SPU forums per category of designated groups	Functional SPU forums per designated group as per approved terms of reference	Functional SPU forums per designated group as per approved terms of reference
BS-CSS 48			Monitor implementation of the signed NYDA & Umzirkhulu municipality agreement	4 Quarterly reports indicating 100% implementation of the signed NYDA & Umzirkhulu municipality agreement.	4 Quarterly reports indicating 100% implementation of the signed NYDA & Umzirkhulu municipality agreement.
MFV 1	Municipal Financial Viability and Management	Continuously contribute towards delivery of basic services through efficient, economical and timeous SCM processes	Implementation and monitoring of the approved municipal procurement plan by 2013	100% compliance with the approved municipal procurement plan	100% compliance with the approved municipal procurement plan including sitting of all SCM bid committees within specified timeframes.
MFV 2		To ensure transparent, efficient, economical and compliant SCM processes by 2014	Continuous adherence to SCM regulations, policies and procedures	4 quarterly reports indicating 100% compliance with the SCM policy and procedures	4 quarterly reports indicating 100% compliance with the SCM policy and procedures
MFV 3		To continuously ensure an accurate and GRAP compliant Asset register	Implementation and monitoring of the fixed asset policy by 2013	4 Quarterly fixed asset management reports indicating 100% accuracy of fixed asset register	4 Quarterly fixed asset management reports indicating 100% accuracy of

					fixed asset register
MFV 4			Development of a fixed asset repairs and maintenance plan by 2013	Fixed asset repairs and maintenance plan adopted by council	Fixed asset repairs and maintenance plan adopted by council
MFV 5		To increase total municipal revenue base by 35% by 2013	To continuously maintain 90% accuracy of billing data	90% accuracy of billing data by 2013	90% accuracy of billing data by 2013
MFV 6			Continuously ensure 100% billing as per valuation roll	100% monthly billing by 2013	100% monthly billing by 2013
MFV 7			Ensure 70% collection of billed consumers by 2013	Collect 70% of monthly billed consumers by 2013	Collect 70% of monthly billed consumers by 2013
MFV 8			Ensure 50% collection of outstanding debtors by 2013	Collection of 50% of outstanding debtors through implementation of the credit control and indigent policy by 2013	Collection of 50% of outstanding debtors through implementation of the credit control and indigent policy by 2013
MFV 9			Implementation of the municipal revenue enhancement strategy by 2013	35% increase in total municipal revenue.	35% increase in total municipal revenue.
MFV 10		Continuously ensure effective budgeting, expenditure monitoring and compliance	Effective implementation and monitoring of budget processes by 2013	Budget aligned to the IDP approved by council by 31 May 2013	Budget aligned to the IDP approved by council by 31 May 2013

MFV 11			Continuous compliance with legislated reporting requirements in terms of the MFMA	4 Quarterly reports indicating 100% compliance with legislated reporting requirements (Provincial & National Treasury)	4 Quarterly reports indicating 100% compliance with legislated reporting requirements (Provincial & National Treasury)
MFV 12			Monitor expenditure of the municipal budget in relation to CAPEX, OPEX, MIG & Repairs and maintenance (expenditure not exceeding budget).	4 Quarterly reports indicating 100% spending of the municipal budget in relation to CAPEX, OPEX, MIG & Repairs and maintenance (expenditure not exceeding budget).	4 Quarterly reports indicating 100% spending of the municipal budget in relation to CAPEX, OPEX, MIG & Repairs and maintenance (expenditure not exceeding budget).
MFV 13		To provide regular and credible financial reports in line with the MFMA by 2013	Submission of 2011/12 financial statements and annual performance report to Auditor-general by 31 August 2012	2011/12 AFS and APR submitted to AG by 31 August 2012	2011/12 AFS and APR submitted to AG by 31 August 2012
MFV 14			To ensure that the municipality receives a clean audit opinion from the Auditor-General by 2013	Appropriate management responses provided within specified timeframes	Appropriate management responses provided within specified timeframes
MFV 15				All agreed internal and external audit recommendations implemented within specified timeframes	All agreed internal and external audit recommendations implemented within specified timeframes

