



**UTHUNGULU**



# **UTHUNGULU DISTRICT MUNICIPALITY**

## **Integrated Development Plan Review (2):**

### **2007/2008 – 2011/2012**

#### **CONTACT DETAILS:**

**Private Bag X1025, RICHARDS BAY 3900**  
**uThungulu House, Krugerrand, Richards Bay CBD**

**Telephone: 035 799 2500**

**Fax: 035 789 1409**

**Email: [plan@uthungulu.co.za](mailto:plan@uthungulu.co.za)**

**Website: [www.uthungulu.org.za](http://www.uthungulu.org.za)**

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## A. EXECUTIVE SUMMARY

### 1 INTRODUCTION

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The second **IDP** was prepared for the uThungulu District Municipality for the period 2007/2008 – 2011/2012, and approved on 23 May 2007 as per Council Resolution (UDMC: 265).

The IDP was prepared according to Chapter 5 and Section 25 (1) of the Municipal Systems Act (2000), which indicates that:

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

- i. Links integrates and coordinates plans and takes into account proposals for the development of the municipality;*
- ii. Aligns the resources and capacity of the municipality with the implementation of the plan;*
- iii. Complies with the provisions of this Chapter; and*
- iv. Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation."*

The **annual review of the IDP** is a legislative requirement in terms of Section 34 of the Municipal Systems Act No.32 of 2000. It stipulates that the *"municipal council must review its integrated plan annually in accordance with an assessment of its performance measurements in terms of Section 41; and to the extent that changing circumstances so demand; and may amend its integrated development plan in accordance with a prescribed process."*

The **Annual Budget** and the IDP are inextricably linked to one another, something that has been formalised through the promulgation of the Municipal Finance Management Act (2004). Chapter 4 and Section 21 (1) of the Municipal Finance Management Act (MFMA) indicate that:

*The Mayor of a municipality must-*

*At least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for-*

- i. The preparation, tabling and approval of the annual budget;*
- ii. The annual review of-*
  - aa) The integrated development plan in terms of section 34 of the Municipal Systems Act; and*
  - bb) The budget related policies.*
- iii. The tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and*
- iv. The consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).*

This report presents the **second review** (2009/10) of the second IDP prepared for the uThungulu District Municipality for the period 2007/2008 – 2012/2013. The document is structured as follows:

- ❖ **Section A** provides an Executive Summary with an overview of the district, the participatory mechanisms and the process and key timeframes for the review.
- ❖ **Section B** provides the Situational Analysis. This section gives a broad overview of district issues and identification of key issues that are addressed by the IDP.
- ❖ **Section C** provides the Future Development Vision, Strategies and Programmes for the uThungulu District Municipality.
- ❖ **Section D** provides a high level overview of the spatial development vision in the form of a Spatial Development Framework.
- ❖ **Section E** provides inputs on the Sector Involvement and Sector Plans. The operational strategies highlight the manner in which district programmes should be implemented in the context of the current policy and legislation.
- ❖ **Section F** details the Three Year Implementation Plan.

- ❖ **Section G** details the One Year Detailed Operation Plan with Projects.
  - a scenic environment and coastal terrain which create opportunities for tourism development.
- ❖ **Section H** provides a Municipal Budget Overview and 3 year Financial Plan.
- ❖ **Section I** provides details on the Organisational Performance Management System.
- ❖ **Section J** provides details on the status of applicable Sector Plans

## **2 OVERVIEW OF THE DISTRICT**

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The uThungulu District Municipality is a category C municipality and is located in the north-eastern region of the KwaZulu-Natal province on the eastern seaboard of South Africa. It covers an area of approximately 8213 square kilometers, from the agricultural town of Gingindlovu in the south, to the Umfolozi River in the north and inland to the mountainous beauty of rural Nkandla.

This paradoxical district comprises the best and worst of the two economies of this country. We are home to several of the largest industrial giants in the world, the retail sector in our urban areas are burgeoning with economic activity, the agricultural and tourism potential is boundless and there are ever-increasing opportunities for local economic development.

On the other hand, crippling droughts and deep rural communities living in abject poverty are also strong characteristics of the uThungulu district, with a backlog of water and sanitation service delivery topping our list of priorities.

The district is home to six local municipalities: uMhlathuze, Ntambanana, uMlalazi, Mthonjaneni, Nkandla and Mbonambi. It has the third highest population in the province after the eThekweni Metro (Durban) and the uMgungundlovu district (Pietermaritzburg and surrounds).

uThungulu is well-endowed with natural resources. Its competitive advantages are:

- A good climate that opens up avenues for productive agricultural and tourism development;
- agriculture with irrigation infrastructure in place; and

The uThungulu District faces its fair share of challenges in terms of service delivery, which is exacerbated by the geographical characteristics of mountainous terrains, large distances between our rural areas and the urban centres, and prolonged periods of drought.

Some 80% of the population is rural and 53% is aged between 0 and 19 years. Women make up 54% of the population due to migration patterns associated with the province in general and there are large disparities in settlement concentrations.

The challenge is to provide basic services such as water and sanitation to these people while stimulating local economic development, job creation and the growth of the small and medium business sector. The need to address poverty is one of the most critical issues. The municipality enjoys good relations with the business sector and non-governmental organizations.

The uThungulu District Municipality allocates the majority of its annual income to capital infrastructure projects in its three newly-established, local municipalities: Mbonambi, Ntambanana and Nkandla, where the vast majority of residents live in rural homesteads and unemployment is at over 50%. A lack of scarce skills has negatively affected the employment conditions, as industries have been forced to source labour outside of the region, to the detriment of local workers.

uThungulu's unique qualities set it apart from many other regions in South Africa. It boasts the largest deepwater port on the African continent, which imports the most bulk cargo of all African ports. It has double the capacity of the Port of Durban to its south and handles in excess of 75 million tons of cargo annually. The development of the harbour facilities at Richards Bay has promoted the development of the manufacturing sector, such that it is the largest economic contributor to gross geographic product in uThungulu.

uThungulu offers highly favourable agricultural conditions as it has extremely fertile soils, good rainfall and enjoys an excellent, frost-free climate all year round. A wide variety of bio-climatic conditions are on offer across the district, from the mountainous area of Nkandla down to the coastline. The agricultural sector is a dual economy, consisting of commercial agriculture on one hand and traditional agriculture on the other.

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The commercial agricultural economy is based on the sugar and forestry industries. Traditional agriculture is practiced on most of the tribal lands in the district and has enormous potential for growth.

Confidence in uThungulu is increasing rapidly as investment flows into the region. Local economic development through sustainable means is a priority of the uThungulu District Municipality, which is focused on achieving this through community participation and empowerment. Various comparative advantages such as affordable labour, service costs and industrial land availability position uThungulu as a competitive investment destination

At the uThungulu District Municipality giant steps we have taken in initiating skills transfer schemes and on-the-job training for members of our communities in the implementation of the majority of our capital infrastructure projects. The Local Economic Development initiatives have also led to job creation and entrepreneurship opportunities for our people, while partnerships with the Zululand Chamber of Business in the Asisebenze project has opened up business training and mentoring opportunities for prospective entrepreneurs.

uThungulu District Municipality's strongest asset is its employees, who are committed to a common cause: delivery of services. With a dedicated and motivated team of officials who identify with the needs of the community, they are able to pinpoint the priority issues and ensure that these are the initiatives that take precedence when our budget is formulated.

It is believed that infrastructure precedes development, which is why over 70% of the budget is spent on capital infrastructure, with the aim of meeting the water and sanitation targets. Prudent fiscal policies are another indication of the ability to manage funds in a manner that is transparent, ethical and most-importantly, economically sound.

The council's highest priorities are aimed at eradicating rural backlogs for water supply and sanitation services, as measured against Rural Development Plan (RDP) standards. The following has been achieved in the uThungulu District with regard to water and sanitation backlogs:

- Water backlog – from 82% in 2001/02 to 35,6% in 2008/09
- Sanitation backlog – from 80% in 2001/02 to 50% in 2008/09

The District Municipality's progress in implementing the IDP is measured through various means, such as the Performance Management System, Service Delivery and Budget Implementation Plan, Annual Report and the bi-annual Quality of Life Survey.

The purpose of the district annual report is to provide a record of the activities of the municipality or entity; a report on performance in service delivery and budget implementation; and to promote accountability to the local community.

The level of fulfilment and satisfaction of the people of the uThungulu district is measured bi-annually by the uThungulu District Municipality through a Quality of Life Survey. The survey aims to determine the standard of living, levels of education and income and social activities that characterize the people of uThungulu. In this way the district is able to measure the effect of its service delivery programmes as well as understand the bread-and-butter issues of its citizens.

### **3 PARTICIPATORY MECHANISMS (COORDINATION, ALIGNMENT & CONSULTATION STRUCTURES)**

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One of the most central responsibilities of the District Municipality that emerged from the formulation of the IDP is that of coordination and integration of plans and development actions.

The Integrated Development Plan (IDP) is therefore one of the key tools for local government to tackle its new developmental role. In contrast to the role planning has played in the past, integrated development planning is now seen as a strategic function of municipal management, as part of an integrated system of planning and delivery. The objective of the IDP process is to facilitate deliberations resulting in decisions being made on the strategic development direction of the municipality and includes issues such as municipal budgets, land management, promotion of local economic development and institutional transformation in a consultative, systematic and strategic manner. The IDP, however, will not only inform municipal management; it is intended to guide the activities of any agency from other spheres of government, corporate service providers, NGOs and the private sector within uThungulu district.

The organizational arrangements in terms of functions and responsibilities in driving the planning process for the UThungulu IDP are illustrated in Figure 1 below.

### 3.1 IDP STEERING COMMITTEE

The Executive Committee through its Portfolio Committees as well as the MANCO of the District Council are actively involved in the planning process of the IDP. As the senior members of the municipality, the Executive Committee is responsible for overall management, coordination, monitoring and drafting of the IDP. The IDP Steering Committee is the principle decision making body with respect to all operational aspects of the District Council's IDP.

### 3.2 IDP REPRESENTATIVE FORUM

National and provincial departments seek to implement their policies by making funding available to local municipalities for housing and other developments. The role of the District in this scenario is to coordinate and facilitate implementation in the district between the local municipalities and the departments and also to provide the required bulk infrastructure services. The mechanism that has been established by the District Municipality to facilitate such coordination is the Representative Forum and KZN Alignment Forum as shown schematically. The involvement of the private sector and general public is seen as an important component of the planning process through this forum.

### 3.3 DC & LMS TECHNICAL ALIGNMENT SESSIONS

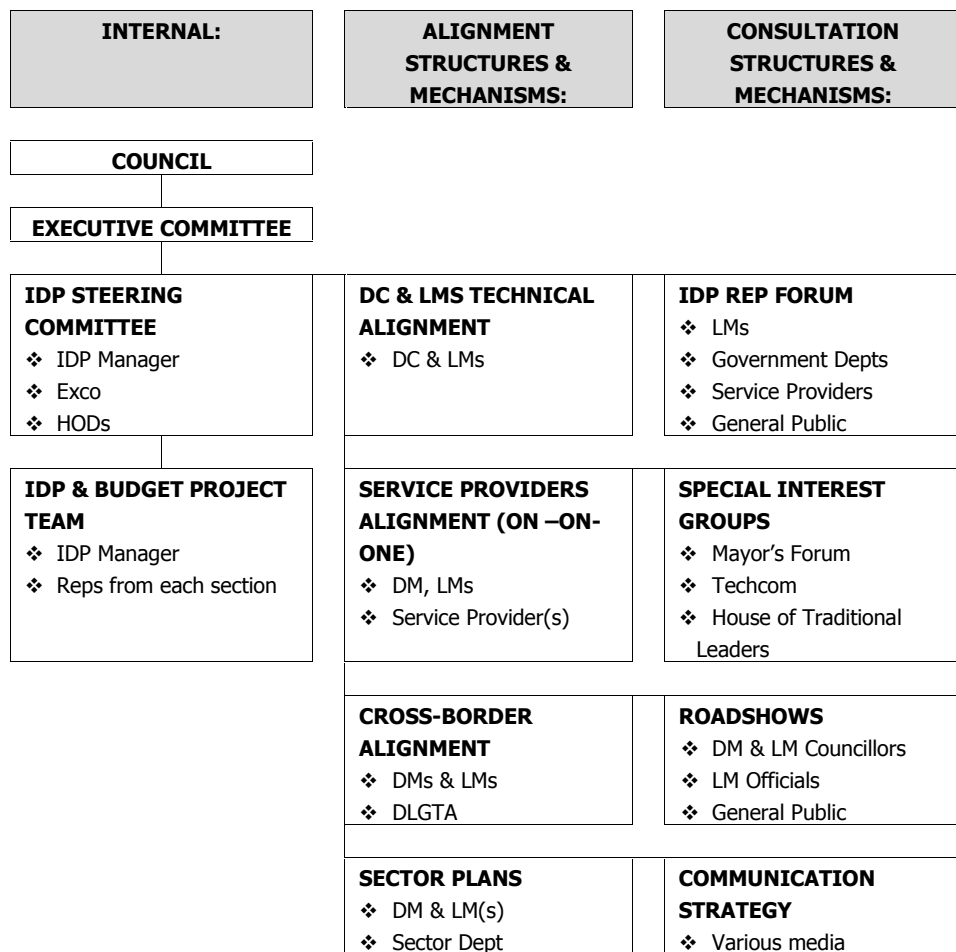
A close relationship was forged between the planning processes of the IDPs of the District Council and the Local Councils. Aspects of technical nature are discussed at this forum.

### 3.4 SERVICE PROVIDERS ALIGNMENT

In addition, the District has been facilitating engagement between the local municipalities and individual service providers on a one-to-one basis. This allows for the participants to give effective attention to technical considerations required.

### 3.5 CROSS-BORDER ALIGNMENT

**Figure 1: Organizational Arrangements**



## uThungulu District Municipality: Integrated Development Plan Review (2) (2007/08 to 2011/12)

The uThungulu District Municipality formally engages with its neighbouring municipalities (albeit district or local) on cross border planning and development issues. As such, the neighbouring municipalities, members of the uThungulu family of Municipalities as well as provincial representatives are been invited to cross border IDP Alignment sessions, where issues that are of a cross border development nature are discussed, such as:

- ❖ Projects that have a service delivery or developmental impact across municipal boundaries, e.g. water networks, transportation systems.
- ❖ Community Facilities that is located close to municipal borders that either have the potential to or do serve catchment that includes beneficiaries from different municipal districts.
- ❖ Responses to Provincial Planning initiatives or projects that have a provincial impact such as the proposed Dube Trade Port as well as the Provincial Spatial Economic Development Strategy (PSEDS).

### 3.6 SECTOR PLANS

The District has compiled (or are in the process of compiling) sector plans for their core functions. In such instances, service providers and affected local municipalities have been members of the respective sector plan Steering Committees thereby ensuring their specific inputs into the plan formulation and implementation programme.

### 3.7 SPECIAL INTEREST GROUPS / STRUCTURES

Some of the other structures used for alignment, communication and consultation are:

- ❖ Technical Advisory Committees, such as the Mayor's Forum and Techcom. These for a meet on a bi-monthly basis and issues such as coordination of shared services and coordination of service delivery are discussed.
- ❖ House of Traditional Leaders – representatives from Traditional Authorities in the uThungulu district.

### 3.8 COMMUNICATION STRATEGY

Some of the tools used for communicating the Budget/IDP, as contained in the Public Relations/Communication Strategy, are:

- ❖ Roadshows – one in each of the six local municipalities – annually in April during the Budget/IDP comment phase and in June after Council approval of the IDP/Budget
- ❖ Monthly radio talkshows by the Mayor on Ukhozi FM
- ❖ Monthly external newsletter Izindaba Ezimtoti
- ❖ Monthly internal newsletter Ezisematheni
- ❖ uThungulu website
- ❖ Annual Service Commitment Charter booklet published in Sept/Oct
- ❖ Annual Report – publication planned for Feb/March each year
- ❖ Print media press releases as and when required to local and provincial newspapers and radio stations
- ❖ Adverts in local and provincial newspapers as required
- ❖ IDP Alignment Stakeholder Forum meetings
- ❖ District LED Forum meetings
- ❖ District Mayors' Forum meetings

### 3.9 ROADSHOWS

Two rounds of roadshows are undertaken to each of the six local municipalities. The first is during the analysis phase in order to establish what the key development issues and priorities of the communities are. The second is undertaken during the public comment period where the draft IDP & Budget was presented and comments thereon discussed.



## 4 PROCESS & KEY TIMEFRAMES

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The IDP Process and Framework Plans were prepared in August 2008 and discussed with the respective local municipalities. The following has been extracted from the uThungulu IDP Budget Action Plan and Process Plan:

- ❖ Growth & Development Summit
  - 19 November 2008
  - IDP Representative Forum 1 / G&D Summit
- ❖ Service Provider Alignment meetings
  - 30 October 2008
    - Department of Education
    - GCIS
    - Eskom
    - ZFPS
  - 6 November 2008
    - Telkom
    - Department of Housing

It should be noted that many service providers were not able to attend the series of KZ Alignment meeting. Additional information was obtained in this manner from the Department of Agriculture, Department of Transport as well as the Department of Health.

- ❖ Roadshows 1:
  - Mbonambi - 27 October 2008
  - Umlalazi - 31 October 2008
  - Ntambanana - 4 November 2008
  - Umhlathuze – 5 November 2008
  - Nkandla – 10 November 2008
  - Mthonjaneni – 13 November 2008
- ❖ District workshop on NSDP: 27 January 2009
- ❖ Agricultural Indaba: 19 March 2009, follow up Indaba during May 2009

- ❖ District Municipalities Cross Border Alignment: Meeting scheduled for 8 May 2009.
- ❖ Public comment period: 1 – 21 April 2009
- ❖ IDP Representative Forum 2: proposed during public comment period
- ❖ Roadshows 2:
  - Mbonambi – 30 March 2009
  - Mthonjaneni – 31 March 2009
  - uMhlathuze - 2 April 2009
  - Nkandla – 7 April 2009
  - uMlalazi – 9 April 2009
  - Ntambanana - 17 April 2009
- ❖ Final approval of Budget & IDP by Council: 28 May 2009

NOTE: The detailed Process Plan is attached at Appendix C.



production and contributes 7,6% of the total GGP<sup>2</sup> and 5,5% of the total formal employment. Between 1986 and 1995 the average annual growth rate for the uThungulu region was 3,77% - substantially higher than the province at 1,45% and the national rate of 1,19% per annum. In 2002, the growth rate was 3,0%.

The district is further characterized by low levels of urbanization; approximately 80% of the people live in the rural areas. Also, more than 50% of the population is younger than 19 years. The female population is significantly higher than the male population – a phenomenon that can be attributed to migration patterns associated with the province in general.

The district is further characterized by large infrastructure backlogs, particularly in respect of water and sanitation mainly in the rural areas. The implementation of the district WSDP (Water Services Development Plan) has reduced the rural backlogs for water supply to RDP standard from 81,7% in 2001/02 to 35,6% in 2006/07. The backlogs in rural sanitation to RDP standards has been reduced from 89,1% to 50% over the same period.

The district is host to a wide variety of infrastructure and services. Richards Bay, Empangeni, Gingindlovu, Mtunzini and Eshowe all have reasonably good levels of infrastructure and services. Formal, urban infrastructure is focussed on these centres and in some of the secondary nodes in the district like Melmoth and Heatonville.

Nkandla, Melmoth, Ntambanana, Buchanana, Mbonambi and Eshowe are administrative centres of economic significance in the district. Even though Mtubatuba, Ulundi and Mandeni are centres that fall outside the district they are considered as important as they service portions of the district.

The district's transportation infrastructure is under pressure. The road network connects the major nodes, like Richards Bay and Empangeni to the national network, however the heavy vehicles servicing the Port of Richards Bay and the adjoining industrial areas are placing considerable strain on the infrastructure. Rail is a declining transport sector, with no major commuter networks in place and limited

industrial linkages (with the exception of the coal link from Mpumalanga to the Richards Bay Coal Terminal at the Port of Richards Bay).

uMlalazi is the largest municipality covering 2214 km<sup>2</sup> and uMhlathuze the smallest with an area of 795 km<sup>2</sup>. Nkandla covers an area of 1827 km<sup>2</sup>, Mbonambi 1208 km<sup>2</sup>, Mthonjaneni 1086 km<sup>2</sup> and Ntambanana 1083 km<sup>2</sup>.

uThungulu district has a good climate and an abundance of natural resources. The available arable land is suitable for large-scale agricultural initiatives, like the present sugar and forestry as well as specialised and intensive agricultural opportunities like natural oils and fruits cultivation. The intrinsic beauty of the area enhances the opportunities for tourism in the district. The terrain of uThungulu varies from the flat coastal belt, to the escarpment 900m above sea level.

The broad spatial structure of the district consists of a coastal plain or corridor that is rich in natural and built resources. A 'shadow corridor' comprising of commercial agriculture forms a rim of higher lying land around the coastal plain. The land is characterised by undulating topography containing commercial agriculture, which is dominated by forestry, rural settlement and small towns. The rest of the district is characterised by high lying dramatic landscape with rural settlement and forestry. The general spatial trend is that access to services and economic opportunities appears to lessen as one moves inland.

Also found in the area are a variety of river valleys, the best known the Tugela River on the western boundary of the district. The variety of soils, temperate climate and good annual average rainfall as well as the large water catchments area of the Thukela catchments area all combine for added attractiveness.

## **3 DEMOGRAPHIC CHARACTERISTICS**

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### **3.1 POPULATION FIGURES**

According to the 2001 Census, the uThungulu District Municipality had a population of 885 872. This equates to approximately 7% of the provincial population that totalled 12 673 793 in 2001. The eThekweni Municipality had a population of 3 090 114 at the time (24% of the provincial total). The total population of the uThungulu District increased by 16% between 1996 to 2001. Most notably was the increase in the Coloured and African populations of 22,5% and 18,9% respectively. The simple

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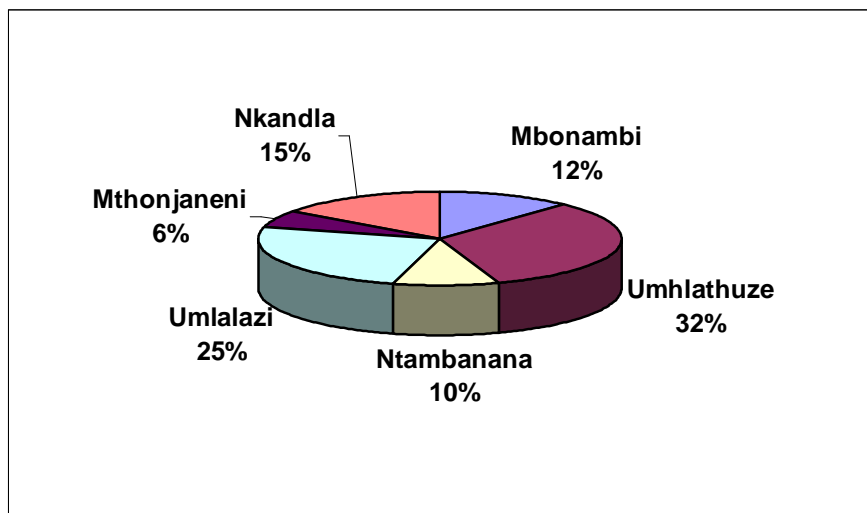
<sup>2</sup> The measurement of Gross Geographic Product (GGP) is a means of measuring the output or the performance of an economy.

It is defined as the total value, at factor cost, of final goods and services produced within a geographic area in a given year, by local as well as foreign firms.

application of a 16% population increase over the 5 year period from 2001 to 2006 equates to a population in the uThungulu District of 1027612.

The uMhlathuze Municipality has the largest portion with 32% of the population residing in this local municipality while only 6% of the district's population resides in Mthonjaneni. It is significant that the population increase in the uMhlathuze municipal area between the 1996 and 2001 census was in the region of 50%.

The population (2001) per local municipality is shown in the following figure:



The following table provides a more detailed breakdown of demographic data per local municipality according to the 2001 census.

**Table 1: Detailed Demographic Data per Local Municipality**

	Pop	% Pop	Male	Female	0-19	20-64	65+
KZ281: Mbonambi	106924	12.1	46.6	53.4	53.2	42.4	4.4
KZ282: uMhlathuze	289175	32.6	48.4	51.6	44.5	52.7	2.8
KZ283: Ntambanana	84746	9.6	46.4	53.6	54.6	40.8	4.7
KZ284: uMlalazi	221066	25.0	45.3	54.7	52.8	42.0	5.2
KZ285: Mthonjaneni	50372	5.7	45.8	54.2	51.2	44.0	4.7
KZ286: Nkandla	133589	15.1	43.0	57.0	57.5	36.4	6.1
<b>uThungulu</b>	<b>885872</b>	<b>100.0</b>	<b>46.3</b>	<b>53.7</b>	<b>50.9</b>	<b>44.7</b>	<b>4.4</b>

Source: Census 2001

During 2007, a Community Survey was undertaken by STATSSA. The following table is a summary of the outcomes of the said Community Survey:

**Table 2: 2001 and 2007 Population Figures**

Municipality	Census 2001	CS 2007	Change	% Change
Mbonambi	106942	118081	11139	10.42
uMhlathuze	289190	332156	42966	14.86
Ntambanana	84771	94190	9419	11.11
uMlalazi	221078	175372	-45706	-20.67
Mthonjaneni	50382	47010	-3372	-6.69
Nkandla	133602	127451	-6151	-4.60
<b>UTHUNGULU</b>	<b>885965</b>	<b>894260</b>	<b>8295</b>	<b>0.94</b>

### 3.2 AGE AND GENDER

The population in uMhlathuze has increased by nearly 50% over the past decade, at an average of 4.2% per annum between 1995 and 2004, which speaks not only to trends in fecundity but also to the pull of urbanization. The population of uMlalazi municipality has actually decreased by an average of 0.6% per year between 1995 and 2004. Just more than 50% of the population in Nkandla is of working age (15-64 years), creating a high dependency ratio in Nkandla, i.e. for every possibly worker, there is one dependent. It is only in uMhlathuze where more than 60% of the population is of working age, or nearly two possible workers per dependent. The majority of the population across all local municipalities is female, with the highest disparity apparent in uMlalazi.

The age profile of uThungulu indicates that the majority of persons are of working age, only 4% of the population is over 65 years of age according to Census 2001 statistics. This figure is low when considering that, according to the Statistics South Africa Mid-year population estimates (2007) approximately 8% of the population in the county is 60 years and older. The low numbers of the aged indicates limited resources required for aged health care or housing. However, a potential negative could be experienced with regards to the high prevalence of HIV (indicated in the table below) in the district and the implication that the loss of economically active individuals between ages 15 and 65 would leave a gap of care for those under 14 years of age.

The gender ratio in the district is skewed in favour of women (as indicated in the following table), with 53.1% of the populous being female, this in turn relates to the traditional migratory work patterns in the province.

**Table 3:** Basic Age and Gender data of Municipalities in uThungulu in 2004

	Ave. annual Pop. Growth 1995 - 2004	% of Population (2004)			
		Aged 15 – 64 yrs	Male	Female	HIV+
Mbonambi	1.0	55.8	47.4	52.6	14.9
uMhlathuze	4.2	64.1	49.0	51.0	16.3
Ntambanana	1.4	54.2	47.0	53.0	14.4
uMlalazi	-0.6	55.4	45.9	54.1	14.1
Mthonjaneni	3.2	56.5	46.4	53.6	15.3
Nkandla	0.1	50.4	43.7	56.3	12.7
<b>uThungulu District</b>	<b>1.5</b>	<b>57.5</b>	<b>46.9</b>	<b>53.1</b>	<b>14.8</b>

Source: Quantec Research 2006

According to the Statistic South Africa Mid-year population estimates (July 2007), the implied growth rate for the South African population has been declining steadily between 2001 and 2007 from approximately 1,3% between 2001 and 2002 to about 1% from 2006 to 2007. Interestingly, the growth rate for the female component of the population has dipped below the 1% at 0,93% during the 2006 to 2007 period.

The Quality of Life (QOL) Survey that was completed during 2007 showed the following statistic in respect of pensioner headed households.

**Figure 2: Pensioner Headed Households**

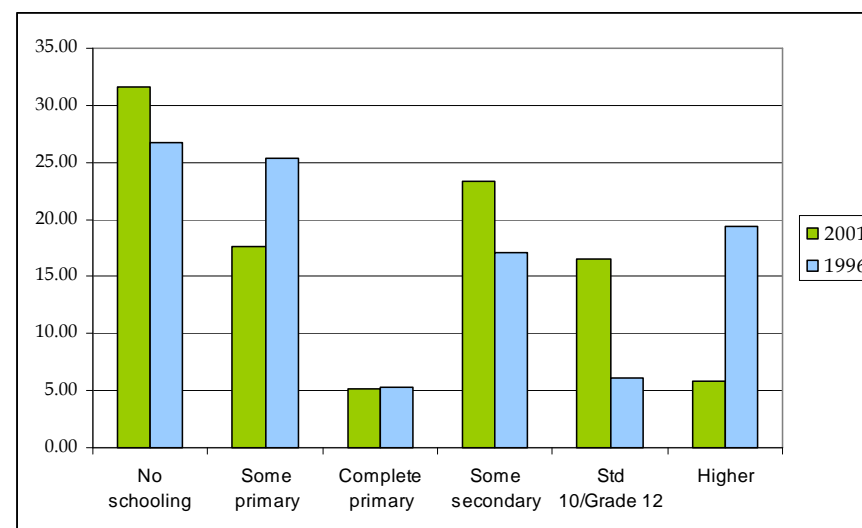
Municipality	% Pensioner Headed Households		
	2004	2005	2007
<b>Mbonambi</b>	<b>38.41</b>	<b>32.68</b>	<b>22.30</b>
<b>Mthonjaneni</b>	47.27	22.47	<b>43.43</b>
<b>Nkandla</b>	29.95	44.29	<b>39.41</b>
<b>Ntambanana</b>	36.70	33.91	36.75
<b>uMhlathuze</b>	23.37	16.22	18.77
<b>uMlalazi</b>	42.94	39.47	37.29
<b>UTHUNGULU</b>	35.60	31.45	32.43

The QOL Survey that was completed during 2005, showed a reduction in the percentage of pensioner headed households in the district from 35,6% to 31,45% with a slight increase during 2007. The incidence of pensioner headed households is high and some reasons for this could be (1) parents working elsewhere, (2) deceased parents (3) the traditional culture of extended families as well as the (4) effects of migrant labour.

### 3.3 EDUCATION

The general level of education in uThungulu according to the 2001 and 1996 Census data is low. According to the 2001 31% of the population was not exposed to any form of formal schooling in 2001 while a further 18% entered the schooling system but left before completing primary school. The following figure provides information on the levels of education in the uThungulu district according to the 2001 census.

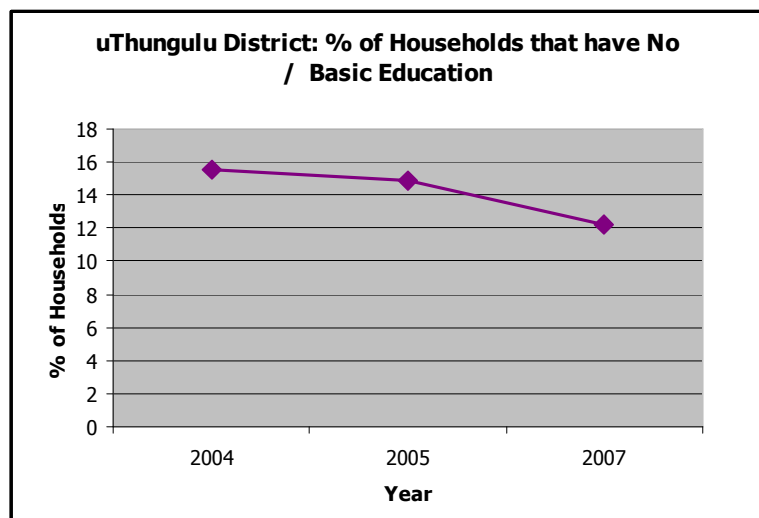
**Figure 3: Education Levels in uThungulu**



Source: Census 2001

The QOL survey (2007) showed A positive tendency in the district as a whole where the percentage of the population with a primary education has increased from 22.11% in 2004 to 34.82% in 2007.

**Figure 4: Percentage of Household that have No/Basic Education**



Source: QOLS 2007

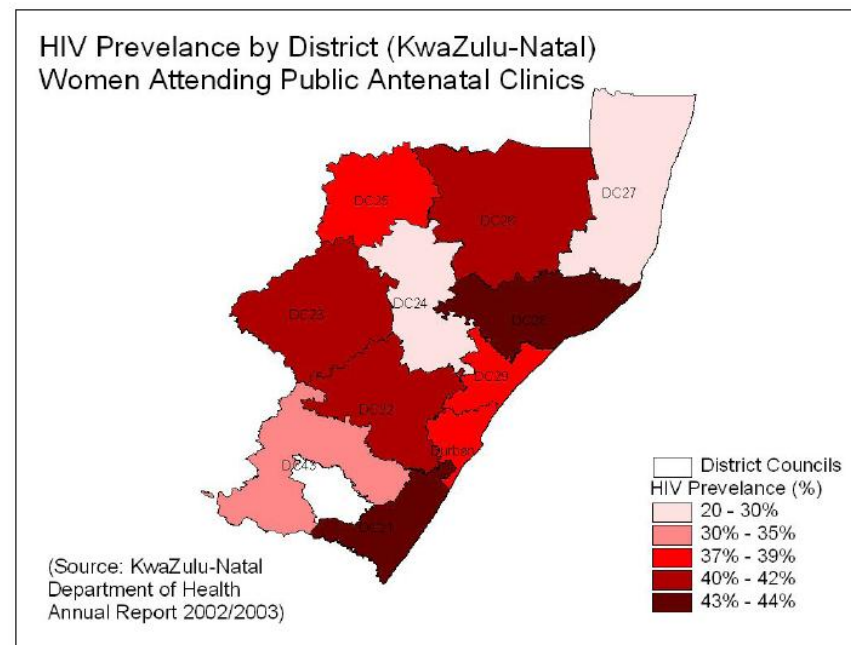
### 3.4 HIV

It is a known fact that there is a lack of clear and reliable data regarding HIV at a local municipal level. However, it is nonetheless clear that it is a very serious issue and should be incorporated into whatever strategies or developments are undertaken in the study area. Typical impacts of AIDS include decreased productivity of workers, increased absenteeism and additional costs of training of new workers. It also represents a greater demand and pressure on health facilities and as the statistics gathered from antenatal clinics indicate a very real problem of AIDS orphans and child (minor) headed households. These factors must be taken cognizance of when devising local economic development strategies.

The concerns about the impact of HIV on uThungulu need to be reiterated as KwaZulu-Natal has the highest HIV prevalence rate of all the provinces.

The image inserted indicates HIV Infection rates in KZN during 2002/2003. It is very concerning that the uThungulu district's rate in 2002/03 was higher than the provincial rate at 43% (KZN DOH Annual Report 2002/03).

**Figure 5: Antenatal HIV Infection Rates KZN**



(Source KZN DOH: 2002/2003)

The Centre for Actuarial Research compiled a report that considers the Demographic Impact of HIV/Aids in South Africa and a number of findings from the above mentioned report are also shown in this section (Dorrington R E, Johnson L F, Bradshaw D and Daniel T. The Demographic Impact of HIV/Aids in South Africa. National and Provincial Indicators for 2006. Cape Town: Centre for Actuarial Research, South African Medical Research Council and Actuarial Society of South Africa.)

On the following page some indicators and statistics for KZN is provided as extracted from the above report.

**Table 4: KZN Mortality Indicators (2006)**

<b>Mortality Indicators 2006: KZN</b>	
<b>Deaths</b>	
Total deaths during 2005	196 000
Non-Aids deaths during 2005	85 000
AIDs deaths during 2005	111 000
<b>Percentage of deaths due to HIV/Aids</b>	
Adults (15 - 49)	78%
Adults (15 +)	58%
Children (< 15)	25%
Total deaths	57%
<b>Life Expectancy</b>	
Life expectancy (years)	43.1
Male life expectancy (years)	41.8
Female life expectancy (years)	44.5

Apart from the above indicators, the report also indicates that, in 2009, approximately 511 000 of the orphans in KZN were Aids related orphans. The total number of orphans in the province was estimated to be 615 000 in 2009. Thus, 83% of the orphans were calculated to be Aids related.

**Table 5: HIV/Aids related statistics for KZN**

Year	Total Population	Growth Rate (%)	Total HIV +	Cumulative Aids deaths	Total Aids sick
1990	7 784 964	2.4	15 495	162	130
1991	7 976 808	2.4	32 905	409	320
1992	8 164 488	2.3	65 246	959	732
1993	8 348 520	2.2	120 431	2 112	1 571
1994	8 528 077	2	208 070	4 380	3 173
1995	8 696 220	1.8	334 621	8 580	6 027
1996	8 845 549	1.7	497 692	15 882	10 807
1997	9 002 528	1.7	680 909	27 838	18 576
1998	9 146 331	1.5	862 305	46 752	29 885
1999	9 275 055	1.3	1 028 663	74 690	45 407
2000	9 387 453	1.1	1 170 848	113 828	65 382
2001	9 484 797	1	1 288 002	165 996	88 885
2002	9 572 574	0.8	1 380 107	232 411	114 958
2003	9 645 417	0.7	1 447 112	313 306	141 539
2004	9 703 594	0.5	1 491 837	407 862	167 515
2005	9 750 935	0.5	1 521 149	511 974	181 694
2006	9 791 815	0.4	1 540 183	621 291	193 028
2007	9 827 879	0.4	1 552 390	734 372	200 628
2008	9 861 135	0.3	1 560 573	849 481	204 976
2009	9 893 513	0.3	1 567 048	964 964	206 294
2010	9 925 414	0.3	1 572 457	1 080 680	209 638
2011	9 956 255	0.3	1 576 698	1 197 399	212 962
2012	9 986 310	0.3	1 580 360	1 314 975	215 535
2013	10 015 990	0.3	1 584 077	1 433 017	217 260
2014	10 045 556	0.3	1 588 258	1 551 178	218 324
2015	10 075 055	0.3	1 593 022	1 669 254	218 987



## 4 THE DISTRICT ECONOMY

Amongst others, this section of the report will be informed by the following components of the uThungulu district's economy:

- ❖ Main Economic Sectors
- ❖ Employment and Income Levels
- ❖ Local Economic Development
- ❖ Agriculture
- ❖ Tourism
- ❖ Other sectors such as mining, construction and manufacturing

### 4.1 MAIN ECONOMIC CONTRIBUTORS

The vast majority of economic activity (88,6%) in the district is vested in Richards Bay, Empangeni and Felixton<sup>3</sup>. This area is the third most important in the province of KwaZulu-Natal in terms of economic production and contributes 7,6% of the total GGP<sup>4</sup> and 5,5% of the total formal employment. Between 1986 and 1995 the average annual growth rate for the uThungulu region was 3,77% - substantially higher than the province at 1,45% and the national rate of 1,19% per annum. In 2002, the growth rate was 3,0%.

According to the recently completed uThungulu LED Strategy, the sectoral contribution to the GGP in the district is as per table at overleaf.

<sup>3</sup> Impact, Economic Strengths of Zululand (2005/2006)

<sup>4</sup> The measurement of Gross Geographic Product (GGP) is a means of measuring the output or the performance of an economy.

It is defined as the total value, at factor cost, of final goods and services produced within a geographic area in a given year, by local as well as foreign firms.

**Table 6: Sectoral Contribution to GGP**

	<b>UTHUNGULU DISTRICT (%)</b>
Agriculture, forestry and fishing	7.4
Mining	9.1
Manufacturing	30.9
Electricity & water	1.2
Construction	2.2
Wholesale & retail trade	10.2
Catering and accommodation	0.8
Transport	9.9
Communication	1.8
Finance and insurance	3.3
Business services	5.7
Community, social and other personal services	7.1
General government services	10.4
<b>TOTAL</b>	<b>100</b>

Source: uThungulu District Municipality LED Strategy, October 2006 (Final Draft)

The report referred to above, also noted that the communication sector is the fastest growing sector in uThungulu, growing at an average of 8.2% per year in real terms between 1995 and 2004. This is lower than the provincial and national average growth rates for this sector over the same period. The same applies to the Finance and Insurance sector, where real growth was on average 6.9% per year between 1995 and 2004. The Manufacturing sector grew at an average of 5.8% during the same period at more than double the provincial and national growth rate of this sector over the same period and remains the largest contributor to the district economy at 30,9%. The real growth in Community and Social Services was also substantially higher in uThungulu than in the province and South Africa between 1995 and 2004.

The Mining sector in uThungulu contracted at a real rate of nearly 2% per year between 1995 and 2004, in line with the provincial trend. The real average growth rate of the General Government Services and Construction sectors in uThungulu was also negative between 1995 and 2004 in spite of being positive at the provincial and national levels.

## 4.2 EMPLOYMENT AND INCOME LEVELS

Even though the economic performance of the district is good, it must be noted that unemployment remains high as alluded to previously in this report. The results of the 2007 Quality of Life Survey provides the following information pertaining the number of dependants per person employed.