MFV 16		Increase traffic contribution to total municipal revenue by 10% in 2012/13	Conduct 3 learner's license test per week, Conduct driver's license tests per week (5 working days) Issue Professional Driving Permit Vehicle licensing per the NRTA	4 Quarterly reports indicating 10% increase in traffic revenue contribution to total municipal revenue	1 Quarterly reports indicating 10% increase in traffic revenue contribution to total municipal revenue
MFV 17		To continuously ensure adequate and timeous planning of procurement to expedite implementation of Integrated Development Plan	Coordinate development of departmental procurement plans in line with the departmental scorecard and SDBIP/ Operational plans	Developed departmental procurement plans aligned to the departmental scorecard and SDBIP/ Operational plan approved by management by 30 June 2013	Developed departmental procurement plans aligned to the departmental scorecard and SDBIP/ Operational plan approved by management by 30 June 2013
MFV 18			Strict implementation of the Procurement plan	4 quarterly reports indicating 100% implementation of the procurement plan	4 quarterly reports indicating strict implementation of the procurement plan
MTI 1	Institutional Development & Transformation	To continuously ensure strict implementation of and adherence to the Recruitment and Selection Policy.	All vacant and budgeted for posts to be filled within 70 working days from date of resignation.	4 quarterly reports indicating that vacant and budget for posts are filled within 70 working days from date of resignation.	4 quarterly reports indicating that vacant and budget for posts are filled within 70 working days from date of resignation.
MTI 2		Ensure effective co-ordination of integrated planning, implementation, monitoring and evaluation across Umzimkhulu municipality by 2013	Cascading of PMS to levels below section 57 by 2013	Staff Accountability Agreements and Performance Promises signed (quarterly) by all staff below section 57 and actual performance assessed (quarterly).	Staff Accountability Agreements and Performance Promises signed (quarterly) by all staff below section 57 and actual performance assessed (quarterly).

MTI 3		Ensure strict compliance to the Employment Equity Act by 2015	Implementation of the approved Employment equity plan	4 quarterly reports indicating 100% implementation of the employment equity plan.	4 quarterly reports indicating 100% implementation of the employment equity plan.
MTI 4		Continuously ensure provision of effective secretariat services to council	Submission of Hd reports to corporate services for standing committee, EXCO and council reports 10 working days before the date of the meeting.	Hd reports submitted to corporate services for standing committee, EXCO and council reports 10 working days before the date of the meeting.	Hd reports submitted to corporate services for standing committee, EXCO and council reports 10 working days before the date of the meeting.
MTI 5			Distribution of agenda to standing committees', EXCO, council and MPAC	Agenda for standing committees', EXCO, council and MPAC distributed 7 working days before the date of the meeting.	Agenda for standing committees', EXCO, council and MPAC distributed 7 working days before the date of the meeting.
MTI 6		Continuously ensure compliance with the conditions of service in terms of leave administration.	Monitor adherence to the leave policy and procedures (leave taken upon receipt of leave confirmation note)	4 quarterly reports indicating 100% adherence to the leave policy and procedures.	4 quarterly reports indicating 100% adherence to the leave policy and procedures.
MTI 7			Implementation of an electronic staff clocking system	100% Functional electronic clocking system	100% Functional electronic clocking system
MTI 8			Ensure that the municipal organisational structure is in line with the Integrated Development Plan and the municipal core	Reviewal of the municipal organisational structure.	Reviewed municipal organisational structure adopted by council

MTI 9		function.	Reviewal and alignment of all staff job descriptions to job/post functions.	Reviewed and signed staff job descriptions aligned to job/post functions.	Reviewed and signed staff job descriptions aligned to job/post functions.
MTI 10		To provide effective and efficient Human Resources Management Services	Development and implementation of the Workplace Skills Plan	100% implementation of the WSP	100% implementation of the WSP
MTI 11		Ensure implementation of the Municipal Turnaround Strategy by 2017	Implementation of and contineous review and reporting (to COGTA) of the Municipal Turnaround Strategy (MTAS)	100% implementation of the MTAS	100% implementation of the MTAS
MTI 12				4 quarterly update reports on implementation of MTAS submitted to COGTA	4 quarterly update reports on implementation of MTAS submitted to COGTA
MTI 13		Continuously ensure effective and economical use of municipal vehicles.	Reviewal of the Fleet Management Policy	Reviewed Fleet Management Policy adopted by council	Reviewed Fleet Management Policy adopted by council
MTI 14			Monitor strict adherence to fleet management policy and procedures.	4 quarterly reports indicating 100% adherence to fleet management policy and procedures.	4 quarterly reports indicating 100% adherence to fleet management policy and procedures.
NTI 15		Continuously provide efficient and effective council support services	Intensify security services through installation of an access control system in all municipal buildings.	Installed and 100% functional access control system in all municipal buildings.	Installed and 100% functional access control system in all municipal buildings.

MTI 16		Ensure efficient and effective management and safe guarding of municipal records by 2013.	Establish an effective off-site records storage facility and store back-up records.	Effective off-site records back-up facility established and 100% functional.	Effective off-site records back-up facility established and 100%functional.
MTI 17		Continuously promote an environment conducive to high levels of productivity.	Appointment of an external qualified Employee Assistant Program practitioner.	Qualified external Employee Assistant Program practitioner appointed .	Qualified external Employee Assistant Program practitioner appointed.
MTI 18			Continuously implement recommendations as per the Occupational Health and Safety plan	4 quarterly reports indicating 100% implementation of recommendations per the Occupational Health and Safety plan	4 quarterly reports indicating 100% implementation of recommendations per the Occupational Health and Safety plan
MTI 19		Continuously ensure high levels of competence and productivity of the municipal workforce in line with IDP objectives	Development of a Workplace Skills Plan (WSP)	WSP adopted by council	WSP adopted by council
MTI 20			Implementation of the approved WSP	4 quarterly reports indicating implementation of the WSP	4 quarterly reports indicating implementation of the WSP
MTI 21		Ensure and provide an effective and efficient ICT environment and support to the municipality strategy/IDP by 2014	Reviewal of the ICT strategy	Reviewed ICT strategy adopted by council	Reviewed ICT strategy adopted by council
MTI 22			Implementation of the approved ICT strategy	4 quarterly reports indicating 100% implementation of the ICT strategy submitted to the ICT steering committee	4 quarterly reports indicating 100% implementation of the ICT strategy submitted to the ICT steering committee

MTI 23	To continuously ensure effective, efficient and economical implementation of the Integrated Development Plan within the confines of the adopted policy framework	Reviewal of Departmental policies (HR policies)	Reviewed departmental policies adopted by council	Reviewed departmental policies adopted by council
MTI 24	Ensure effective implementation of the internship programme in line with government job creation initiatives and career development	Monitor the implementation of the Internship programme by UMzikhulu municipality	4 Quarterly reports indicating 100% exposure of interns to the various key functions of the municipality	4 Quarterly reports indicating 100% exposure of interns to the various key functions of the municipality
MTI 25	To continuously minimize the occurrence of disasters and disaster consequences.	Reviewal of the Community service policies and plan (Disaster management policy, Pauper burial policy and Disaster management plan)	Reviewed Community service policies and plan adopted by council	Reviewed Community service policies and plan adopted by council
MTI 26	Reduce HIV/AIDS prevalence in the UMzikhulu municipal area by 2% by 2015	Reviewal of HIV/AIDS strategy and policy	Reviewed HIV/AIDS strategy and policy adopted by council	Reviewed HIV/AIDS strategy and policy adopted by council
MTI 27	To continuously strive to alleviate poverty in the Umzikhulu local Municipality jurisdictional area.	Reviewal of the Poverty alleviation strategy	Reviewed Poverty alleviation strategy adopted by council	Reviewed Poverty alleviation strategy adopted by council
MTI 28	To continuously facilitate the Development of Sports in the Umzikhulu community	Development of the Sport Development strategy.	Sport Development strategy developed and adopted by council	Sport Development strategy developed and adopted by council