**Table 7: Employment Levels**

Local Municipality	Dependants per Person Employed
<b>Mbonambi</b>	6.4
<b>Mthonjaneni</b>	5.5
<b>Nkandla</b>	7.5
<b>Ntambanana</b>	6.3
<b>uMhlathuze</b>	5.9
<b>uMlalazi</b>	5.8
<b>UThungulu</b>	<b>6.2</b>

Source: UThungulu Quality of Life Survey (2007)

The March 2005 report of the DBSA on the Socio-Economic Profile of the province indicated an increase in the unemployment rate from 39,4% in 1997 to 47,4% in 2003.

It is for the above reasons that an appropriate economic development strategy for the district is seen to be a concentration on Small, Medium and Micro Enterprise (SMME) development as a means of promoting emerging entrepreneurs who will initiate labour intensive job growth. Furthermore, the strategy should aim to provide support to the informal sector as it is recognized that it currently provides many households with an income and it is anticipated to play an increasingly more important role in the future.

**Table 8: Percentage Persons Unemployed in Each Local Municipality and UThungulu**

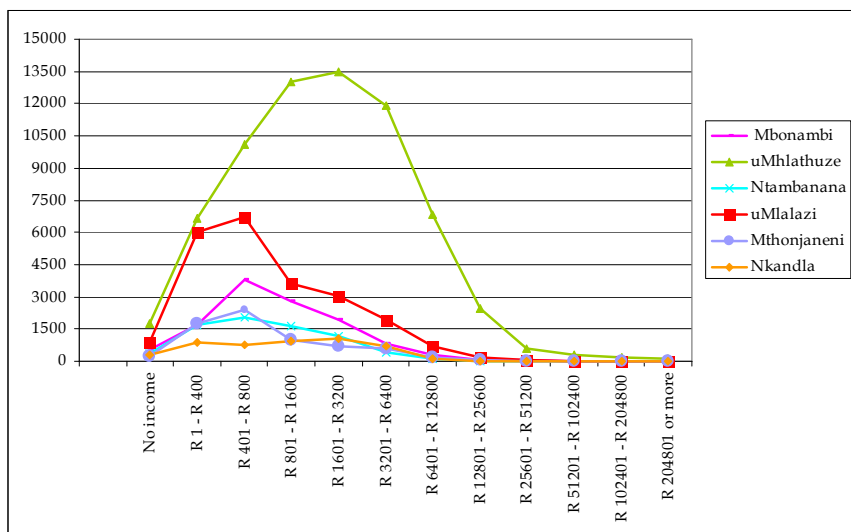
Area	Employed (%)	Un employed (%)	Not Economically Active (%)
UThungulu District Municipality	23.84	24.18	51.99
Mbonambi	20.13	28.71	51.16
uMhlathuze	36.17	24.72	39.11
Ntambanana	16.11	22.70	61.19
uMlalazi	18.92	21.52	59.55
Mthonjaneni	23.98	23.61	52.41
Nkandla	7.22	24.71	68.07

Source Census 2001

The definition of unemployment has been made use of by the census data. Therefore, a non-economically active person is defined as being someone who has not actively sought work in the past 4 weeks. Given the nature of the district, in that the major economic nodes are concentrated in two out six local municipalities the time and distance constraints faced by job seekers could severely hamper the availability of work opportunities. This attempts to account for the high proportion of economically inactivity in the district as 57.5% of the population falls within the 15 – 65 years age category and yet the economic inactivity is recorded as 51.99% of the total employable population. Employment levels are lowest in Nkandla followed by Ntambanana, both local municipalities have over 60% of their potential workforce recorded as being economically inactive.

The following graph indicates the disparity in income levels between the local municipalities. uMhlathuze, followed by uMlalazi and then Mbonambi have the highest number of income earners. The level of income only peaks around the R3200 mark in uMhlathuze, however, the other municipalities average income is far lower, Nkandla and Ntambanana peaking at R800. uMlalazi income earners are clustered from R0 to R800 too, decreasing sharply thereafter. The average income in uMhlathuze is far higher than the remaining six districts, as is clearly indicated below by the height of uMhlathuze's income line.

**Figure 6: Comparison of Income across the District**



Source Census 2001

**Table 9: Employment by Sector**

	Employment in district	% of Total	% Growth 1995 - 2004	
			Per Annum	Total
Agriculture, forestry and fishing	13,554	14.3	7.0	83.4
Mining	3,572	3.8	-6.0	-42.8
Manufacturing	14,244	15.0	-0.2	-1.5
Electricity & water	352	0.4	-2.4	-19.3
Construction	4,182	4.4	-3.5	-27.7
Wholesale & retail trade	11,121	11.7	6.2	72.0
Catering and accommodation	1,291	1.4	-3.4	-27.0
Transport	2,333	2.5	-1.7	-14.2
Communication	397	0.4	-4.4	-33.4

Finance and insurance	1,873	2.0	1.1	10.2
Business services	7,449	7.8	8.4	107.2
Community, social and other personal services	18,095	19.0	3.1	32.2
General government services	16,644	17.5	0.5	4.8
Total	95,108	100.0	1.8	17.8

Source: Quantec 2006, based on Census 2001

To put these low growth figures in perspective, the low level of employment growth in uThungulu is mirrored in each of the six local municipalities.

The following table provides more details regarding employment levels. Between 1996 and 2001, employment levels in the agriculture/forestry/fishing industries have increased by 41%, 31% in the community/social and personal industries, 59% in the finance/insurance/real estate as well as 55% in wholesale/retail. The only significance decrease was in the electricity/gas/water industries where employment dropped by 21%.

The above quoted information has been derived from the following table.

**Table 10: Employment Sectors**

Employment Sector	2001	1996
Agriculture/Forestry/Fishing	18931	13427
Community/Social/Personal	22571	17279
Construction	6055	6009
Electricity/Gas/Water	828	1058
Financial/Insurance/Real Estate/Business	7555	4724
Manufacturing	13534	10990
Mining/Quarrying	2971	2816
Other	15	-
Private Households	9459	9890
Transport/Storage/Communication	6440	6423

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Undetermined	19258	19717
Wholesale/Retail	14127	9096

Source: Census 2001

With regard to monthly income levels the following changes between 1996 and 2001 were noted:

- ❖ An increase in 31% of persons with no income (from 507801 in 1996 to 666594 in 2001). This can be attributed to a degree to the increase in population size. Also, this figure, in the light of an increase in employment levels is anticipated to be the result of an influx of unemployed people into the uThungulu District (particularly uMhlathuze) in search of perceived employment opportunities.
- ❖ A significant increase in persons with an income of between R1 and R400 per month (increase of 284%). This may be attributed to improved access to grants, particularly child support grants.
- ❖ The increase in the income cohorts above R400 could be attributed to upward mobility of the population with regard to income levels, salary and wage adjustments as a result of inflation linked increases and the overall increase by 21% in employment levels.
- ❖ Details on annual household income levels show a disturbing fact that the number of households with no income has increased by 135% between 1996 and 2001. It should, however, be noted that there has been a significant increase in the annual household income levels for all the remaining income cohorts as shown on the table above. It could be the perceived employment opportunities in the UDM, notably the City of uMhlathuze that attracts already unemployed households to the area from neighbouring districts.

### 4.3 LOCAL ECONOMIC DEVELOPMENT

As noted before, an LED Strategy has been compiled for the uThungulu District. The strategy entailed the preparation on an in depth sector analysis of, amongst others, employment, infrastructure, agriculture, exports and imports. The role of each of the above was analyzed with regard to the Local Economic Development. For example, the role of education and HIV impacts on the skill level and availability of labour in the district; the provision of basic services relates to both health and available time resources for economic activities. It is important to be aware of the strengths and weaknesses of existing economic sectors to direct new efforts for growth and development.

The following LED goals are contained in the strategy:

- ❖ Grow tourism
- ❖ Grow manufacturing
- ❖ Support agricultural development
- ❖ Enhance ICT sector
- ❖ LED support mechanisms

The following comparative advantages of uThungulu are provided in the above strategy:

- ❖ The district has a broad based **tourism appeal**, from unique bird watching through to luxury accommodation and cultural happenings.
- ❖ The **agricultural sector** dominates the district's economy. The products that dominate the area are sugar cane and timber production. Animal husbandry (cattle) and citrus farming are also significant commercial ventures. The agricultural sector impacts significantly on employment, income generation, economic linkages, land tenure and land reform and environmental considerations in the district.
- ❖ The District is criss-crossed by a number of **main transportation routes** such as the N2 Highway, the R34 and the R66.

In the uThungulu District, an LED Forum and Fund has been established. The Forum consists of the following role-players:

- ❖ uThungulu District Municipality
- ❖ The six local municipalities
- ❖ Zululand Chamber of Business
- ❖ Department of Agriculture and Environmental Affairs
- ❖ Development Bank of Southern Africa
- ❖ KwaZulu-Natal Agricultural Union (KWANALU)
- ❖ Richards Bay Industrial Development Zone (IDZ)
- ❖ Private sector companies in the district
- ❖ SA Sugar Association
- ❖ Media

Although the above LED strategy is inclusive of the following sectors, agriculture, exports and imports, manufacturing, tourism, retail and services, each of the sectors will be discussed under a separate heading.

#### 4.4 SMME

Developing new and sustainable SMMEs are instrumental in boosting economic growth and development in South Africa. It is also critical in economically empowering previously disadvantaged individuals and communities and thereby redressing the economic imbalances of the past in South Africa. Business support facilities that service SMMEs have increased the sustainability of SMMEs throughout the world. These facilities include business information kiosks, service centres, hives/clusters, and incubators.

It has been identified that SMMEs in uThungulu add a disproportionately small contribution to the local economy due to the presence of large manufacturers and exporters. Government support has been focussed on large investments, with only modest assistance offered to develop and support SMMEs in uThungulu, especially in the rural and underdeveloped areas. Private and non-governmental support has been fragmented and uncoordinated. This has created the problem of the "missing middle" between local based raw/bulk material producers and local retailers, with many local SMMEs becoming unsustainable. This gap is currently filled by national and international suppliers.

The Uthungulu District Municipality has initiated the process of developing a SMME Business Support Services Strategy and Policy for its area of jurisdiction.

The specific objective of this project is to develop a strategic plan to support sustainable SMME development in uThungulu district through an integrated system of business support facilities, thus encouraging economic and employment growth and development throughout the district, especially the rural areas. Such facilities will range from simple business and market information kiosks to general and specialised business incubators. This will aid in achieving the overall objectives for the strategy, i.e.

- Increase local and district government support for SMME development in uThungulu
- Greater contribution by SMMEs in local and district economies
- Create job opportunities to reduce unemployment and poverty

- Increase in local wealth generation and accumulation

#### 4.5 AGRICULTURE

Agricultural activity is more concentrated in the former Lower Umfolozi magisterial district than in any of the other local authority areas. The agricultural sector is of a dual nature, i.e. commercial and traditional agriculture. The commercial agriculture is based on two main monocrops, namely sugar cane and forestry. The cane and forestry sectors have been at the forefront of assisting emerging farmers. Traditional agriculture is practiced on most of the Traditional Council lands in the district. The development of this sector is hindered by a low skills base and a lack of organized bodies to provide financial assistance, access to markets and market channels.

An Agricultural Development Plan has been prepared for the UDM. The objective of the Agricultural Development Plan was to identify specific programmes and projects to address rural poverty. The main component of the report was the compilation of a concept model for agricultural development relating it to (1) the Local Economic Development Desk, (2) the establishment of Cooperatives and (3) the establishment of Community Farms. The process of reviewing the agricultural development plan has been initiated.

#### 4.6 TOURISM

Tourism developments in uThungulu focus on the coastal resource, eco-tourism, game and hunting. There are a number of major tourism attractions (resources) that have eco-tourism potential, namely:

- uMlalazi Nature Reserve
- Amatikulu Nature Reserve
- Ongoye Forest Nature Reserve
- Dlinza Forest Nature Reserve
- Entumeni Nature Reserve
- Enseleni Nature Reserve
- Nkandla Forest

During 2003, a Local Tourism Development Plan was prepared to provide clear guidelines to achieve sustainable tourism development within the uThungulu area by setting and achieving implementable, realistic goals and objectives as well as tourism project implementation plans.

The main project findings and tourism vision alluded to the following key recommendations:

- ❖ Agreement to the principle to develop uThungulu, manage, brand and market the areas as a “unique tourism destination” within the existing provincial tourism branding, i.e. “Kingdom of the Zulu” thereby increasing the number of domestic and foreign tourism visits.
- ❖ The uThungulu District Municipality is to be responsible for the overall management and marketing of the uThungulu district tourism sector. This includes liaison and coordination with the six Local Municipalities in terms of setting up and operations of Community Tourism Associations as well as communication with representatives of the private sector.
- ❖ Establishment of a Institutional Structure and Framework, i.e. the ‘uThungulu Tourism Destination Management Office’ to implement the following:
  - Market Research and Tourism Data Collection
  - Marketing Strategy and Publicity
  - Tourism Product Development
  - Tourism Product Standards Programme
  - Tourism Knowledge and Awareness Media Campaign
  - Tourism Training and Mentoring

The report also outlined a number of key projects and critical activities to be undertaken.

## 4.7 MANUFACTURING

Metals and related products is the biggest industry in the uThungulu manufacturing sector, contributing more than 40% of the nearly R4.6 billion worth of manufacturing output in 2004. The second biggest contributor to the manufacturing sector in uThungulu was the petroleum, rubber, plastics and chemical industries which contributed 18% or R830 million in 2004, followed by the wood, paper and printing industry that contributed 13% in 2004. The manufacturing of food, beverages and tobacco products, transport equipment products, and furniture products, contributed more than R350 million each to the

uThungulu economy in 2004. The sector focuses on exports. The sector has few forward and backward linkages with the rest of the district’s economy.

According to the uThungulu LED Strategy the real rate of growth in the manufacturing sector was just below 6% per annum between 1995 and 2004. However, there were significant differences in the growth rate of the different industries. The furniture industry experienced real growth of 15% per annum between 1995 and 2004, i.e. real output increased by over 250% between 1995 and 2004. The petroleum and chemical manufacturing industry had real annual growth of over 13% between 1995 and 2004. This contrasts sharply with the clothing and textile industry, where manufacturing contracted by about 30% in real terms between 1995 and 2004, or nearly 2% per annum. The food and beverages sector also experienced negative growth over this period.

Total exports from uThungulu to the rest of the world was over R14.5 billion in 2005, while imports from the rest of the world was just under R4.5 billion in 2005. The nominal growth of exports from uThungulu to the rest of the world was 19% per year between 2000 and 2005, while the nominal growth in imports into uThungulu from the rest of the world was 21% per year over the period.

The impact of the national energy and the global economic crises is creating concerns over productivity and employment in many economic sectors, with very real impacts being experienced in the manufacturing industry.

## 4.8 MINING

The Mining sector in uThungulu contracted at a real rate of nearly 2% per year between 1995 and 2004, following the provincial trend. Employment in the mining sector in uThungulu has dropped by more than 40%, or 6% per annum, between 1995 and 2004.

## 4.9 CONSTRUCTION

Employment in the construction sector dropped by nearly 28% between 1995 and 2004 which is indicative of low growth in hard infrastructure development. Still, the sector employs an estimated 4182 people (4,4% of the employment in the district). Between 1995 and 2004 it has decreased by an average of 3,5%.

## 4.10 MUNICIPAL LED STRATEGIES

A brief summary of the draft LED strategies that have been prepared for each of the Municipalities of uThungulu is given below. These strategies are the result of extensive research into the LED potential and blockages in the local municipality areas. As such, certain key issues can be elicited from them.

<p><b>Ntambanana</b>                  Focussed on the development of agricultural diversification through the development of co-operatives, accessibility to machinery and equipment as well as the establishment of periodic markets. Focus on beneficiation schemes related to agri-processing. The Royal Zulu Biosphere remains a key feature of the tourism sector development, along with improvements in marketing and institutional structures. Business support services and skills training programmes will help facilitate an enabling environment for the furthering of the municipality's LED goals.</p>	<p><b>uMlalazi</b>                  Agriculture LED focused on beneficiation activities; including an agri-processing plant, bio-diesel production and the introduction of further farmer co-operatives and additional market spaces. The tourism sector LED projects focused on improved service delivery and better clustering of locally available services. Trade and industry related LED initiatives relate predominantly to generating a more enabling environment for local business.</p>
<p><b>Mbonambi</b>                  LED Strategy is anchored in the tourism sector, with the key local project being the development of the N2 Gateway Cultural Village and the development of the Mbonambi Craft Emporium Project. Other key sectors are agriculture with focus on forestry products and agri</p>	<p><b>uMhlathuze</b>                  LED strategy is multi-sectoral and integrated as both the formal and informal economies in the municipality are well developed. Key area of focus is the manufacturing sector, and the development of the 'missing middle' or small suppliers of services and goods to</p>

<p>processing through the formation of co-operatives as well as additional commercial food production schemes. Manufacturing sector initiatives are centred on block and furniture making.</p>	<p>large firms as well as in technical skills and capacity building. Interestingly, despite the highly developed multiple sector economy, emphasis remains on the enhancement of infrastructure in order to better develop an enabling environment for LED growth.</p>
<p><b>Mthonjaneni</b>                  LED focused on agricultural and tourism sectors. Formulating and integrated agricultural plan, developing local markets as well as generating and enabling environment for agricultural growth are all key features. Tourism related LED programmes are fairly diverse, key issues relate to the recognition of local potential, intensive marketing as well as environmental concerns. Business retention plans are an essential component of Mthonjaneni's LED; centred on infrastructure improvements and retention mechanisms.</p>	<p><b>Nkandla</b>                  LED focused on infrastructure development to create a more conducive environment for economic activity. Proposed programmes and projects are designed to make use of local content (skills and inputs) and to generate greater capacity building. Tourism and agriculture are two key sectors. Projects include better access to tourism sites, the development of a cultural village and a comprehensive tourism strategy. Agriculture LED focus on forestry and agri-processing, utilising established best practices from the already existing Nkandla essential oils' project and the Ntingwa tea estate project. Soft infrastructure should also be addressed, i.e. a key emphasis on skills development and participation of local stakeholders to better encourage local economic development.</p>

## 4.11 ECONOMIC KEY ISSUES

The following priority development issues were identified for this section.

### Local Economic Development

- ❖ LED contributes to alleviating poverty & job creation
- ❖ Access to financial support & services
- ❖ Support to SMMEs
- ❖ Economy has to be integrated
- ❖ Infrastructure development to support LED
- ❖ Institutional development and management
- ❖ Enhance Communication

- ❖ Some areas less economically viable than others and focus in rural outlying areas should be on agriculture and the informal sector

#### **Local Tourism Development**

- ❖ Harness tourism opportunities
- ❖ Potential threats for tourism
- ❖ Tourism operations

#### **Agricultural Development**

- ❖ Agricultural Development in rural areas
- ❖ Support Agricultural Development
- ❖ Alignment with Department of Agriculture

#### **Business & Industrial Development**

- ❖ Attract Investment
- ❖ Business Development
- ❖ Industrial Development
- ❖ Spin-offs anticipated with the Dube Trade Port development
- ❖ Richards Bay attractive to investors but value needs to be added to raw materials prior to exporting goods

### **4.12 MILESTONES ATTAINED**

Some of the key milestones achieved regarding the economic development of the district are outlined hereunder:

- ❖ Hosting of Annual Regional Zulu Dance Competition to promote tourism and tourism-related job creation.
- ❖ Film Office established to market the uThungulu region as a preferred destination for film makers, as well as provide day-to-day operational assistance to them.
- ❖ Annual Socio-Economic Survey in partnership with University of KZN to measure economic growth within the district.
- ❖ Tourism accommodations and activity brochure for the UDM servicing area widely distributed.
- ❖ Mthonjaneni, Entumeni and KwaMthethwa Essential Oils plantations established.
- ❖ Essential Oils Extraction Plant at Nkandla established and distillation plant is currently in operation
- ❖ Construction of KwaBulawayo Tourism Development facility commenced

- ❖ Construction of KwaMpungose HIV/AIDS Hospice for abandoned children in the uMlalazi Local Municipality area in the Mpungose Tribal Council .
- ❖ Successful and well attended Growth and Development Summits hosted.
- ❖ Successful LED intervention projects such as "Essential Oils" project in Nkandla, Mthonjaneni, Umlalazi and Mbonambi.
- ❖ Tourism arts and crafts, where local crafters from our district, exhibit their products and enter the commercial market, as well as uThungulu's successful participation in all Tourism Exhibitions and Trade Shows.
- ❖ Initiated a project to establish a Craft Hub in the Small Craft Harbour area of uMhlathuze, and a mobile unit to support crafters in the rural areas of the district.
- ❖ Passenger liner welcoming facilities and service in partnerships with the Ports Authority.

## **5 INFRASTRUCTURE PROVISION**

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This section of the report provides details on the provision of infrastructure to the district. Basic infrastructure within the uThungulu District Municipality in respect of the IDP, core-functions and non-core functions are defined as follow: Potable Water, Waste Water, Sanitation, Energy, Municipal Roads and Housing. Other Infrastructure and services include Solid Waste and Cemeteries and Crematoria. This section of the report deals with these services specifically.

### **5.1 WATER AND SANITATION PROVISION**

The uThungulu District Municipality, in terms of the Water Services Act<sup>5</sup>, is the Water Services Authority in respect of its area of jurisdiction, apart from the City of uMhlathuze.

*(The review of the WSDP is underway at present)*



According to the 2001 census, there has been an increase in the number of households with water inside their yards and well as access to communal stands. Dependency on boreholes and springs has been reduced between the 1996 and 2001 census assessments. The following table comparing the 1996 and 2001 census results is provided:

**Table 11: Access to Water Sources**

Households	2001	1996
Dwelling	29013	28739
Inside Yard	36365	3833
Community Stand	11071	8058
Community stand over 200m	18089	-
Borehole	8934	14398
Spring	6903	64306
Rain Tank	1895	1367
Dam/Pool/Stagnant Water	7116	-
River/Stream	45553	-
Water Vendor	1269	-
Other	5269	662

Source: 2001 Census

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

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

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

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

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

- ❖ Low cost housing projects
  - The UDM will install basic water infrastructure (reticulation and bulk)
  - Rural: Metered connection within 200 m from dwelling (funded from housing subsidy)
  - Urban: Metered connection on plot boundary
  - Households have a choice of minimum free basic or metered above 6 kl/month stepped tariffs
  - Developer to construct basic on-site sanitation (VIP's)
- ❖ Upper income housing developments
  - The developer constructs all water and sanitation infrastructure, including bulk where there is not sufficient capacity, at own cost
  - UDM to approve design standards
  - Households billed on metered stepped tariffs
- ❖ Industrial developments
  - The developer constructs all water and wastewater infrastructure, including bulk where there is not sufficient capacity, at own cost
  - UDM to approve design standards
  - Water consumption billed on metered fixed tariff
  - New policy to be developed regarding wastewater disposal of large wet industries – incentives to do pre-treatment
- ❖ Metering System
  - Proposed metering of inlets/outlets of all bulk water infrastructure, WTW, pump stations, reservoirs, for water balancing purposes
  - All connections, including communal stand pipes to be metered
  - New design created for metered yard connections

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- ❖ Implementation of SMME programmes including EPWP
  - Strategy document to Implement Small contractor Development on water reticulation projects
  - Involves Level 1 contractors registered with the CIDB
  - Various disciplines to train, support and develop the contractors
  - Assistance from Department of Public Works required regarding the EPWP

The **Millennium Targets** are RDP Standards for water (25l/day) and sanitation (VIP) by 2008 and 2010 respectively, but will not be met, due to financial constraints. Rather it is planned to meet the target for water by 2015/16 and sanitation by 2017/18. Grant funding has been received to conduct a backlog study and current calculations show that approximately R 900mil will be needed to reach the target of 2008/2010 as illustrated below.

The distribution of funds between water supply and sanitation services would be distributed on a proportionate basis of 75% for water supply and 25% for sanitation services respectively.

**Table 12: Funds required to eradicate total backlogs:**

Local Municipality	Estimated funds required per Local Municipality		Estimated total funds required
	Water Supply	Sanitation Supply	
Mbonambi	R 129,319,887	R 90,087,553	R 219,407,440
Ntambanana	R 66,977,446	R 58,513,568	R 125,491,014
uMlalazi	R 280,427,741	R 169,601,155	R 450,028,896
Mthonjaneni	R 99,921,045	R 37,210,705	R 137,131,750
Nkandla	R 154,781,857	R 103,878,500	R 258,660,357
uThungulu*	R 31,311,401	R 5,282,969	R 36,594,371
<b>Total</b>	<b>R 762,739,377</b>	<b>R 464,574,450</b>	<b>R 1,227,313,827</b>

**Table 13: Funds required annually to eradicate the backlogs by the set Millennium Target dates:**

Year	Water		Sanitation		Total	
	MIG	Shortfall	MIG	Shortfall	MIG	Shortfall
2005/06	57,712,500	197,103,709	19,237,500	53,821,540	76,950,000	250,925,249
2006/07	54,434,999	197,103,709	18,145,000	53,821,540	72,579,999	250,925,249
2007/08	59,280,749	197,103,709	19,760,250	53,821,540	79,040,999	250,925,249
2008/09			95,463,000	53,821,540	95,463,000	53,821,540
2009/10			69,162,000	53,821,540	69,162,000	53,821,540
<b>Sub_tot</b>	<b>171,428,249</b>	<b>591,311,128</b>	<b>195,466,749</b>	<b>269,107,700</b>	<b>366,894,998</b>	<b>860,418,828</b>
<b>TOTALS</b>		<b>762,739,377</b>		<b>464,574,449</b>		<b>1,227,313,826</b>

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The following table provides a detailed summary of progress made in respect of the eradication of backlogs in water provision in the uThungulu District with the exception of uMhlathuze that are their own water services provider.

**Table 14: Water backlogs below RDP standards in uThungulu**

Municipality	Total Number Rural HH	PERCENT OF HOUSEHOLDS BELOW RDP STANDARDS-WATER						
		ACTUAL		PREDICTED				
		2006/7	2007/8	2008/09	2009/10	2010/11	2011/12	2012/13
		% Backlog-Water	% Backlog-Water	% Backlog-Water	% Backlog-Water	% Backlog-Water	% Backlog-Water	% Backlog-Water
Mbonambi (KZ281)	21,961	43	40	31	23	17	10	6
Ntambanana (KZ283)	19,630	45	43	43	43	41	38	36
uMlalazi (KZ284)	54,028	53	53	54	53	52	51	52
Mthonjaneni (KZ285)	12,137	53	38	17	12	13	14	14
Nkandla (KZ286)	37,596	40	39	38	36	35	35	31
uThungulu	145,352	47	45	42	39	38	36	34

Source: WSDP Review 2006/2007

The following table provides a detailed summary of progress made in respect of the eradication of backlogs in sanitation provision.

**Table 15: Sanitation Backlogs below RDP standards in uThungulu**

Municipality	Total Number Rural HH	PERCENT OF HOUSEHOLDS BELOW RDP STANDARDS-SANITATION						
		ACTUAL		PREDICTED				
		2006/7	2007/8	2008/09	2009/10	2010/11	2011/12	2012/13
		% Backlog-Sanitation	% Backlog-Sanitation	% Backlog-Sanitation	% Backlog-Sanitation	% Backlog-Sanitation	% Backlog-Sanitation	% Backlog-Sanitation
Mbonambi (KZ281)	21,961	55	54	50	47	46	42	39
Ntambanana (KZ283)	19,630	78	74	70	66	59	54	52
uMlalazi (KZ284)	54,028	87	87	86	85	83	82	80
Mthonjaneni (KZ285)	12,137	71	66	63	61	56	53	54
Nkandla (KZ286)	37,596	74	72	73	72	70	68	68
uThungulu	145,352	76	75	73	71	69	66	65

Source: WSDP Review 2006/2007

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

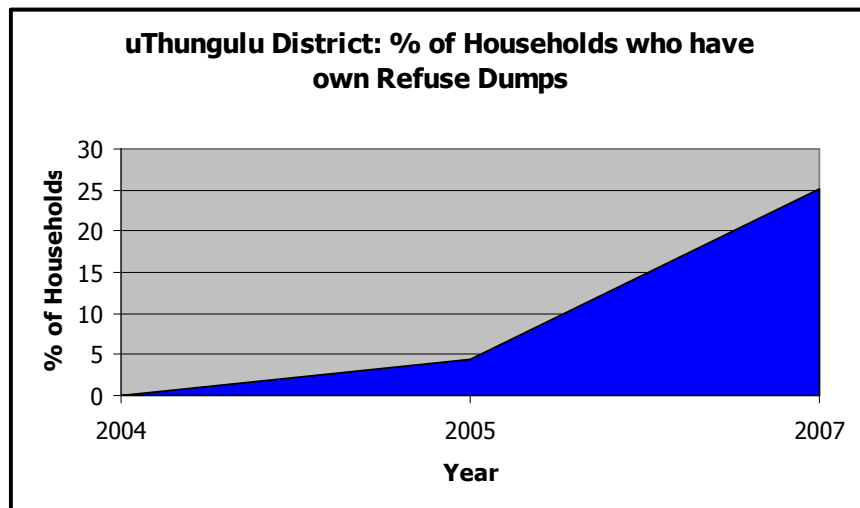
- ❖ Water loss management strategy
- ❖ Water metre installation
- ❖ Water quality improvement interventions

## 5.2 REGIONAL SOLID WASTE

A Regional Solid Waste site has been established and waste transfer stations are being set up at some of the local municipalities to transport waste to the regional site. These were identified as part of the completed Integrated Waste Management Plan (2005). The review of the Integrated Waste Management Plan has been budgeted for in the 2009/2010 financial year. Amongst others, attention should be given to the environmental impact assessment of was management options as well as various environmentally friendly practises.

According to a comparison between the 1996 and 2001 census, the number of households that have access to weekly municipal refuse removal has increased by 38% although the number of households that are reliance on their own dump has also increased significantly by 62% from 60991 in 1996 to 99071 in 2001. The latter could be attributed to increasing informal settlement occurring in the district municipality. The results of the **QOL survey for 2007** are also concerning regarding refuse removal as shown in the following figure.

**Figure 7: Percentage of Households who have own Refuse Dumps**



## 5.3 WASTE WATER

Apart from numerous sanitation projects underway in the district, the upgrade of the Mtunzini, Eshowe and Ginindlovu is also receiving priority attention by the district.

## 5.4 CEMETERIES AND CREMATORIA

uThungulu District Municipality is responsible for regional projects whilst local cemeteries remain the responsibility of the local municipalities.

The development of the uThungulu Regional cemetery has been completed. Local and Traditional Authorities have traditionally taken responsibility for burials in rural areas which are predominantly being within the household grounds as it is a traditional practice. Many areas cannot afford to continue to accommodate burials on residential plots due to land availability constraints.

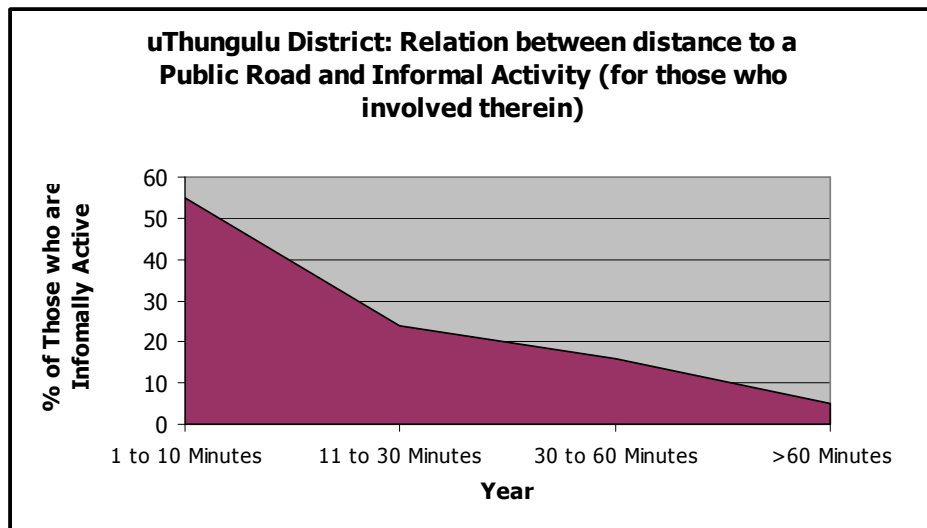
The only crematorium in the area is located at Eshowe, which may need to have its capacity extended to cope with the regional demand.

## 5.5 MUNICIPAL ROADS AND PUBLIC TRANSPORTATION

The responsibility of roads (excluding municipal roads) within the district remains the responsibility of the Department of Transport. The planning responsibility is with the district.

Rural Access roads have the most impact for future development of the district. The following figures from the 2007 Quality of Life Survey underpins the above statement by showing the relationship between the distance to a public road and involvement in informal activity.

**Figure 8: Relation between distance to a public road and involvement in informal activity**



Source: 2007 Quality of Life Survey

It is essential that uThungulu be given opportunity to provide input into the Department of Transport planning for the District. The Provincial department utilizes the Rural Road Transportation Forums (RRTF) and Community Road Safety Committee (CRSC) to determine the road priorities.

During April 2005 the district completed its Integrated Transport Plan and projects are being implemented by the Department of Transport are aligning with this plan. The District has also made contributions towards the current upgrading of the John Ross Highway.

The Review of the district Integrated Transport Plan has been initiated and a draft report should be compiled towards the end of 2009. Broadly, the scope of work is as follow:

- Review and Collection of Additional CPTR Data
- Review and Update Public Transport Status Quo
- Review and Update Public Transport Vision, Goals and Objectives
- Review and Update Initial Public Transport Proposals
- Review and Update Rationalisation Strategy
- Review and Update Operations Strategy
- Review and Update Prioritised Public Transport Proposals and Implementing programme
- Review and Update Financial Implications

## 5.6 ELECTRICITY

Eskom, the national electricity supplier, supplies electricity in bulk. Richards Bay, Melmoth, Eshowe and Empangeni are the only towns that buy electricity in bulk and distribute to their consumers. The Local Municipality of Nkandla is currently being assisted by UDM with the provision of basic electricity. The supply to rural areas is slow due to high costs associated with scattered settlements and no anchor clients.

Eskom's supplies grid electrification while the Department of Mineral and Energy Affairs is responsible for non-grid electrification. A combined strategy/partnership between uThungulu and Eskom is urgently required to form an integrated and sustainable electrical service delivery within the district. In conjunction with the Department of Minerals & Energy and Eskom a plan should be devised to implement the uThungulu Energy Master Plan as compiled in conjunction with them

According to the 2001 census, the number of households with access to electricity for lighting increased from 48301 in 1996 to 90121 in 2001 (86% increase) since 1996. Dependence on candles remained relatively similar while dependence on paraffin decreased by 53% from 7216 in 1996 to 3331 in 2001.

The Uthungulu District Municipality has compiled an Energy Master Plan attached at Appendix I. Some of the main objectives of this plan being the following:

- ❖ Prepare an electrical Status Quo Report of existing electrical infra-structure in the area.
- ❖ Clustering of Dwellings, communities, clinics and schools into sustainable nodes

## uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

- ❖ Identification of cost effective supply routes.
- ❖ Linking of Eskom's electrification program to uThungulu's Integrated Development Plan (IDP).
- ❖ Prepare an Electricity Budget based on priorities for the District Municipality.
- ❖ Preparation of a 5-year Electrification Roll-Out Plan.

The national energy crises has far reaching implications on the supply and maintenance of infrastructure services to the district, notably the cost for stand by generators at pump stations as well as the running cost of such generators. Apart from such operational expenses, the environmental costs of increased combustion into the atmosphere as a result of generator operations also need to be considered.

### 5.7 INFRASTRUCTURE KEY ISSUES

The following priority development issues were identified for this section.

#### **Potable Water, Waste Water & Sanitation**

- ❖ Revenue not enough to attain required standards of services
- ❖ Upgrades of urban water & sanitation infrastructure important
- ❖ Drought relief ongoing and costly. Requires external funding.
- ❖ Water loss management required
- ❖ Operational issues
- ❖ Water meters
- ❖ Construction

#### **Water Services Authority & Planning**

- ❖ WSDP review
- ❖ Customer Care: Call centres & maintenance of service level

#### **Energy**

- ❖ Clarity on REDS especially regarding impact of cost structure and control
- ❖ Eskom reticulation
- ❖ Renewable (natural) energy resources have to be identified and utilized
- ❖ Energy crises impact on basic service delivery and operating costs

#### **Regional Solid Waste**

- ❖ Capital development
- ❖ Operations

- ❖ Waste management Strategy needed – reduction & recycling of waste

#### **Regional Cemeteries & Crematoria**

- ❖ Planning Phase 2 underway
- ❖ Investigate use of Crematorium
- ❖ Operations: Strategy & Cost/benefit analysis required to fulfil function in-house vs possible operating contract

#### **Municipal Roads & Public Transport Services**

- ❖ Public transport inadequate and unsatisfactory
- ❖ Department of Transport policy, road network plan and assignment of responsibilities

#### **Municipal Airports**

- ❖ Dube Trade Pot to be established
- ❖ Impact on tourism

#### **Municipal Public Works**

- ❖ Soccer 2010 Strategic Plan addresses issues such as energy and IT services, safety and security

### 5.8 MILESTONES ATTAINED

- ❖ Over 70% of the district's annual budget has been spent on water services for a number of years.
- ❖ A reduction in water backlogs from 83% in 2001/2002 to 45% in 2007/2008.
- ❖ Sanitation services backlogs have been reduced from 79% in 2001/2002 to 62% in 2007/2008.
- ❖ uThungulu Building upgrade, provision of technical advice during the renovation of the Disaster Centre building at Empangeni, upgrading of the Regional cemetery and the planning of phase 2 of the Regional solid waste site.
- ❖ The compilation of an asset register on water and sanitation projects – assessment of all 240 water schemes and 35 sewage plants to be entered into the main asset register.
- ❖ Securing of grants for drought relief from the Department of Local Government and Traditional Affairs and R40 million received from the Department of Water Affairs and Forestry, cash-flowed over three years.
- ❖ Creation of a design office

- ❖ Senior Community Development Officer appointed to extend the department's level of community participation and maximize stakeholder involvement in the planning and execution of water services infrastructure.
- ❖ Communication drive on water policies with various communities, which included the compilation of consumer registers, setting up cost recovery procedures and conducting water awareness campaigns and new projects' introductory meetings.
- ❖ Implementation of the customer complaints management tool (Call Centre) and water quality monitoring system
- ❖ Finalisation of bulk water planning for the Middledrift Water Project, Mthonjaneni Bulk Water Scheme, Upper Nseleni Bulk and Reticulation, and Mbonambi/Mzingazi Bulk Pipeline and Reticulation.
- ❖ Successful upgrade of town infrastructure, which included the upgrade of the KwaMbonambi water reticulation. This included a new water main at the Mbonambi Low Cost Housing Project, the construction of Mtunzini Water Reservoir and related piping, the refurbishment of the Gingindlovu Rising Main, the upgrade of Eshowe reticulation, the upgrade of the Thubalethu small bore sewer, including the refurbishment of the Melmoth Water Works, the upgrade and the refurbishment of Nkandla Sewer and the Middledrift Water Works.
- ❖ New management approach implemented at Nkandla for the operation and maintenance of the electricity infrastructure, resulting in the reduction of electricity losses by 20 %.
- ❖ Reduction of customer complaints related to water disruptions and systems failures.
- ❖ Formulation of a tanker reduction strategy. The strategy looks at the overloaded tanker route and attempts to provide some medium-to-long-term solutions for such areas.
- ❖ Finalisation of the designs and legislative compliance of the second cell of the Regional Solid Waste Site.
- ❖ Building of transfer Mtunzini transfer station
- ❖ Commencing with a multi million rand Greater Mthonjaneni Bulk Water Scheme
- ❖ Approval of funding from DWAF to establish a design office inhouse
- ❖ Implementation of a multi million rand Mbonambi Bulk Water Scheme
- ❖ Implementation of Phase 1 and 3 of the Upper Nseleni Water Scheme
- ❖ Implementation of uMlalazi Phase 2 Sanitation
- ❖ Implementation of Nkandla Phase 3 Satiation
- ❖ Implementation of Ntambanana Phase 2 Sanitation
- ❖ Implementation of Mthonjaneni Phase 2 sanitation
- ❖ Implementation of Mthonjaneni Thubaluthu small bore sewer

## 6 SOCIAL AND COMMUNITY DEVELOPMENT

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Social and community development deals with issues ranging from environmental health services to education and the provision of community facilities. As such, community upliftment and awareness in matters of gender, HIV/Aids/ communicable diseases are of importance here.

Within the district, there is a need to develop **recreational facilities** such as sports facilities for the youth as there is a lack of such in the majority of the communities. Development of such facilities will allow for the exploration of youth talent in sport, music and other cultural activities. However, the major constraints to investment are the lack of financial resources and the general sentiment that such developments are not a priority.

There is a high demand for **health services**. The municipal health function (environmental health) has been transferred to the District.