MTI 29		To provide sustainable public facilities by 2017	Reviewal of the public facilities maintenance plan	Reviewed public facilities maintenance plan adopted council	Reviewed public facilities maintenance plan adopted council
MTI 30		Provision of sustainable road infrastructure to Umzimkhulu community by 2017	Reviewal of a roads' maintenance plan	Reviewed roads' maintenance plan adopted by council	Reviewed roads' maintenance plan adopted by council
MTI 31		Continuously ensure implementation of projects using EPWP guidelines/methods	Creation of 563 jobs through EPWP guidelines/ methods	4 quarterly reports indicating number of jobs created per project	4 quarterly reports indicating 563 jobs created per project
MTI 32		To ensure sound development planning processes for Umzimkhulu	Reviewal of the Spatial Development Framework	Reviewed Spatial Development Framework with capital investment plan adopted by council	Reviewed Spatial Development Framework with capital investment plan adopted by council
MTI 33		To ensure effective Land Administration	Reviewal of the Land invasion policy	Reviewed Land invasion policy adopted by council	Reviewed Land invasion policy adopted by council
MTI 34			Reviewal of the Land disposal policy	Reviewed Land disposal policy adopted by council	Reviewed Land disposal policy adopted by council
MTI 35			Development of precinct plans for secondary nodes (Ibisi, Clydesdale, Rietvei and Riverside)	Developed precinct plans for secondary nodes adopted by council in terms of PDA	Developed precinct plans for secondary nodes adopted by council in terms of PDA

MTI 36		To stimulate economic growth	Reviewal of the Local Economic Development strategy	Reviewed Local Economic Development strategy adopted by council	Reviewed Local Economic Development strategy adopted by council
MTI 37		To facilitate and co-ordinate agricultural development	Development of the Agricultural plan	Developed Agricultural plan adopted by council	Developed Agricultural plan adopted by council
MTI 38		To continuously enhance tourism development within Umzimkhulu	Development of the Umzimkhulu Local Municipality Tourism plan.	Developed of the Umzimkhulu Local Municipality Tourism plan adopted by council.	Developed Umzimkhulu Local Municipality Tourism plan adopted by council.
MTI 39		To reduce the number of individuals living in informal settlements	Reviewal of the Municipal Housing sector plan.	Reviewed Municipal Housing sector plan adopted by council.	Reviewed Municipal Housing sector plan adopted by council.
MTYI 40		To ensure continuous relevance of finance policies to municipal business dynamics and alignment to legislation	Reviewal of all Finance policies	Reviewed Finance policies adopted by council	Reviewed Finance policies adopted by council
MTI 41		To strengthen the contract management function in the municipality by 2014	Establishment of an effective contract management function by 2013	Established and operational contract management unit	Established and operational contract management unit
LED 1	Local Economic Development	To continuously ensure sound development planning processes for Umzimkhulu	Implementation of the approved Umzimkhulu scheme	4 quarterly reports indicating that all approved applications are 100% in line with the Umzimkhulu scheme	4 quarterly reports indicating that all approved applications are 100% in line with the Umzimkhulu scheme

LED 2		To continuously ensure that development in Umzimkhulu municipal area is in line with applicable legislation.	Processing and approval of building plans within specified time frames (3 weeks residential and 6 weeks) and monitoring of construction. commercial),	4 quarterly reports indicating that all approved building plans comply with the applicable legislation	4 quarterly reports indicating that all approved building plans comply with the applicable legislation
LED 3				Building plans approved within specified time frames (3 weeks residential and 6 weeks commercial),	Building plans approved within specified time frames (3 weeks residential and 6 weeks commercial),
LED 4			Enforcement of building regulations and by-laws at Skoonplaas (2 days), Sisulu (4 days), Majaridini (2 days), Extension 6 (4 days) & 8 (3 days) and CBD.	4 quarterly reports indicating 100% enforcement of building regulations and by-laws at Skoonplaas (2 days) Majaridini (2 days), Extension 6 (4 days) & 8 (3 days) and CBD.	4 quarterly reports indicating 100% enforcement of building regulations and by-laws at Skoonplaas (2 days) Majaridini (2 days), Extension 6 (4 days) & 8 (3 days) and CBD.
LED 5			To provide sustainable human settlement (housing) by 2014	Facilitate provision of sustainable human settlement to 2 315 beneficiaries Riverside (970), Clydesdale (685), Ibisi (636) and Extension 5 & 6 (709).	4 quarterly reports indicating progress on provision of 2 315 houses to beneficiaries.
LED 6		To continuously provide support to local business and emerging black entrepreneurs	Issuing of business licenses in line with business act	4 Quarterly reports indicating that all issued applications 100% comply with the business act	4 Quarterly reports indicating that all issued applications 100% comply with the business act
LED 7				All received applications processed and issued within 28 days	All received applications processed and issued within 28 days