**Disaster Management** is regarded as a key issue due to the fact that the district is prone to fires and floods that cause severe damage and require large financial resources to correct damage done at any given time. The uThungulu District Municipality has completed its **Disaster Management** Plan. The preparation of the plan was not funded from external sources although the district receives assistance with disaster relief in the form of grants and provisions from the Provincial Authorities. The phase 1 report concluded that four of the local municipalities in the district, i.e. Nkandla, Ntambanana, Mbonambi and Mthonjaneni require technical assistance for the preparation of their respective phase 2 and 3 disaster management reports.

## uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

In addition to the above, the district has commenced, and completed, the preparation of the following sector plans to inform social and community development. These include:

- ❖ Environmental Health Plan
- ❖ Community Services Plan
- ❖ Crime Prevention Plan
- ❖ Policy for the Marginalized
- ❖ Gender Equality
- ❖ HIV/Aids Policy

The focus of the remainder of this section will be on access to community facilities, the impact of HIV/Aids as well as improved community awareness.

### 6.1 ACCESS TO COMMUNITY FACILITIES

The Community Facilities Plan entailed an audit of 626 facilities in the district during 2005. Of the 626 Facilities visited, only 59 had no infrastructure or services problems. Some of the report findings are summarized hereunder:

The majority of problems at facilities related to the following:

- ❖ No infrastructure (particularly at the majority of "kick-around" sport fields)
- ❖ No shelter or ablution facilities at Pension Payout Points
- ❖ No Electricity
- ❖ No Water
- ❖ Problems with sanitation connections
- ❖ Problems with water connections
- ❖ Problems with electricity connections
- ❖ Infrastructure that has been vandalized (broken windows)
- ❖ Damaged / stolen fencing
- ❖ Damage to roofs
- ❖ Poor workmanship (cracked walls)

As a result of the high number of facilities that will require funding for new or improved infrastructure and/or services, it was decided to focus on the District, Primary, Secondary and Tertiary Nodes (as per the then UDM IDP Spatial Framework Plan), in the preparation of the Community Facilities Plan. Facilities

within a certain radius of District, Primary, Secondary and Tertiary Nodes were identified (as per the then UDM Spatial Development Plan). Hereunder, a table is attached summarizing the results:

**Table 16: Funding required for upgrading of Community Facilities**

Facility	Funding required (R '000)						Totals
	KZ284	KZ286	KZ286	KZ281	KZ285	KZ283	
Child Care	194	0	320	226	76	224	<b>1040</b>
Sport	710	88	768	255	252	217	<b>2291</b>
Pension Payout Points	332	31	71	183	254	70	<b>941</b>
Cemeteries	175	0	0	75	60	75	<b>385</b>
Community Halls	167	43	72	61	30	30	<b>404</b>
Market Stores	8	5	27	0	12	23	<b>75</b>
Historical Sites	0	0	0	0	0	0	<b>0</b>
<b>Totals</b>	<b>1 586</b>	<b>167</b>	<b>1 258</b>	<b>801</b>	<b>684</b>	<b>639</b>	<b>5 136</b>

Within the above identified nodes the following was found:

- ❖ The greatest financial need is for the upgrading of sport facilities (i.e. R2,291,000.00) and child care facilities (R1,040,000); and
- ❖ There is also a need for the provisioning of shelters and ablution facilities at Pension Payout Points (R941,000).

### 6.2 IMPACT OF HIV/AIDS

There is a need for more strategic and driven **HIV/AIDS** awareness programmes as the level of AIDS related deaths, especially amongst the youth are unacceptable. It is imperative that there is buy-in from communities if the programmes and campaigns are to be successful.



## uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

According to a 2005 publication of Development Bank of South Africa<sup>6</sup>, the KZN population that was HIV positive during 1991, 1996 and 2001 was 40 000, 634 000 and 1 643 000 respectively - the highest concentration of HIV positive people in South Africa.

The following effect of HIV/AIDS socially should be noted:

- Poorer households are more vulnerable and the epidemic is likely to deepen poverty and compromise upward mobility;
- A greater demand for health care facilities; and
- A greater demand for financial and welfare support for orphans.

The effect of HIV/AIDS economically is:

- A shift from savings to current expenditure, thus limiting fixed investment and economic growth;
- Possibility of “technological deepening” of the economy as a result of higher absenteeism rates;
- Withdrawal of healthy workers to care for ill family members;
- Fundamental erosion of South Africa’s two key weaknesses: savings and skills shortage; and
- Increased spending on pharmaceuticals and funerals.

The likely effect of HIV/AIDS on planning:

- Population growth and the structure of the population will change in terms of age and gender;
- Demand for services such as schools, housing and health care facilities will change;
- Provincial and national enrolment;
- Impact on development i.e. physical and economic;
- Impact on skilled and unskilled labour force;
- Impact on resources and environment;
- Impacts on capacity of institutions;
- Impact on the local economy; and
- Spatial implications.

The March 2005 report of the DBSA provides the following population projection for a high and low HIV/Aids scenario from 1996 to 2006.

**Table 17: Population Projection – HIV/Aids Scenarios**

	Low HIV/Aids	High HIV/Aids
1996	763 688	
1997	784 651	
1998	807 204	
1999	831 465	
2000	857 562	
2001	885 635	
2002	911 400	906 973
2003	939 717	930 080
2004	969 087	955 068
2005	1 001 300	982 058
2006	1 035 973	1 011 181

Source: DBSA (March 2005)

### 6.3 IMPROVED COMMUNITY INVOLVEMENT

- ❖ IDP Road Shows are held annually to inform communities of the Programmes and Projects contained in the IDP.
- ❖ After each Exco Meeting, discussions and decisions are summarized and published in the local newspaper. The Exco & Council meetings are open for members of the public to attend.
- ❖ As part of the UDM’s Performance Management System, a Service Commitment Charter is published annually as a pull-out in the Zululand Observer (local newspaper). It gets printed in English and isiZulu and distributed to stakeholders throughout the District.
- ❖ The flagship publication of the municipality, Izindaba Ezimtoti is printed in English and isiZulu.
- ❖ A Radio Slot for the UDM Mayor is reserved monthly on Radio uKhozi. The Mayor talks about matters relating to the Integrated Development Plan and events of interest to our communities.
- ❖ uThungulu has also developed a comprehensive informative Website.
- ❖ uThungulu publishes Annual Reports

<sup>6</sup> KwaZulu-Natal Province: Socio-Economic Profile (March 2005)

- ❖ Techcom Meetings are held bi-monthly, with the Municipal Managers of the local and district municipalities. This is followed, on the same day, by Change Management Committee Meetings where the respective Mayors join the Municipal Managers.
- ❖ Local Municipality Manco Meetings are held quarterly attended by both the District and Local Municipalities Manco's.
- ❖ IDP Alignment Meetings take place during the IDP Review process. The District and Local Municipalities as well as selected Service Providers are invited to these meetings. In addition, a series of Sector Plans have been completed or are underway at which representatives of the respective government departments are members of the Steering Committees.

## **6.4 SOCIAL AND COMMUNITY KEY ISSUES**

The following priority development issues were identified for this section. A detailed issues report is attached at Annexure B:

### **Municipal Health (Environmental Health)**

- ❖ Inadequate funding for Municipal Health Function
- ❖ Socio-economic well-being of community has implication on the cost of health service delivery by the Department of Health
- ❖ Internal alignment of Environmental Health function & Environmental Management function

### **Education, Training & Capacity Building**

- ❖ Education and Training are national and provincial competency but require municipal infrastructure support services
- ❖ Co-ordination of education & training
- ❖ Department of Education requires alignment with municipalities in respect of the provision of services to facilities as well as the planning of urban expansions
- ❖ Education and capacity building required on core functions

### **Safety & Security**

- ❖ Crime levels has an impact on economic development
- ❖ Combined strategy necessary to address safety and security; education & partnerships, alignment, intergovernmental liaison
- ❖ Lack of police stations in rural areas

### **Community Service, Facilities & Actions**

- ❖ Implementation of Community Services Plan requires buy-in from sector departments (i.e. alignment & co-ordination)
- ❖ Department of Welfare & Population Development developing District Municipality Sector Plan
- ❖ Department of Sport and Recreation has to align with local government on a number of issues
- ❖ Multi Purpose Centres

### **Disaster Management**

- ❖ Due to the "unfunded" mandate for the District Disaster Management Centre, only a minimum service has been budgeted for
- ❖ Review of Disaster Management Plan required
- ❖ Alignment & protocol issues into Act
- ❖ Coordinating structure required

### **Fire Fighting**

- ❖ Shared service with municipalities
- ❖ ZFPS

### **Poverty Alleviation**

- ❖ Cross cutting issue, measured against all the activities of the district
- ❖ Food security relates to Dept of Agriculture programmes as well as district LED programme
- ❖ Department of Social Welfare/IDT Poverty Relief Programme

### **Marginalized Groups**

- ❖ Focus more on development than just supporting events
- ❖ Youth, women, children, disabled, aged development
- ❖ Alignment needed with the Department of Welfare & Population Development

### **HIV/Aids**

- ❖ Incidence of HIV/Aids has an impact on economic development
- ❖ UNDP Programme has ended
- ❖ Support needed for centres in the district, i.e. Mpungose Centre and the Amangwe Village

## **6.5 MILESTONES ATTAINED**

Some of the key milestones achieved with regard to social and community development are outlined hereunder:

- ❖ Building of an HIV/Aids centre at KwaMpungose in uMlalazi.
- ❖ Commissioning two baptismal centres, a temple and church in support of moral regeneration.
- ❖ Establishment of two MPCC.
- ❖ Classrooms for five schools in Nkandla.
- ❖ Provision of 39 sports fields to encourage the development of sport amongst the rural youth.
- ❖ Participation in the Annual Kwanaloga Games.
- ❖ Implementation of Shared Services Concept for disaster management.
- ❖ Launch of District Youth Forum.
- ❖ Launch of District Disability Forum.
- ❖ Launch of District Youth Forum.
- ❖ Launch of UDAC (Uthungulu Aids Council)
- ❖ Ongoing partnerships with sector departments on marginalized programmes.

## **7 PLANNING AND THE ENVIRONMENT**

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The co-ordination service delivery and investment in the districts is vital to ensure sustainable service delivery. This can only be attained by achieving the sensitive balance between strengthening (maintaining) the rural economy, implementation of the land reform programme as well as housing delivery. Also, all of the above has to take due cognizance of the environment.

### **7.1 INTEGRATED DEVELOPMENT PLANNING**

Annually, the uThungulu district prepares/reviews its IDP. Apart from dealing with critical issues pertaining to project identification, budgeting, land reform and housing, the IDP also contains an SDF (Spatial Development Framework) and other important issues as detailed in the remainder of this section:

- ❖ From a land reform and housing perspective, the district is responsible for planning, coordination and alignment. The district's responsibility for the provision of bulk infrastructure to housing projects specifically is very important.
- ❖ Land-Use planning aims to co-ordinate and manage all the land uses and their relationship to each other in order to protect natural resources and to create safe and liveable environments. In respect of land-use planning, the District Municipality is responsible for the provision of the Land-Use Management Framework, whilst the Local Municipalities are responsible for the preparation of detailed Land Use Management Systems (LUMS).
- ❖ The bi-annual quality of life survey of the UDM provides the mechanism to monitor progress on key development projects and programmes as identified in the IDP. The recent survey indicated an increase in the number of stand pipes in uThungulu as well as an overall reduction in the dependency on natural water sources. This fact is confirmed by the WSDP that indicates that backlogs in water provision to a RDP standard have been reduced to 58.4% (as opposed to the 2001/2002 backlog percentage of 82%).

## 7.2 DEVELOPMENT PLANNING SHARED SERVICES

With effect from 1 February 2009, a Chief Planner (Shared Services) has been employed to provide assistance to the Ntambanana, Mbonambi, Nkandla and Mthonjaneni Local Municipalities of the District.

The shared services concept was conceived due to a number of reasons, notably the fact that many smaller rural municipalities have limited planning capacity and high staff turnovers. Thus, the resulting limitations are proposed to be addressed through the establishment of shared services for the development planning function between district municipalities and their constituent local municipalities. The aim is thus to optimize limited resources and thereby enhance the quality of planning and development services provided.

For uThungulu, the scope of municipal development planning functions included in the DPSS is as follows:

- Spatial Planning
- Strategic Planning
- Development Administration
- Performance Management
- Information Management and Systems Development
- Additional Functions include:
  - Building Inspections and Control
  - Housing
  - Environment
  - Land Reform

## 7.3 THE ENVIRONMENT

The uThungulu district generally has a good climate and is well endowed with natural resources whose comparative advantages are:

- A good climate that opens up avenues for productive agricultural and tourism development;
- Agriculture with irrigation infrastructure in place;

- A scenic environment and the coastal terrain thus creating more opportunities for tourism development; and
- The district's location within KwaZulu-Natal that is reputable for its African Experience.

The **topographic features** of UThungulu are multi-faceted. The flat coastal region comprises of the Natal Coastal Belt and Zululand Coastal Plain with altitudes ranging from sea level to 450 metres. Inland adjacent to the coastal belt, the Lowveld of Zululand to the north east and the Eshowe Block to the west are characterized by hilly topography with altitudes increasing to 900 metres. The terrain becomes more extreme towards the north west. In places, the area characterized by steeply incised valleys with altitudes between 900 and 1 400 metres. The Valley of the Tugela River bounds the district on the west.

The coastal belt areas include sand stone, shales and mudstones, whose **soils** have a high agricultural potential. Low potential soils occur along the Tugela River as well as along portions of the Mhlatuze River.

The **climatic conditions** of the district are very diverse due to the topography, which plays a major role in modifying rainfall and temperature. Mean annual rainfall decreases from an average 1200 - 1400mm along the coastal region to an average of 650mm inland. Similarly mean annual temperatures decrease varies from 21 degrees Celsius along the coast to 16 degrees Celsius inland.

The western portion of the study area lies within the Thukela catchments. The steepness and highly dissected nature of the topography results in small fast flowing watercourses, many of which are seasonal. The remainder of the study area lies within a large primary catchment with major rivers that run through it, namely:

- Amatigulu River
- Mhlatuze River
- uMlalazi River
- Mfule River
- Nyalazi River
- Mzingwenya River

The area also has a number of wetlands, the most notable being Lake Cubhu and the Greater Mhlatuze Wetland System to the south of Richards Bay at Esikhaleni. The Phobane Dam on the Mhlatuze River is the only major dam in the area. This dam is used to regulate the flow in the lower reaches of the Mhlatuze River in order

to ensure adequate flow to supply agricultural irrigation needs (sugarcane, citrus and cotton are the major crops in the area), industrial requirements (Richards Bay, Empangeni and the recently commenced ISCOR (Ticor) Heavy Mineral mining operations at Hillendale) as well as for domestic needs.

The environmental analysis is a crucial step in the review of the IDP as it is realised that IDP's true success will be measured in its ability to achieve its developmental goals in general, and the sustainability of the developments in particular. Sustainable development implies the balance or equal consideration of environmental, economic and social development needs and strategies. The issues identified in this section highlight the environmental issues that need to be considered in the economic and social development strategies of the district.

Some of the environmental related **needs** of the district are:

- Economic growth and the need to meet basic needs has environmental implications
- Protect the natural environment and ensure sustainability
- Incorporate environmental aspects into the strategic planning
- Assess in detail the effect of the environment on development and consider the opportunities and constraints which the environment places on the development plan
- Consider conducting a Strategic Environmental Assessment (SEA)

The environmental **opportunities/comparative advantages** of the district are:

- Unique biophysical characteristics
- Number of naturally occurring forests
- Irrigation opportunities
- The coastline
- Develop institutional framework
- Mining resulting in rehabilitation of an already degraded area
- Good climate
- African Experience
- Tourism potential
- Agriculture with irrigation

The following table provides a summary of some of the environmental **concerns** in the uThungulu district.

**Table 18: Environmental Concerns**

<p><b>Extensive Monoculture</b></p> <ul style="list-style-type: none"> <li>- Loss of biodiversity</li> <li>- Loss of coastal lowland forests</li> <li>- Pollution due to cane burning</li> <li>- Fertilizers</li> <li>- Encroachment into drainage areas</li> <li>- Loss of valuable agricultural land for food production (forestry</li> <li>- Threats to habitats by exotic forests</li> <li>- Reduction in water runoff to catchments</li> </ul>	<p><b>Land Degradation</b></p> <ul style="list-style-type: none"> <li>- Burning of veld for grazing;</li> <li>- Overgrazing</li> <li>- Soil erosion, sheet, gully and land slides</li> <li>- Siltation</li> <li>- Deforestation</li> <li>- Invader species</li> <li>- Communal tenure</li> <li>- Collection of firewood</li> </ul>
<p><b>Mining</b></p> <ul style="list-style-type: none"> <li>- Pollution</li> <li>- Destruction of dunes</li> <li>- Altered landscape</li> </ul>	<p><b>Dense Development</b></p> <ul style="list-style-type: none"> <li>- Land fill sites</li> <li>- Waste disposal</li> <li>- Air pollution</li> <li>- Water pollution</li> </ul>
<p><b>Industry</b></p> <ul style="list-style-type: none"> <li>- Air Pollution</li> </ul>	<p>General</p> <ul style="list-style-type: none"> <li>- Diseases such as Malaria, Cholera and HIV/AIDS</li> <li>- Plastic bag pollution</li> <li>- Socio-political issues regarding basic needs and different perceptions about environment and conservation</li> <li>- The need for environmental awareness and education</li> <li>- Traditional burials and their possible effects on ground water</li> <li>- Loss of biodiversity</li> <li>- Water pollution</li> <li>- Air pollution</li> </ul>

The district is concerned with the utilization and protection of its natural resources.

- ❖ All project planning and implementation complies with the Environmental Management Act. Environmental Scoping Reports and Environmental Impact Assessments are undertaken where required and approval conditions are adhered to.

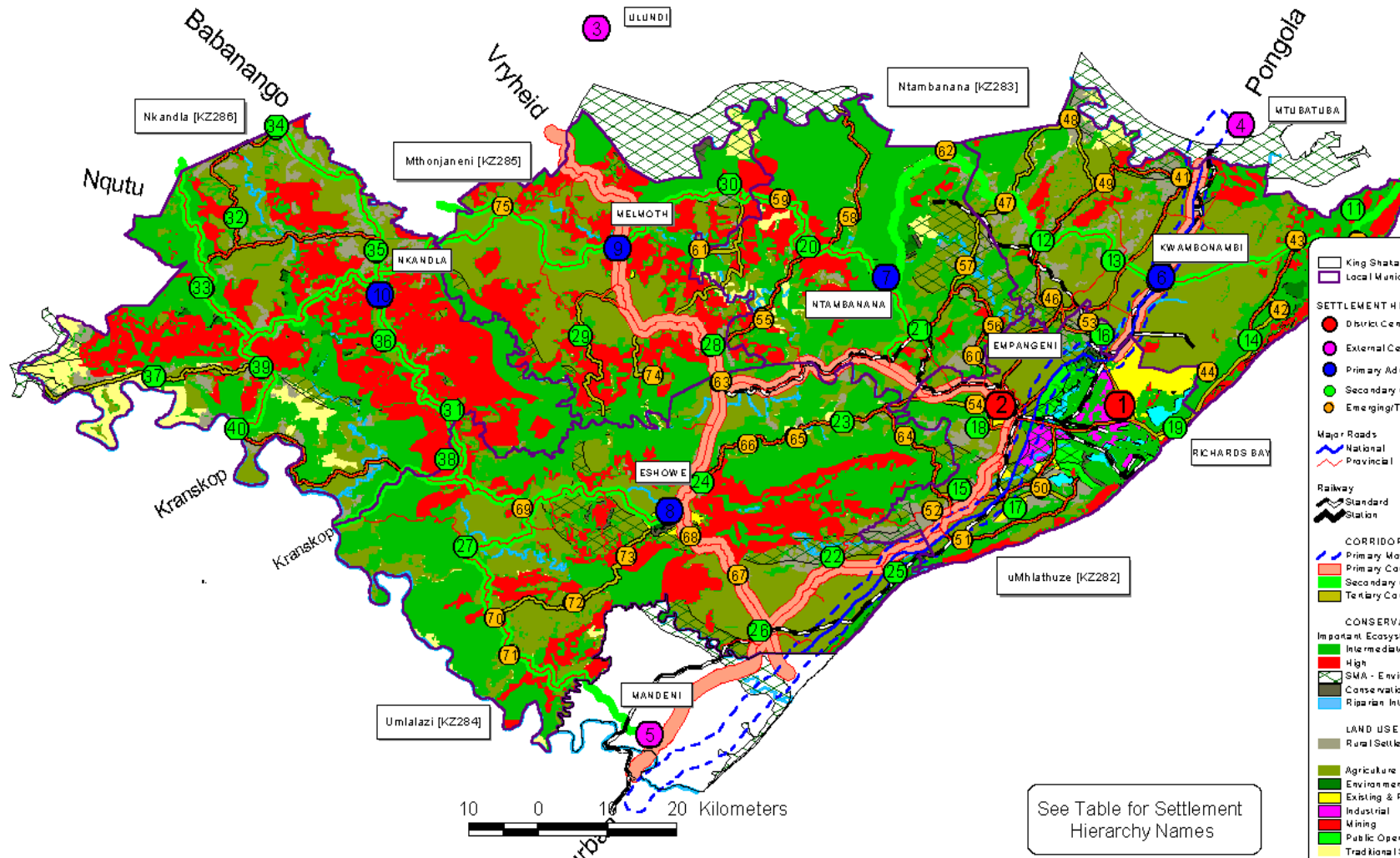
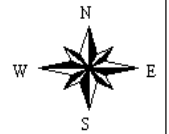
uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

- ❖ A District Environmental Management Plan (EMP), as part of the Sector Plans recommended in the IDP, has been prepared. In addition, a Coastal Management Plan has also been prepared.
- ❖ The identified district strategies to assist in addressing issues pertaining to Environmental Management are as follow:
  - A **Coastal Management Corridor** that runs the length of the coastline of the District. The intention with this corridor is that it will enable the District and the relevant Local Councils to formulate development policy and regulations on development along the coast.
  - **Nature Corridors** which provide strategic linkages between various ecological assets.
  - **Ecologically and environmentally sensitive zones** need to be indicated.
  - Management and protection of areas of **agricultural potential** for future planning and development.
  - **Open space** buffers along major rivers are indicated which would need protection.
  - Improve accessibility by way of appropriate infrastructure to areas with **tourism attractions/potential**.
  - Emphasis not solely on efficient management of **waste** products but also on pollution prevention and waste minimization.
  - **Coastal Management Zone** has been identified as a zone of strict control over development and access to beaches.
- ❖ A number of projects and initiatives undertaken by the district indicate awareness and concern for the environment. Such include: (1) Community biodiesel production, (2) water quality improvement measures, (3) water and sanitation awareness campaigns, (4) arbour and water week as well as (5) erosion protection in Nkandla.
- ❖ An allocation has also been made for the 09/10 financial year for the preparation of a Policy and Procedure document on Environmental Impact Assessments.

See map at overleaf for a spatial overview of environmental issues for the district.



UTHUNGULU ENVIRONMENTAL MAP



See Table for Settlement Hierarchy Names

- King Shaka DC
  - Local Municipal Boundaries
- SETTLEMENT HIERARCHY**
- District Centre
  - External Centre of Note
  - Primary Administrative Centre
  - Secondary Centre
  - Emerging/Tertiary Centre
- Major Roads**
- National
  - Provincial
- Railway**
- Standard
  - Station
- CORRIDORS**
- Primary Movement Corridor
  - Primary Corridor
  - Secondary Corridor
  - Tertiary Corridor
- CONSERVATION**
- Important Ecosystems
- Intermediate
  - High
- SMA - Environmental Linkages
  - Conservation Interface Zone (300 m)
  - Riparian Interface (20m)
- LAND USE**
- Rural Settlement Clusters
  - Agriculture
  - Environmental Management
  - Existing & Future Residential
  - Industrial
  - Mining
  - Public Open Space
  - Traditional Settlement
  - Water Body

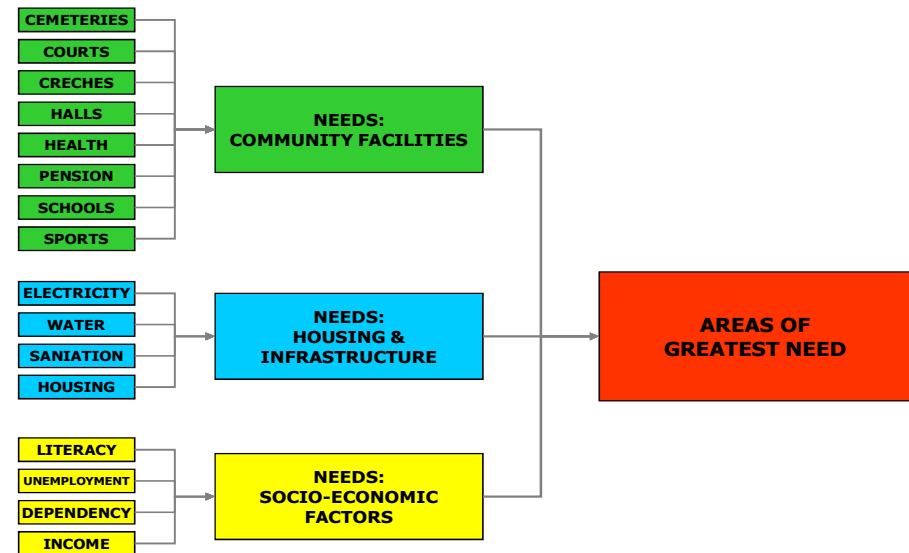
## 7.4 SPATIAL ANALYSIS

The uThungulu District Municipality commissioned the review of its Spatial Development Framework (SDF) during 2007. More details on the SDF Review process and outcomes are provided in section D of this report. In this section of the report, some information on the spatial analysis undertaken is provided.

At the outset of the process, the principles that direct the preparation of the uThungulu SDF and its implementation were workshopped and agreed upon as summarized hereunder:

- Spatial development principles are founded in the Millennium Development Goals, National Spatial Development Perspective (NSDP) and Provincial Spatial Economic Development Strategy (PSEDS).
- All communities are to be provided with at least a basic level of service.
- Areas targeted for economic growth and development are provided with appropriate levels of infrastructure to attract investment interest - not only to address the immediate need, but also to provide for reliable expansion and growth trends.
  - Sustained and inclusive economic growth is a prerequisite for alleviation of poverty and unemployment
  - In areas of high potential, invest in productive infrastructure
  - In areas of high need, invest in redistributive infrastructure (Basic and Free Basic Services)
  - Focus should be on areas of **high need and potential** and development is to be channelled into activity **corridors and nodes**

In order to give effect to the identification of areas of high need and potential a **needs analysis model** was derived. The model consists of three components as outlined herewith.

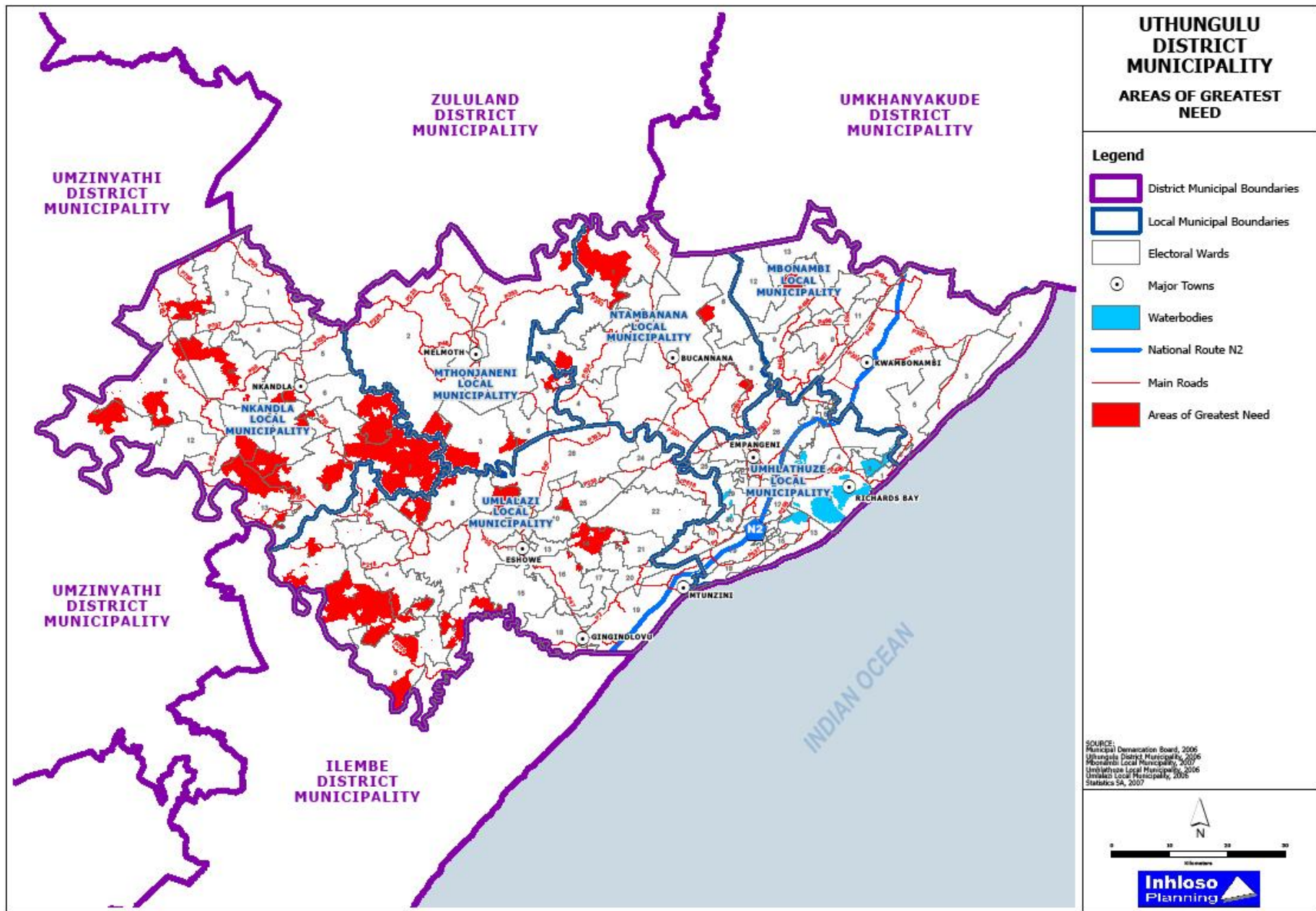


- Population density
- Availability of bulk services
- Agricultural potential
- The uThungulu coastal belt
- Major infrastructure investment such as the P700 and the P701
- Centres of economic opportunity reflected as primary and secondary nodes in the respective Local Municipality SDFs

At overleaf, a map depicting the areas of greatest need is shown.

The identification of potential was guided by the following:





## **7.5 PLANNING AND ENVIRONMENTAL KEY ISSUES**

The following priority development issues were identified for this section.

### **Integrated Development Planning**

- ❖ Ongoing planning alignment with service departments on service standards & provision of infrastructure
- ❖ Strategic Planning Session within Family of Municipalities
- ❖ Spatial Development Framework
- ❖ Sustainable Livelihoods Approach
- ❖ Limited social data available on regional and district level.
- ❖ Implementation of LUMS important as a tool to control & administer land use and development

### **Land Reform**

- ❖ Land Reform and Housing are potential powerful instruments in poverty alleviation strategies
- ❖ Land Claims Commission
- ❖ Co-ordination through proposed Land Summit
- ❖ Department of Land Affairs proposals

### **Housing**

- ❖ Shortage of housing across all income levels
- ❖ Housing Sector Plan to inform service delivery alignment and coordination
- ❖ Department of Housing issues
- ❖ Provincial urbanization trend anticipates 3 million more people to urbanize in the next 10 years

### **Environmental Management**

- ❖ Impact of development on Natural resources
- ❖ Institutional
- ❖ Department of Environmental Affairs comments and issues
- ❖ Environmental impact of energy crises and resultant increased combustion due to emergency generators

### **Telecommunications & Technology**

- ❖ Technology strategy for promoting technology transfer as means of closing the rural gap
- ❖ Telkom operations

## **7.6 SUMMARY OF KEY MILESTONES ACHIEVED**

The uThungulu District has been working on a number of initiatives pertaining to planning and the environment as outlined hereunder:

- ❖ Ongoing functioning of the District Coastal Working Groups as well as the Coastal Awareness and Education Campaign.
- ❖ The district's IDP is reviewed annually.
- ❖ Development and implementation of a District Information Management System as best practice nationally and internationally.
- ❖ Development Planning Shared Services initiated with grant funding from DLGTA.
- ❖ Bi-Annual Quality of Life Survey within the district to measure impact of the IDP on the living standards of the people in the district.
- ❖ A Coastal Livelihood Project (Working for the Coast) has been launched, which is essentially a poverty relief programme focusing on projects such as beach cleaning, alien invader plant eradication and upgrading of some coastal facilities.
- ❖ Initiated and funded a project for the upgrade of ablution facilities in uMlalazi Nature Reserve as part of the promotion of the Siyaya Coastal Park area.
- ❖ Complete Spatial Development Framework Review.
- ❖ Pilot Project for alignment with the National Spatial Development Perspective.
- ❖ Complete a cross-boundary Development Framework for the Greater Mtunzini area.
- ❖ Initiated a project to prepare a Development Framework for the proposed decentralized industrial area between Nseleni and Kwambonambi.

## 8 FINANCE AND ADMINISTRATION

Good governance requires the district to provide the highest quality of service to its constituents and to ensure that all the strategies and objectives are adhered to, resulting in a productive and sustainable district.

The district **Employment Equity Plan** (EEP) and **Skills Development Plan** (SDP) have already been prepared.

In addition, the district is in the process of undertaking an **organizational review** in compliance with the prevailing legislative framework which governs the local government sphere. The following is listed:

All programmes and projects will be designed to meet the **principles of the EPWP** with regards to, *inter alia*, labour intensive construction methods and capacity building.

UDM Tenders comply with the **MFMA regulations**. A final draft of the Supply Chain Management Policy and a Procurement Policy are in place and are under review to give effect to the principles of Broad Based Black Economic Empowerment. A new policy has been drafted to comply with National Treasury guidelines, though final regulations are awaited.

In sections G, H and I, the district budget is outlined in some detail. However, it is important to highlight the following **financial challenges** for the coming financial year:

- ❖ Drought relief and the cost of tankering services. In 2006/07 the estimated expenditure was approximately R18m per annum with the current drought situation. For the 2007/08 a minimum amount of R2m was budgeted and nearly R25 million spent. It is important to note that the circumstances may change. Either way, proposals are in the process of being submitted DWAF and DLTGA for additional funds.
- ❖ The district has some unfunded Mandates, notably Disaster Management and Fire Fighting. As a result, the funds that are allocated to these mandates are not adequate.

### 8.1 INSTITUTIONAL ARRANGEMENTS

The following institutional arrangements are in place to ensure delivery on the Integrated Development Plan:

### 8.2 COUNCIL & MFMA COMMITTEES

The Council structures have been set up as follows as required in terms of legislation:



- ❖ A Rules Committee has been set up, and also fulfills the function of an Oversight Committee up until such committee has been established.
- ❖ An Audit Committee has been set up, and a Performance Audit Committee is in the process of being set up as independent advisory committees in terms of the MFMA

### 8.3 ORGANISATIONAL STRUCTURE (ORGANOGRAM)

uThungulu District Municipality currently has a projected number of 306 staff for the year ending 30<sup>th</sup> June 2008. During the budget process positions required by departments were reviewed in terms of available funding, savings identified in other accounts, a specific allocation of grant funding, a legislative requirement for the position, and if the position was within the 2007/08 approved multi-year budget. A total of **34 new positions** are included in the 2008/09 budget year, which largely includes, 3 admin services staff, 1 human resource staff, 2 community services staff, 2 information technology staff, 7 revenue staff, 1 expenditure staff, 3 supply chain management staff, 1 water services staff, 1 municipal manager staff and 13 technical services staff (operations).

- ❖ Succession & Retention Policy
- ❖ Training and Development
- ❖ Employment Equity Policy
- ❖ Smoking Policy
- ❖ Sexual Harassment

The uThungulu Organogram was approved by ExCo on 13 August 2008.

**Table 19: uThungulu Institutional Analysis**

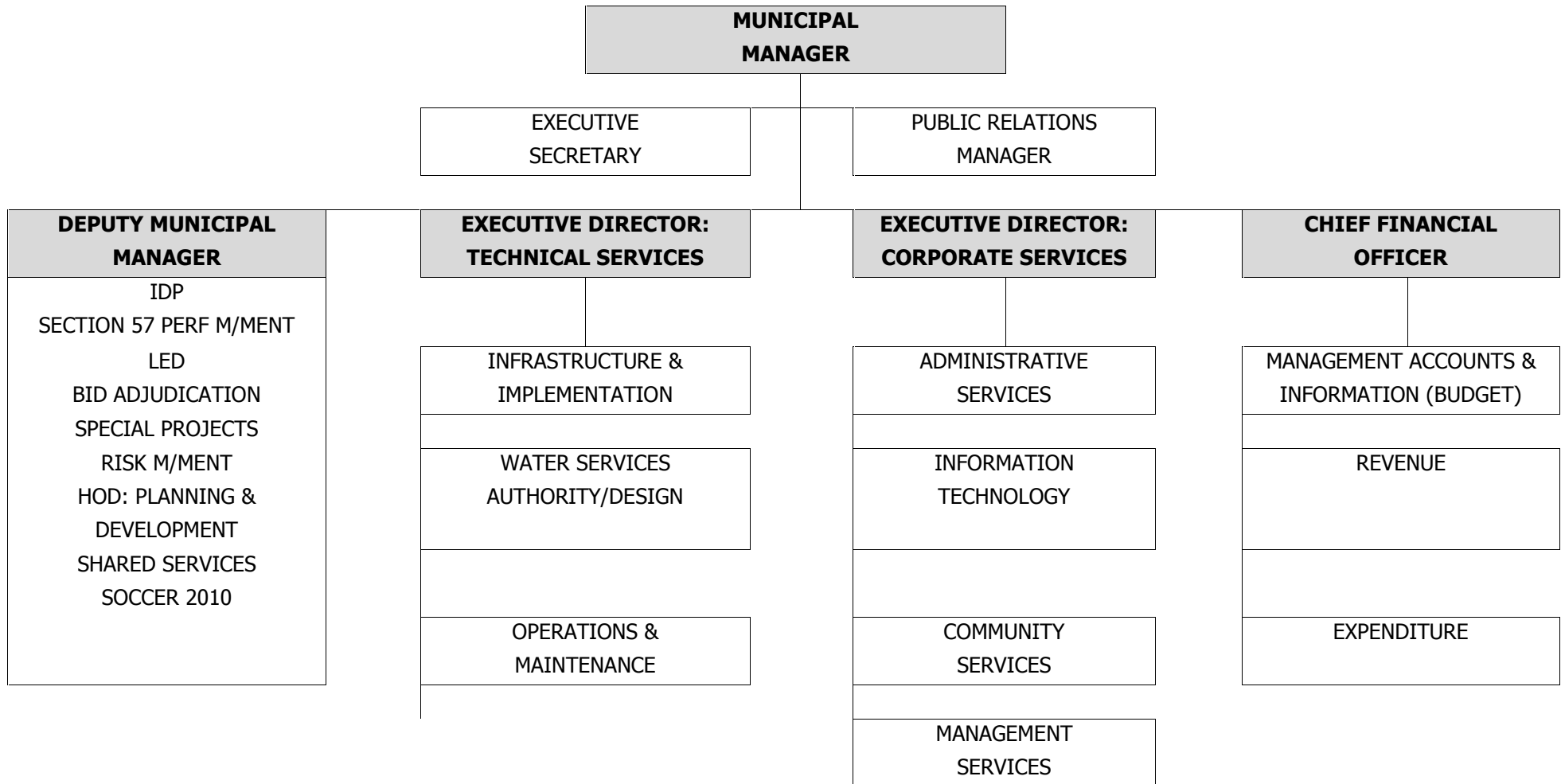
<b>SUMMARY OF PERSONNEL NUMBERS (Full Time Equivalent)</b>	<b>2006/07</b>	<b>2007/08</b>
Municipality		
Councilors (Political Office Bearers plus Other)	39	39
Senior Managers including Municipal Manager (Section 57 of Systems Act)	5	5
Other Managers	45	13
Technical / Professional Staff	47	56
Other Staff (clerical, labourers etc)	118	193
<b>Total Personnel Numbers</b>	<b>254</b>	<b>306</b>

A number of new positions were identified during the 2009/2010 budgeting process to address important functions and responsibilities but no provision could be made in the 2009/2010 budget for any additional positions.

It should be noted that the following policies were approved by Council on 12 March 2008:

- ❖ Recruitment & Selection Policy
- ❖ Internship Programme Policy

**Figure 9: uThungulu District Municipality Organogram**



uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

The following table indicates the current staff complement and vacancies as per each section/vote for permanent and contract staff.