LED 8			Create jobs through LED and Capital projects	4 Quarterly reports indicating 60 jobs created through LED and Capital projects	4 Quarterly reports indicating 15 jobs created through LED and Capital projects
LED 9			Monitor functionality of Integrated Sustainable Rural Development Plan projects (Intsikeni eco-tourism development project, Kwa Fodo Cultural village, Umganu integrated development project and UMzimkhulu Gateway tourism development center)	4 Quarterly reports indicating 100% functionality of the Integrated Sustainable Rural Development Plan projects (Intsikeni eco-tourism development project, Kwa Fodo Cultural village, Umganu integrated development project and UMzimkhulu Gateway tourism development center)	4 Quarterly reports indicating 100% functionality of the Integrated Sustainable Rural Development Plan projects (Intsikeni eco-tourism development project, Kwa Fodo Cultural village, Umganu integrated development project and UMzimkhulu Gateway tourism development center)
LED 10			Rehabilitation of the memorial hall and establishment of the museum	Rehabilitated memorial hall and fully established museum	Rehabilitated memorial hall and fully established museum
LED 11			Conduct 3 tourism awareness campaign and 1 tourism event	3 tourism awareness campaign and 1 tourism event conducted	3 tourism awareness campaign and 1 tourism event conducted
LED 12		To continuously provide efficient Geographic Information System support services for planning purposes	Implementation of a Geographic Information System services policy	4 quarterly reports indicating 100% implementation of the Geographic Information System policy.	4 quarterly reports indicating 100% implementation of the Geographic Information System policy.
LED 13			Maintenance of accurate Geographic Information System data	4 quarterly reports indicating maintenance of a 100% accurate Geographic Information System data	4 quarterly reports indicating maintenance of a 100% accurate Geographic Information System data

LED 14		To continuously contribute towards job creation for the unemployed through SCM HDI support by 2013	Allocation of procurement to Historically Disadvantaged Individuals to the value of R5 million by 2013	4 quarterly reports indicating 5ml procurement allocated to HDIs	4 quarterly reports indicating 5ml procurement allocated to HDIs
GGP 1	Good Governance and Public Participation	To continuously ensure effective co-ordination of integrated planning across UMzimkhulu municipality and other sectors.	Development and implementation of the Integrated development plan process plan	IDP process plan developed and approved by council by August 2012	IDP process plan developed and approved by council by August 2012
GGP 2				IDP approved by council by 30 June 2013	IDP approved by council by 30 June 2013
GGP 3		To ensure that strategic and operational risks threatening organizational objectives are identified and managed to an acceptable level by 2013	Conduct an annual risk assessment and management of organizational risks	100% implementation of risk plans	100% implementation of risk plans
GGP 4		To continuously ensure integrated planning, collaboration and co-operation between the municipality and other service delivery organs of state	Attend all 4 scheduled IDP representative forum meetings	4 IDP representative forum meetings attended	4 IDP representative forum meetings attended
GGP 5			Attend 12 Mayoral stakeholders forum meetings	12 Mayoral Stakeholders forum meetings attended	12 Mayoral Stakeholders forum meetings attended

GGP 6	Ensure effective management of performance by integrating the Integrated Development Plans, Service Delivery Budget Implementation Plans and Budget in line with legislation by 2013	Development of Service Delivery Budget Implementation Plans, scorecards and operational plans and signing of performance agreements	Service Delivery Budget Implementation Plan, scorecards and operational plans developed and performance agreement signed by HOD by 31 July 2012 for 12/13.	Service Delivery Budget Implementation Plan, scorecards and operational plans developed and performance agreement signed by HOD by 31 July 2012 for 12/13.
GGP 7		Preparation of 4 quarterly performance reports and participation in 4 performance evaluations in line with legislation	4 Quarterly performance reports prepared and issued to IA within 5 working days Participated in 4 quarterly performance evaluations within 2 working days after issuing of the internal audit report	4 Quarterly performance reports prepared and issued to IA within 5 working days Participated in 4 quarterly performance evaluations within 2 working days after issuing of the internal audit report
GGP 8		Development of the annual performance report for submission to auditor-general together with the annual financial statements.	APR developed and submitted to AG together with the financial statements by 31 August 2012	APR developed and submitted to AG together with the financial statements by 31 August 2012
GGP 9		Development of the annual report for submission to auditor-general together with the annual financial statements.	Annual report developed and adopted by council by 25 January 2013	Annual report developed and adopted by council by 25 January 2013
GGP 10		To continuously ensure effective and efficient and economical implementation of the Integrated Development Plan within the	Strict implementation of council, EXCO and standing committee resolutions	4 quarterly reports indicating 100% implementation of council, EXCO and standing committee resolutions.