**Table 20: Staff Complement**

DEPARTMENT	BUDGETED STAFF 07/08	CURRENT STAFF 07/08	VACANCIES
<b>PERMANENT</b>			
Executive Division - Corporate Services	1	0	1
Administrative Services Division	17	16	1
Department Of Municipal Manager	4	4	0
Management Services Division/Hr	9	9	0
Information Technology	1	1	0
Executive Division - Financial	2	2	0
Expenditure And Buying	10	6	4
Supply Chain Management	13	9	4
Budgeting	4	3	1
Consumer Billing	27	22	5
Planning Division	7	6	1
Community & Social Services Division	5	3	2
Environmental Protection	1	1	0
Disaster Management	5	4	1
Cemetery	4	4	0
Executive Division - Technical	1	1	0
Technical Services	7	5	2
Municipal Support	9	9	0
Water Services Authority Division	9	5	4
Water Services Provider Division	53	51	2
Water Services - Mthonjaneni	5	5	0
Water Services - uMlalazi	33	30	3
Waste Water Management	6	6	0
<b>TOTAL PERMANENT</b>	<b>233</b>	<b>202</b>	<b>31</b>
<b>CONTRACT (SECTION 57)</b>			
Municipal Manager	1	1	0
Deputy Municipal Manager	1	1	0
Executive Director: Corporate	1	1	0

Services			
Executive Director: Technical Services	1	1	0
Chief Financial Officer	1	1	0
<b>CONTRACT (OTHER)</b>			
UThungulu House	8	8	0
Satellite Offices	3	3	0
Bateleur Park	2	2	0
Budget Interns/Nt	2	2	0
Supply Chain Management	2	1	1
Consumer Billing	8	6	2
Disaster Management	1	1	0
Cemetery	1	1	0
Planning & Development	2	1	1
<b>TOTAL CONTRACT</b>	<b>34</b>	<b>30</b>	<b>4</b>
<b>TOTAL</b>	<b>267</b>	<b>232</b>	<b>35</b>

- ❖ Provision of Bursary Scheme for Engineering Studies

## 8.4 HUMAN RESOURCES POLICIES

### • CODE OF CONDUCT

Councilors and staff members are required to sign a Code of Conduct and Declaration of Financial Interest form on an annual basis, which must be certified by a Commissioner of Oaths. These records are kept for internal and external audit purposes.

### • HR DEVELOPMENT PLAN (WORKPLACE SKILLS PLAN)

A Workplace Skills Plan is in place and it focuses, inter alia, on the following:

- ❖ Employment profile
- ❖ Employee qualification profile
- ❖ Strategic objectives
- ❖ Annual training and skills priorities
- ❖ Education and training interventions required to achieve training and skills development priorities
- ❖ Number of beneficiaries to be trained
- ❖ Learnerships, skills programmes and apprenticeships
- ❖ Quality assurance - Providers to be used for planned training and development activities

### • EMPLOYMENT EQUITY PLAN

The Focal Areas of the uThungulu Employment Equity Plan are as follow:

- ❖ Skills Development
- ❖ Review and Implementation of EE Plan
- ❖ Set Numerical Targets per Employment Category
- ❖ Work Environment and Facilities
- ❖ Promotions
- ❖ Update all H.R. Policies and Procedures
- ❖ Diversity Management and Discrimination Awareness Programmes

## 8.5 DISTRICT INFORMATION MANAGEMENT SYSTEM (DIMS)

District Municipalities (DMs) have increased functions and responsibilities, especially in the areas of service delivery, and eradication of development backlogs. This increased focus has highlighted deficiencies in many Local Government systems and structures. In some cases, these include shortfalls in the existing capacity, and the lack of information management. Both severely affect the ability of DMs to meet demand for services and local development. In addition, it is a legislated requirement of all DMs to implement and monitor a performance management system, and to implement and monitor a district wide IDP.

With this as background, DIMS (District Information Management System) aims to improve information management and maximise the utilisation of existing resources, through planning, information visualisation, and providing relevant staff with integrated access to the DMs business information.

Many DMs have existing business systems, such as Financial Management Systems (FMS), Human Resource Management Systems, and others. In addition, there is a need for many more, like Project Management Systems, Performance Management Systems, Document Management Systems, and IDP Monitoring Systems. DIMS do not seek to replace existing systems where these already exist in the organisation. In these cases DIMS simply communicates with these systems as they exist, and siphons off useful information to be integrated into an overall management framework. However, where systems are required and do not exist, DIMS provides "modules" that serve to meet the basic information needs of that core area.

In essence, the uThungulu District Municipality has formulated a District Information Management System (DIMS) to measure and track performance across the district IDP. The DIMS is an information management tool, which works in conjunction with other existing Municipal Systems. It started out as a tool to track municipal Integrated Development Plans and grew to a mechanism to integrate all information within the municipal environment.

More details of the DIMS can be obtained from the following website address:  
www.uthungulu.dims.org.za

**NOTE:** The performance module within DIMS were developed to measure and report on performance on both the organisation in terms of their IDP as well as performance on specific targets assigned to individual employees i.e. section 57 staff, since targets are set for achieving specific goals on i.e. projects directly as result of the organisational targets, impacting on individuals.

Since the implementation of DIMS at the uThungulu District Municipality, new performance regulations were gazetted effectively from 1 August 2006. The procedures specifically with regards to the assessment of individuals (Section 57) employees differ from the procedure followed previously within DIMS. The assessment rating and scoring criteria are also now prescribed by the regulations and an applicable performance assessment calculator has been developed by the DPLG.

DIMS in its current status does not cater for compliance with the performance regulations, therefore a manual process has to be followed outside of DIMS for the interim in order to legally comply with the provisions of the regulations. An investigation into a long term solution is currently being undertaken.

## **8.6 FINANCE AND ADMINISTRATIVE KEY ISSUES**

The following priority development issues were identified for this section. A detailed issues report is attached at Annexure B:

### **Financial Control**

- ❖ 5yr Financial projection uncertain
- ❖ Strategic financial plan
- ❖ Strategy on cost recovery required
- ❖ Tariffs

### **Management Services**

- ❖ Dealing with capacity constraints in terms of the filling of key vacancies & attracting the right people for certain critical positions
- ❖ Lack of funding for new positions
- ❖ Preparation of HR Retention Strategy

### **Administrative Services**

- ❖ Continual support by way of secretariat functions
- ❖ Operational impact of committees on staffing and office space
- ❖ Strategic alignment to support legislative functions

### **Public Relations & Communications**

- ❖ Intergovernmental Relations to be enhanced
- ❖ PR & Communications Strategy to be reviewed & resources allocated
- ❖ Strategy to be developed to win next VUNA award
- ❖ Poor communication on developments between local government and departments results in duplication of efforts

### **Shared Services**

- ❖ Development & conventionalization of pilot project to commence
- ❖ Identification of services with Local Municipalities

### **Performance Management Programme**

- ❖ Internal Dedicated performance specialist & administrative support staff required (DIMS)
- ❖ Investigate option to cascade Individual Performance to Management & payment of Performance bonus to Sub-Heads

### **Institutional Development**

- ❖ Organizational Structure Review
- ❖ Policies



## 8.7 SUMMARY OF KEY MILESTONES ACHIEVED

Some of the key milestones achieved are outlined hereunder:

- ❖ Unqualified audit reports from the Auditor General for 2006/07 financial year (for 6 years running) are evidence of the commitment to excellent financial management.
- ❖ Successful implementation of new GRAP/GAMAP accounting standards.
- ❖ Completion of credit rating, done by Global Rating Co. and the report is encouraging.
- ❖ Second place in the Provincial Vuna Awards under the District category.
- ❖ Ongoing effective communication of uThungulu's activities.
- ❖ Implementation of PMS.
- ❖ Improved record-keeping through electronic Record Management System.
- ❖ Implementation of effective and efficient IT systems to meet the needs of the organization and keep abreast with technology.
- ❖ The formulation, implementation and amendment of a number of policies, including the Recruitment Policy, Travel and Subsistence Policy and Employee Assistance Policy
- ❖ The ICT Directorate has implemented a number of improvements that have served as a business enabler to the many systems and processes that the municipality has.
- ❖ The Supply Chain Management Policy has been implemented in accordance with the Municipal Finance Management Act regulations.
- ❖ There were 34 tenders awarded during the 2007/08 financial year. The total value of the top ten tenders awarded amounts to R93.9 million.
- ❖ Implemented various methods to encourage consumers to pay for the services (incentive policy) or to restrict the service to consumers who are not paying their accounts, either through the conditions of the incentive policy or the restrictions.
- ❖ The municipality intensified its debt management actions against those debtors who can pay for services.
- ❖ The 2006/2007 budget of the municipality was IDP aligned, ensuring that all programmes within the IDP are strategically focused.
- ❖ The reporting requirements per National Treasury for the 2006/2007 financial year have been adhered to successfully.
- ❖ Grant funding received from DLGTA to establish a multi-purpose sports facilities aimed at Soccer 2010, to host a 2010 training camp and to be able to bid to host a soccer-playing country within the district.
- ❖ The development of a District 2010 Multi-Sports Facility in uMhlathuze;
- ❖ The development of "Fan Festivals Sites" in all six local municipalities.
- ❖ Successfully complied with the requirement from the Auditor-General's office by having an Enterprise Risk Management Strategy compiled as well as a procedure manual.
- ❖ Implementation of the Substance abuse policy
- ❖ Implementation of the Employee Assistance programme
- ❖ Filling of 07/08 vacancies
- ❖ Implementation of Health and Safety Committees and Risk Plans
- ❖ Significant progress with implementation of EE Plan.
- ❖ Ongoing progress with Skills Development Plan.
- ❖ Successful Organizational Teambuilding
- ❖ Approval of new & Revised HR policies.
- ❖ Effective & sound provision of legal services
- ❖ Awarding of internal and external bursaries

## C. DEVELOPMENT VISION, STRATEGIES AND PROGRAMMES

### 1 MILLENIUM DEVELOPMENT GOALS

It is informative to consider, before a vision for uThungulu's development is formulated, international trends. The United Nations, the World Bank and 189 countries adopted the Millennium Development Goals in September 2000. The aim is to reduce poverty while improving health, education and the environment. Each goal is to be achieved by 2015 compared to 1990 levels.

The link between these goals and the strategic programmes, as contained in the district development strategies, are shown hereunder:

**Table 21: Millennium Development Goals & uThungulu Programmes**

Millennium Development Goals		UThungulu Development Programmes
1	Eradicate extreme poverty and hunger * Halve the proportion of people with less than one rand a day. * Halve the proportion of people who suffer from hunger.	* Poverty Alleviation
2	Achieve universal primary education * Ensure that boys and girls alike complete primary schooling.	* Education, Training and Capacity Building * Community Services, Facilities and Actions
3	Promote gender equality and empower women * Eliminate gender disparity at all levels of education	* Marginalized Groups

4	Reduce child mortality * Reduce by two thirds the under five mortality rate	* Municipal Health
5	Improve maternal health * Reduce by three quarters the maternal mortality ratio	* Municipal Health
6	Combat HIV/AIDS, malaria and other diseases * Reverse the spread of HIV/AIDS	* HIV/Aids
7	Ensure environmental sustainability * Integrate sustainable development into country policies and reverse loss of environmental resources * Halve the proportion of people without access to potable water * Significantly improve the lives of at least 100 million slum dwellers	* Environmental Management * Potable Water, Waste Water and Sanitation * Land Reform * Housing
8	Develop a global partnership for development * Raise official development assistance * Expand market access * Encourage debt sustainability	* Public Relations and Communications * Local Economic Development * Local Tourism Development * Agricultural Development * Business and Industrial Development

## 2 NATIONAL AND PROVINCIAL PERSPECTIVE

SA faces two main challenges - reducing poverty and inequality as well as tackling unemployment - these are also KZN's challenges.

Poverty indicators for KZN reveal that in 2005:

- ❖ 5.3 million people were living in poverty & 1.2 million living on less than US\$ 1 a day (R200 a month);
- ❖ the estimated poverty gap is Rbn18.3;
- ❖ 1.5 million people lived with HIV and Aids (15 per cent of the population in 2005);
- ❖ Life expectancy dropped to 45 years; and
- ❖ 15% of the population, 20 years or older had no schooling, 41% had no secondary schooling, and 73% had not completed grade 12 (Stats SA, Census 2001).

### 2.1 NATIONAL GOALS

- ❖ The Broad National Goals for the medium term from both ASGI-SA and MTSF are:
  - Accelerated growth in the economy
  - Halving poverty and unemployment by 2014
  - Reduction of the gap between the 1st and 2nd Economies
- ❖ Overall target of economic growth of over 4.5% pa to 2009 and up to 6% thereafter, as detailed below:

### 2.2 NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE

The Policy Co-ordination and Advisory Services (PCAS) in the Presidency produced a National Spatial Development Perspective (NSDP) that was endorsed by Cabinet in March 2003. The four principles of the NSDP are as follows:

- ❖ **Economic growth** is a prerequisite for the achievement of other policy objectives, key among which would be poverty alleviation.
- ❖ Government spending on fixed investment, should therefore be focused on **localities of economic growth and/or economic potential** in order to attract private-sector investment, stimulate sustainable economic activities and/or create long-term employment opportunities.
- ❖ **Efforts to address past and current social inequalities should focus on people not places.** In localities where there are both high levels of poverty and development potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities. In localities with low development potential, government spending, beyond basic services, should focus on providing social transfers, human resource development and labour market intelligence.
- ❖ In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channelled into **activity corridors and nodes** that are adjacent to or link the main growth centres.

The NSDP places a lot of emphasis on the presence of institutional capacity to realize the developmental impact of any given area or identified resource that has developmental potential. As such, it distinguishes between the following categories of potential: (1) innovation and experimentation, (2) the production of high-value differentiated goods, (3) labour intensive mass-production, (4) public service and administration, (5) tourism and (6) commercial services and retail.

#### APPLICATION:

Apart from improved service delivery and ensuring a basic standard of living for all in the district, a summary of the aim of the district development strategies clearly links with the principles of the NSDP:

- ❖ The economically sound district strategy aims to establish economic growth and development in all economic sectors.
- ❖ The people empowerment strategy has its focus on social development and community empowerment.
- ❖ The integrated environment strategy focuses the strengthening of the nodes in the municipalities while ensuring the equitable development of the rural areas through land reform, housing and service delivery.
- ❖ The spatial development vision for the district is based on a hierarchy of functions for centres and nodes.
- ❖ NOTE: The spatial implications of the NSDP will be addressed through the Review of the Spatial Development Framework

The Office of Presidency has initiated a project to promote effective alignment of IDPs with NSDP and PGDS.

The following deliverables are proposed for this project:

- Socio-Economic, spatial and environmental analysis report,
- Policy and governance analysis report
- Institutional options report
- Close out Report

In order to accomplish these objectives, the need was identified to start with a detailed analysis of the status quo and potential of each district that required consultation with key role-players and stakeholders to ensure a common understanding of the district and its potential.

Following the completion of the above, a district workshop was held on the 29<sup>th</sup> of January 2009. The workshop had the following three key objectives:

- Presentation of main findings
- Identification of additional information
- Participants identifying key driving forces that are likely to shape the district's development path in the future and the development of scenarios

### 2.3 ACCELERATED AND SHARED GROWTH INITIATIVE FOR SOUTH AFRICA (ASGISA)

This government instituted initiative is aimed at promoting a *growth for all strategy* for South Africa that is intended to halve poverty and unemployment by 2014. Maintaining a steady growth in GDP of above 4.5% in the short term, and then adopting envisaged growth of 6% between 2010 and 2014 is a cornerstone of the initiative. Developing labour absorbing industries that generate value added activities is at the core of the initiative. Investment in infrastructure, education and skills development are significant components of the initiative. The elimination of the second economy by enhancing access to micro-finance, SMME support and the reduction of gender inequality issues in conjunction with government's macro-economic and good governance strategy focussing on the role of local government and service delivery forms the remainder of the initiatives outline.

The ASGISA initiative has identified the following focus areas in order to attain its objective of accelerated and shared growth:

- Economic opportunities that are labour intensive
- Economic sectors that are growing
- Sectors that provide opportunities for BBEEE
- Small business development

#### **APPLICATION:**

This national initiative is routed in local level implementation, specifically through the uThungulu LED Strategy. This shared growth strategy has been designed to help eradicate inequality and poverty, which are the desired outcomes of the LED Strategy process. The emphasis on the infrastructure and skills development also speaks to the LED framework, and the development of LED Strategies needs to be considered within the ASGISA initiative framework.

The following table provides a summary of alignment between ASGISA initiatives/actions and the programmes underpinned by the uThungulu District Municipality Strategies:

**Table 22: ASGISA & uThungulu Programmes Alignment**

UTHUNGULU PROGRAMMES	ASGISA INITIATIVES
<ul style="list-style-type: none"> <li>○ Co-operative Governance</li> <li>○ Shared Services</li> </ul>	ASGISA has identified the need to monitor budget expenditure of departments in that some departments overspend while others under spend. National Treasury is proposing the implementation of a Capital Expenditure Management Information System. The ongoing alignment as part of the uThungulu IDP process has a similar aim, just at a more local level.
<ul style="list-style-type: none"> <li>○ Local Economic Development</li> </ul>	ASGISA has identified the need to increase the contribution of tourism to the GDP. Also, a number of strategies are focused on eliminating the 2 <sup>nd</sup> economy.
<ul style="list-style-type: none"> <li>○ Local Economic Development</li> <li>○ Potable Water, Waste Water and Sanitation</li> </ul>	LED is a critical contributor towards halving unemployment by 2014. Also, ASGISA moots the need to increase infrastructure investment in order to address backlogs.

<ul style="list-style-type: none"> <li>o Business and Industrial Development</li> <li>o Local Economic Development</li> <li>o EPWP</li> </ul>	ASGISA has identified the need to support and introduce more labour absorbing economic activities while the role of the EPWP in eliminating the 2 <sup>nd</sup> economy is also highlighted.
<ul style="list-style-type: none"> <li>o Integrated Development Planning</li> </ul>	It is crucial that the planning and management of land use (in terms of zoning) does not prevent the timeous development of land. Similarly, environmental procedures should be expedited for developments to obtain approvals faster.
<ul style="list-style-type: none"> <li>o Marginalized Groups</li> </ul>	Need to work closely with women and youth in order to halve poverty. Typical interventions required by these groups include having access to finance, basic services, involvement in the EPWP and migration out of the 2 <sup>nd</sup> economy.
<ul style="list-style-type: none"> <li>o Learnerships</li> <li>o Bursary Schemes</li> </ul>	The national skills shortage is considered as the largest impediment to sustained economic growth.
<ul style="list-style-type: none"> <li>o Telecommunications and Technology</li> </ul>	Improve electronic communication

## 2.4 5 KEY PERFORMANCE AREAS OF THE FIVE YEAR LOCAL GOVERNMENT STRATEGIC AGENDA

Nationally the Implementation Plan of Action for the 5 year Local Government Strategic Agenda, as adopted by Cabinet in January 2006, is used as the basis for determining a number of key performance areas for all municipalities. These set out the mandate to be achieved by all municipalities and as such represent an important guiding principle for municipal organizational design.