GGP 11		confines of the adopted policy framework	Monitor strict implementation of and adherence to adopted departmental policies	4 quarterly reports indicating 100% implementation of and 100% compliance to adopted departmental policies	4 quarterly reports indicating 100% implementation of and 100% compliance to adopted departmental policies
GGP 12		Continuously ensure effective and efficient communication between management and staff (top down bottom up)	12 departmental staff meetings held between HOD and staff	4 quarterly reports indicating 12 meetings held and implementation of staff resolution	4 quarterly reports indicating 12 meetings held and implementation of staff resolution
GGP 13		Ensure credible and compliant performance and financial reporting of the UMzimkhulu municipality's business to its stakeholders	Contribute towards the preparation of the municipality's annual report	Required annual report information submitted as per agreed date per process plan	Required annual report information submitted as per agreed date per process plan
GGP 14		Ensure continuous implementation and monitoring of effective and efficient functionality of internal control systems supporting implementation of the IDP.	Coordinate and monitor functionality and effectiveness of the internal audit function	100% functional internal audit function (100% implementation of the approved 2012/13 risk-based internal audit plan)	100% functional internal audit function (100% implementation of the approved 2012/13 risk-based internal audit plan)
GGP 15			Coordinate and monitor functionality of the audit, performance and risk committee	4 quarterly audit, performance and risk committee meetings convened.	4 quarterly audit, performance and risk committee meetings convened.
GGP 16				4 quarterly audit, performance and risk committee reports submitted to council.	4 quarterly audit, performance and risk committee reports submitted to council.

GGP 17			Implementation of the anti-corruption strategy of the municipality	4 quarterly reports indicating 100% implementation of the anti-corruption strategy in terms of recommended action plans	4 quarterly reports indicating 100% implementation of the anti-corruption strategy in terms of recommended action plans
GGP18		Continuously ensure effective public participation in municipal operations	Coordinate and monitor 12 sittings of ward committee meetings	12 sittings of ward committee meetings coordinated and monitored	12 sittings of ward committee meetings coordinated and monitored

8.3. UMZIMKHULU MUNICIPALITY'S ORGANOGRAM

8.3.1. Overall Purpose

The purpose of the structure is to provide local government services to the jurisdiction of UMzimkhulu Local Municipality based on legislation & in collaboration with the with other spheres of government & Organs Civil Society.

8.3.2. Functions

- ⇒ To provide community & citizen services;
- ⇒ To provide & maintain existing municipal infrastructure to enable service delivery;
- ⇒ The efficient management of the finances of the municipality based on the MFMA;
- ⇒ To coordinate strategic planning & governance within the municipality;
- ⇒ Provide corporate services auxiliary functions of a municipality.

8.4. ORGANIZATIONAL KPIS LINKED TO DEPARTMENT INDICATORS

The table following demonstrates the key departments in UMzimkhulu Municipality and the functions they undertake aligned to the KPAs. All these departments aim to address one of two of the KPAs.

Table 28: Municipal Departments and their functions

Municipal Manager's	Community & Social services	Infrastructure Development	Budget & Treasury	Planning & LED	Corporate Services
<p>Purpose Provide leadership to the municipality & support council in fulfilling its mandate</p> <p>Functions</p> <ol style="list-style-type: none"> 3. Internal audit & Risk management 4. Inter-governmental relations & organizational performance 	<p>Purpose To provide social & citizen services</p> <p>Functions</p> <ol style="list-style-type: none"> 8. Municipal Health Services 9. Traffic & other By-Laws regulation & enforcement 10. Undertake special programs services 11. Coordinate disaster & Firefighting services 12. Sports, Recreation, Arts & Culture 13. Public Participation 14. Enforcement of municipal By-Laws 	<p>Purpose To provide capital & maintain existing infrastructure</p> <p>Functions</p> <ol style="list-style-type: none"> 7. PM Unit 8. Municipal Infrastructure maintenance 9. Storm water & sanitation management 10. Coordinate electricity 11. Facilitate community involvement 12. Refuse removal, dumps & solid waste 	<p>Purpose The efficient management of the finances of the municipality</p> <p>Functions</p> <ol style="list-style-type: none"> 6. Coordination of budget 7. Expenditure, financial control & reporting 8. Credit management & revenue collection 9. Provide Supply chain management services 10. Provide support & capacity to line functions on budgeting & treasury 	<p>Purpose To coordinate planning activities of the municipality</p> <p>Functions</p> <ol style="list-style-type: none"> 7. Coordinate development of IDP 8. Conduct town & spatial development planning 9. Coordinate municipal By-Laws 10. Facilitate local economic development 11. Coordinate housing development 12. Building regulations & enforcement 	<p>Purpose Undertake corporate & administrative services</p> <p>Functions</p> <ol style="list-style-type: none"> 9. Provide HR management & HRD services 10. Ensure employee wellness 11. Provide Auxiliary services 12. Provide IT services 13. Provide Council support services 14. Provide support & capacity to line functions on HR functions 15. Communications 16. Legal Advisory Services

The municipality has also its Performance Management System in place for all municipal departments. The Plan highlights on the following SWOT Analysis of the Municipal Institutional System:

Table 29: SWOT Analysis for Municipal Institutional System

Opportunities	Threats
<ul style="list-style-type: none"> ⇒ UMzimkhulu Local Municipality is declared as a Nodal Area having an opportunity to access funding and support from different stakeholders. ⇒ Good public and community participation. ⇒ Availability of capacity building programmes offered by both national and provincial government. ⇒ Political determination to assist on finance matters. ⇒ Introduction of Property Rates Act that will assist municipalities to maximize revenue and become sustainable. ⇒ Availability of finance best practices and prescripts. 	<ul style="list-style-type: none"> ⇒ The municipality has a low revenue base. ⇒ Low private sector investment. ⇒ High poverty rate. ⇒ High unemployment rates. ⇒ Appeals relating to valuation rolls. ⇒ Limited service providers in the specialized fields resulting in difficulty in applying the PPPFA. ⇒ Limited local service providers from preferential groups (women, disabled, youth and cooperatives). ⇒ Lack of local contractors with high CIDB grading. ⇒ Instability in the South African political environment
Strengths	Weaknesses
<ul style="list-style-type: none"> ⇒ Improvement in Audit Opinion. ⇒ Ability to meet the clients and other stakeholders needs. ⇒ Committed team. ⇒ Internal good management and leadership. ⇒ Compliance with statutory regulations. ⇒ Having a revenue enhancement strategy. ⇒ Good customer service. ⇒ Introduction of policies and bylaws. 	<ul style="list-style-type: none"> ⇒ Lack of co-operation from other departments within the municipality. ⇒ Lack of internal system controls. ⇒ Debt management system not yet achieved. ⇒ Lack of office space and conducive work environment. ⇒ High staff shortages

Table 30: Municipal Organizational Scorecard 2012/13

SECTION I: ANNEXURES

The table below illustrates a list of Strategic Plans for UMzimkhulu Local Municipality that have been developed and their status.

Table 31: Municipal Sector Plans

No	Document	Comments
1	Spatial Development Framework (SDF) and Maps	Reviewed and attached to the IDP
2	Disaster Management Plan	Attached
3	Service Delivery Budget & Implementation Plan (SDBIP)	Attached
4	Human Resource Strategy	Available
5	Energy Sector Plan	The DM Available
6	Integrated Transport Plan	Available
7	Revenue Enhancement Strategy	Available
8	Public Participation Strategy	Available
9	Tourism Development Strategy	Available
10	Housing Sector Plan	Available
11	LED Strategy	Available
12	Framework for Institutional Performance Management	Available
13	Employment Equity Plan	Available
14	Indigent Policy	Available
15	Turn-Around Strategy	Available
16	Workplace Skills Plan	Available
17	Communication Plan	Available
18	Risk Management Policy and Strategy	Available
19	Fraud Prevention Strategy	Available
20	Risk Register & Implementation Plan	Available
21	Internal Audit Plan & Methodology	Available