The national key performance areas are the following:

### 1. Basic Service Delivery

Aspects such as basic water, sanitation, electricity, refuse and roads. Includes social infrastructure, e.g. housing, health, education, welfare and cemeteries. It also relates to the following:

- ❖ Sound and updated statistical based service delivery plan
- ❖ MDG's/Targets for municipal services (e.g. water, sanitation, electricity, refuse removal, transportation)
- ❖ FBS and Indigent Register

- ❖ O&M
- ❖ Capacity to implement Integrated Capital Infrastructure Plan

### 2. Local Economic Development

Economic Development and Poverty Alleviation Strategies and awareness programmes. In addition to social infrastructure, social programmes also form part of this KPA, e.g. HIV/AIDS, ABET etc., comprise economic generation objectives and projects. Elements of poverty alleviation could also be grouped under this area. It also relates to the following:

- ❖ Competitive and comparative advantages
- ❖ ASGISA and second economy investment
- ❖ Skills development
- ❖ LED institutional capacity
- ❖ Social partners

### 3. Governance and Public Participation

Measures how the local government sphere aligns and integrates with the Provincial and National spheres of government on cross cutting issues. Programmes to demonstrate how the community participates/is consulted/is empowered in government programmes; particularly the establishment and functionality of ward committees and community development workers. It also deals with the involvement of Traditional Councils in municipal affairs. It also relates to the following:

- ❖ Functional ward committees and other committees
- ❖ Linkages with other governance structures
- ❖ Sector engagements
- ❖ Community informed IDP
- ❖ Annual Performance Report submitted

### 4. Municipal Transformation and Organisational Development

How the institution is (administratively and politically) capacitated to exercise its duties (human resource development and management). How is the organization structured to meet the needs of the IDP? Is the organization accountable to the public via the necessary performance management systems? The internal policies and processes to adhere to aspects like gender equity, disability and general management of the municipality. It also relates to the following:

- ❖ Performing of powers and functions
- ❖ Organogram and vacancy rates (Section 57 level only )
- ❖ Capacity assessment to implement IDP

- ❖ Various policies
- ❖ Organisational PMS

#### 5. Municipal Financial Viability and Management

Comprise the policies and processes relating to revenue generation, debt and credit management as well as assets, liability control and auditing. Aspects such as submission of the financial statements to the Auditor General (AG) as well as the findings of the AG on the municipal affairs. As part of this KPA, the municipality should comply with the budgetary provisions and aspects as outlined in the MFMA. It also relates to the following:

- ❖ Service Delivery Budget Implementation Plan
- ❖ Revenue management and billing system
- ❖ Expenditure Reports
- ❖ Debt Recovery Plan
- ❖ Budget and IDP link

Provincially a 6<sup>th</sup> Key Performance Area has been added, as all of the above KPAs have a spatial implication:

#### 6. Spatial Planning and Spatial Development Frameworks

This KPA relates to the following:

- ❖ Analysis shared by National, Provincial and DM/LM policies
- ❖ Alignment with NDSP and PGDS profile
- ❖ Spatial analysis translated into SDF
- ❖ SDF includes LUMS guidelines
- ❖ Credible statistics

### 2.5 KZN'S 2014 GROWTH & DEVELOPMENT GOALS

The following tables show the Growth & Development Goals for KZN as a target for 2014:

**Table 23: KZN Growth & Development Goals**

Indicator *	2004 Baseline	Growth rate (pa)	2014 Future value	Target 2014
People in poverty (2004)	5,315,491	1.5	6,168,844	3,084,422
Illiteracy (2001)	1,100,291	3.0	1,615,814	807,907
HIV prevalence (2004)	1,364,030	2.3	1,712,302	856,151
Unemployment (2004)	987,000	-0.6	929,354	464,677

Indicator	Baseline 2004	Target 2014
Economic growth rate **	4.9%	7.5%
Expected rate of Urbanisation	47.5%	65%
Gini Co-efficient*	0.65	0.40
Access to computer (Census 2001)**	148 315 people	400 000 people
HDI*	0.57	0.78
Regional share of exports ***	18%	25%

### 2.6 KWAZULU-NATAL PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY

The KwaZulu-Natal Provincial Growth and Development Strategy (PGDS) has as its purpose the provision of strategic direction for development and planning in the Province. The following six provincial priorities that address a number of developmental challenges related to economic and social needs of the province provide the focus of the PGDS.

1. Strengthening governance and service delivery
2. Integrating investments in community infrastructure
3. Sustainable economic development and job creation
4. developing human capability

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5. Developing a comprehensive response to HIV/Aids
6. Fighting poverty and protecting vulnerable groups in society

➤ **NOTE:** The spatial implications of the NSDP will be addressed through the Review of the Spatial Development Framework

The link between the PGDS goals and programmes and the UThungulu strategic development programmes is illustrated hereunder:

**Table 24: Alignment with KZN PGDS**

PGDS		UTHUNGULU PROGRAMMES	
<b>PGDS GOALS</b>	<b>Build a People Focused and Effective, Efficient Government</b>	Programme 1: Good Governance	<ul style="list-style-type: none"> <li>○ Financial Control</li> <li>○ Public Relations and Communications</li> <li>○ Shared Services</li> <li>○ Co-operative Governance(Techcom,CMC, Mayors forum)</li> <li>○ MFMA Compliance</li> </ul>
		Programme 2: Transformation	<ul style="list-style-type: none"> <li>○ Management services (includes employment equity, skills development, learnerships and transformation management)</li> </ul>
	<b>Build the Economy</b>	Programme 3: Competitive Investment	<ul style="list-style-type: none"> <li>○ Local Economic Development (includes LED Forum, Development Fund, Marketing and Investment)</li> <li>○ Investment Incentive Strategy(Family of municipalities)</li> <li>○ KMMI/TIK Affiliation</li> <li>○ Participation in Investment and trade missions</li> </ul>
		Programme 4: Local Economic Development	<ul style="list-style-type: none"> <li>○ Local Economic Development (includes LED Forum, Development Fund, Marketing and Investment)</li> <li>○ LED strategy review(Family of Municipalities)</li> <li>○ Hosting of EU/Gijima Programme</li> <li>○ Investment in John Ross upgrade</li> </ul>

	<b>Reduce Poverty and Create Sustainable Communities</b>	Programme 5: Sustainable Communities	<ul style="list-style-type: none"> <li>○ Local Economic Development (Tourism and Agriculture)</li> <li>○ Potable Water, Waste Water and Sanitation</li> <li>○ Coastal Management</li> </ul>
		Programme 6: Basic Income Opportunities	<ul style="list-style-type: none"> <li>○ Local Economic Development</li> <li>○ Business and Industrial Development</li> <li>○ Poverty Alleviation</li> <li>○ SMME Development (Asisebenze)</li> <li>○ EPWP Initiatives</li> </ul>
	<b>Cross Cutting Issues</b>	HIV and Aids	<ul style="list-style-type: none"> <li>○ HIV/Aids Policy</li> <li>○ UNDP Programme</li> </ul>
		BEE	<ul style="list-style-type: none"> <li>○ Preferential Procurement</li> <li>○ MFMA Compliance</li> <li>○ EPWP</li> </ul>
		Environmental Management	<ul style="list-style-type: none"> <li>○ Invader Eradication Plan</li> <li>○ Coastal Management Plan</li> <li>○ Integrated Environmental Plan</li> <li>○ Waste Transfer Stations</li> <li>○ Cemetery Plan</li> </ul>
		Human Rights and AA	<ul style="list-style-type: none"> <li>○ Marginalized Groups</li> <li>○ Management Services</li> <li>○ Employment Equity</li> </ul>
		Integration	<ul style="list-style-type: none"> <li>○ Establishment of stakeholders Forum for alignment purposes</li> </ul>
		Capacity Building	<ul style="list-style-type: none"> <li>○ Skills Audits</li> <li>○ Learnerships</li> <li>○ Bursary Schemes</li> <li>○ EPWP</li> </ul>
		Science and Technology	<ul style="list-style-type: none"> <li>○ DIMS</li> <li>○ Learnerships</li> <li>○ GIS Development</li> <li>○ Organic Production</li> </ul>

The **Provincial Spatial & Economic Development Strategy (PSEDS)** aims to:

- ❖ Provide spatial context to the PGDS;
- ❖ Address spatial imbalances, curb urban sprawl and ensure sustainable interventions;
- ❖ Identify priority areas and types of development;
- ❖ Align to municipal spatial development frameworks;
- ❖ Guide budgeting processes of the province and municipalities;
- ❖ Influence investment decisions of the private sector;

The PSEDS is intended as a guide to service delivery within the cluster to achieve the goals set in ASGI-SA: Halve poverty & unemployment by 2014

Principles of development and growth underpinning PSEDS:

- ❖ Government has a constitutional obligation to provide basic services to all citizens. Basic services include health, education, housing, transport
- ❖ All areas of the province require development
- ❖ Certain areas of the province will drive economic growth
- ❖ The PSEDS attempts to indicate where different types of investment should be directed in order to achieve development and/or economic growth
- ❖ Four key sectors have been identified as drivers of economic growth in the province, namely:
  - The Agricultural sector (including agri-processing and land reform)
  - The Industrial sector (Including Manufacturing)
  - The Tourism sector
  - The Service sector (including government services)
- ❖ The logistics and transport sector (including rail) underpin growth in all four sectors.
- ❖ Sustainable and affordable water and energy provision is crucial to economic growth & development.

### **3 STRATEGIC FOCUS AREA (APPROACH)**

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After having considered three alternative strategic options, as described below, an unanimous decision was taken that the preferred development strategy to be followed is option C, the Integrated Development Approach.

#### **3.1 OPTION A: BASIC NEEDS APPROACH**

The fundamental premise of the basic needs approach is that the government has the responsibility of addressing the basic physical, socio-economic and human development needs of the district community.

This approach would guide the government to prioritise investment to water, housing, sanitation and other such basic services. The guiding philosophy is that basic needs of human beings must be met before they can endeavour on efforts of

economic upliftment. The emphasis of the approach is on supply side strategies through the provision of physical infrastructure and social services.

#### **3.2 OPTION B: ECONOMIC FOCUSED APPROACH**

The fundamental premise of this approach is that the establishment of a strong economy with high employment levels is the key development strategy. The rationale being that, once households have access to income that is well above subsistence levels, they will be able to fulfill and afford their needs. The emphasis of this approach is on demand side, strategies that endeavour to create an enabling environment through which economic development can take place.

#### **3.3 PREFERRED OPTION C: INTEGRATED DEVELOPMENT APPROACH**

This approach is essentially a combination of the demand and supply side strategies of the two above-mentioned approaches in that it prompts the government to invest in a balanced manner, in physical, social and economic development equally. This approach encourages the government to make more strategic decisions, by responding to those areas of greatest need in terms of social development and those areas that illustrate the potential to bring about the greatest returns in terms of economic development.



## 4 A VISION FOR UTHUNGULU

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The vision for uThungulu was developed within the context of the international, national and provincial environment. The vision, mission and core values are as follows:

### 4.1 VISION

***An economically sound district with effective infrastructure and a district municipality that empowers people, protects the environment and demonstrates leadership excellence.***

### 4.2 MISSION

The mission of uThungulu District Municipality is:

To create a prosperous district by:

Providing a high standard of essential basic services;

- ❖ Supporting sustainable local economic development; and
- ❖ Encouraging community participation in service delivery projects.
- ❖ To achieve cost recovery on services provided.

### 4.3 CORE VALUES

- Integrity
- Transparency
- Commitment
- Co-operation
- Innovation
- Accountability

### 4.4 SUSTAINABLE AND INTEGRATED DEVELOPMENT

The vision and goals for the development of the district will take place in an environment of sustainable and integrated development. This implies that:

- the social, economic, spatial, infrastructure services, the environment and institutional development should be advanced simultaneously at appropriate and affordable levels.
- the growth and development of the economy through private sector initiatives and investment should be advanced to its maximum potential in order to maximize employment creation and income generation. The ability to address the huge backlogs in services can only be advanced in a strong and rapidly growing economy. This, amongst others, implies that an environment should be pro-actively created in which the private sector could be empowered to compete effectively in international markets.
- the protection and management of the natural environment should take place in accordance with international standards and practices to ensure that long term sustainability of the communities, tourism and manufacturing practices.
- the building of the capacity of the communities through education and the provision of health services lies at the core of the social and economic development of the district. The application of the equity principle of ensuring that development initiatives are gender and age sensitive are important for the development of the communities.
- the growth and the development of the economy, the building of sustainable communities and the management of the environment must be supported by national, provincial and local policies and programmes. The Council will engage with national, provincial and local government to ensure that the alignment of functions takes place.
- must be supported by national, provincial and local policies and programmes. The Council will engage with national, provincial and local government to ensure that the alignment of functions takes place.

## 5.2 STRATEGY TWO: EFFECTIVE INFRASTRUCTURE

## 5 DEVELOPMENT STRATEGIES

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The following five development strategies were adopted:

### 5.1 STRATEGY ONE: ECONOMICALLY SOUND DISTRICT

This strategy aims to establish economic growth and development in all economic sectors with a particular focus on agriculture, tourism and trade and industry (SMME), whilst contributing to poverty alleviation in the district. The district will aim to identify and develop LED opportunities based on the functions of the municipality.

**Outcome:** The long-term objective is to reduce poverty levels in the district by half by the year 2014. This will be achieved with a reduction in the unemployment level from the current 45% to 22% by the year 2014 i.e. a growth of 4,5% pa to 2009 up to 6% thereafter. This would require substantial capital investment in SMMEs leading to an increase in income levels of the poorest 25 000 households to above the R 1 600 per month per household level.

The outcome of this strategy is informed by the following:

- ❖ ASGISA (Accelerated and Shared Growth South Africa) to halve poverty and unemployment by 2014
- ❖ Broad-Based Black Economic Empowerment (Act No. 53 of 2003)
- ❖ National Strategy for the Development and Promotion of Small Business in South Africa
- ❖ Reduction of the gap between the 1st and 2nd Economy (PSEDS)
- ❖ Economic Growth of over 4,5% pa to 2009 up to 6% thereafter (PSEDS)
- ❖ Focus on sector specific issues

The strategy focuses on the improved maintenance of existing infrastructure and the provision of new infrastructural services to ensure the spatial integration of the district and its transportation systems. The strategy therefore aims to improved service delivery and ensure a basic standard of living for all.

**Outcome:** A first priority is to provide water to a survival standard of to at least 90% of the population of the district at a volume of 5 litre per person per day within a 1km walking distance and, a second objective is to provide at least 35% of the population with 25 litre water per person per day within a 200 m walking distance (RDP Standard). Sanitation targets are to provide basic health hygiene education to at least 90% of the population and to provide at least 25% of the population with VIP latrine services.

Basic infrastructure and services within the UThungulu District Municipality in respect of the core-functions are defined as follow: Potable Water, Waste Water, Sanitation, Energy, Municipal Roads, Solid Waste and Cemeteries and Crematoria.

Refuse removal will be defined as the establishment & development of the Regional Solid Waste site, the establishment and maintenance of transfer stations per local municipality as well as an Integrated Waste Management Strategy.

The outcome of this strategy is informed by the following:

- ❖ Responsibility for development and maintenance of rural roads to be clarified
- ❖ Roads and electricity critical for economic development
- ❖ Millennium Targets: RDP Standards for water (25l/day) and sanitation (VIP) by 2010 and 2012

### 5.3 STRATEGY THREE: PEOPLE EMPOWERMENT

The focus of this strategy is on social development and community empowerment dealing with issues such as environmental health, disaster management and the co-ordination of provision of community facilities. The strategy aims at community upliftment in terms of inclusion of marginalized groups, safety & security, education training and addressing the impact of HIV/AIDS - thereby ensuring a strong, participatory and inclusive community.

**Outcome:** The long-term objective is to substantially improve the social well-being of the people of the district. This will be achieved through the improved satisfaction levels of the communities with the delivery of social municipal services such as fire fighting services, community services and environmental health services.

Education and training will be conducted in line with the functions of the district municipality. Community facilities and actions will be co-ordinated at a district level. Cross-cutting principles such as mainstreaming the marginalised groups, addressing the impact of HIV/AIDS, and poverty alleviation will be adhered to.

The outcome of this strategy is informed by the following:

- ❖ Improved satisfaction levels of the communities with the delivery of municipal services
- ❖ Cross cutting strategies
- ❖ Annual Quality of Life Survey

### 5.4 STRATEGY FOUR: INTEGRATED ENVIRONMENT

The strategy focuses on the co-ordination of the spatial and service delivery component to improve the management of district level responsibilities. The strengthening of the development nodes of the municipalities, while ensuring the equitable development of the rural areas through all service delivery. Co-ordination of land reform and housing in line with service delivery is of prime importance. Environmental management and spatial co-ordination and integration of development are further components of the strategy to ensure integration and optimum organisational capacities.

**Outcome:** The long-term goal is to achieve an equitable distribution of urban and rural development projects and therefore an equal improvement in access to community and municipal services. The development of projects will have taken place on a sustainable basis and will have a minimum impact on the natural and build-up environment of the district. Projects would have taken place in an integrated and coordinated way through integrated planning and alignment, improving both the livelihoods of the rural and urban areas.

The outcome of this strategy is informed by the following:

- ❖ Integrated planning and alignment between spheres of government and other role players
- ❖ Housing Act: Priority Slum Clearance
- ❖ Land Reform: Redistribute 30% of Agricultural land by 2014

### 5.5 STRATEGY FIVE: LEADERSHIP EXCELLENCE

This strategy ensures commitment by the district to provide the highest quality of service to its constituents through accountable leadership and support services, resulting in a productive and sustainable district. This strategy aims at establishing open and transparent platforms for communication and consultation with all role players.

**Outcome:** The district will be able to demonstrate improved governance levels through the establishment of a prudential financial service delivery strategy and a performance management system. A network of municipal service delivery would be established throughout the district by the end of the planning period.

The outcome of this strategy is informed by the following:

- ❖ MFMA compliance
- ❖ Effective Communication Strategy
- ❖ Performance Management & Measurement
- ❖ Effective support services

## 6 STRATEGIC PROGRAMMES

This section is an important one in that the strategic programmes that the District council will engage in are identified.

The strategic programmes are derived from the following:

- Legislation (notably the Municipal Structures, Municipal Systems and Demarcation Acts) and policy that outlines the functions of local government, with specific reference to that of the District Council;
- The needs and key issues identified in the district through previous planning reports and research, through the public participation (Representative Forums) processes and the meetings and discussions with the Portfolio Committees and the Management Committees; and
- The key issues and developmental outcomes of the municipality.

The figure herewith lists the strategic development programmes. The programmes are arranged into five (5) main categories as follows:

**Table 25: Summary of Strategic Programmes**

		SUMMARY OF DC FUNCTIONS	
<b>STRATEGY 1</b>	<b>ECONOMICALLY SOUND DISTRICT</b>		
	1.1	Local Economic Development	Planning, coordination and development of district strategic opportunities in line with LED Strategy
	1.2	Local Tourism Development	Local Tourism for the district
	1.3	Agricultural Development	Planning, coordination and development of district strategic opportunities in line with LED Strategy
	1.4	Business & Industrial Development	Planning, coordination and development of district strategic opportunities in line with LED Strategy
	1.5	Information Communication Technology	Alignment and Co-ordination.
		<b>SUMMARY OF DC FUNCTIONS</b>	

			SUMMARY OF DC FUNCTIONS
<b>STRATEGY 2</b>	<b>EFFECTIVE INFRASTRUCTURE</b>		
	2.1	Potable Water, Waste Water & Sanitation	Bulk water supply & sanitation provision to all municipalities except uMhlathuze
	2.2	Water Service Authority & Planning	Water Services Authority & Water Services Provider for all municipalities except uMhlathuze
	2.3	Energy	Electricity distribution to Nkandla town only
	2.4	Regional Solid Waste	Regional waste disposal sites; establishes of transfer stations; integrated waste management.
	2.5	Regional cemeteries and crematoria	Provision of district facilities
	2.6	Municipal Roads and Public Transport Services	Planning function.
	2.7	Municipal Airports	Feasibility assessment of Regional airport.
	2.8	Municipal Public Works	Implementation the CBWP
			<b>SUMMARY OF DC FUNCTIONS</b>
<b>STRATEGY 3</b>	<b>PEOPLE EMPOWERMENT</b>		
	3.1	Municipal Health	Implementation of environmental health function as per definition: *Water Quality Monitoring *Food Control *Waste Management *Control of Premises –Health *Surveillance of premises *Communicable Disease Control – surveillance & prevention (immunisations) *Vector Control *Environmental Pollution Control *Disposal of the dead *Chemical Safety
	3.2	Education, Training and Capacity Building	Co-ordination, Alignment and implementation of initiatives in line with functions
	3.3	Safety and Security	Co-ordination, Alignment and implementation of district wide initiatives
	3.4	Community Services, facilities & Actions	Coordination, support of initiatives and monitoring
	3.5	Disaster Management	Planning and Implementation in line with Disaster Management Act.
	3.6	Marginalised Groups	Co-ordination & implementation of district wide initiatives
	3.7	HIV/Aids	Co-ordination & implementation of district wide

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			<b>SUMMARY OF DC FUNCTIONS</b>
			initiatives
<b>STRATEGY 4</b>	<b>INTEGRATED ENVIRONMENT</b>		<b>SUMMARY OF DC FUNCTIONS</b>
	4.1	Integrated Development Planning	Coordination and alignment of IDP's in line with legislation.
	4.2	Land Reform	Planning, Co-ordination & alignment
	4.3	Housing	Planning, Co-ordination & alignment
	4.4	Environmental management	Planning, coordination and development of district initiatives, including coastal management
<b>STRATEGY 5</b>	<b>LEADERSHIP EXCELLENCE</b>		<b>SUMMARY OF DC FUNCTIONS</b>
	5.1	Financial Control	Core function in terms of Act
	5.2	Corporate/Management Services	Provision of effective and efficient municipal corporate/management services to the organisation.
	5.3	Administrative Services	Provision of effective and efficient municipal administrative services to the organisation.
	5.4	Public Relations & Communications	Plan & implement PR Programme ito events & marketing. Furthering of intergovernmental relations.
	5.5	Shared Services	Conventionalisation and implementation of Shared Services concept.
	5.6	Performance Management Programme	Development & implementation of PMS (organisational & individual)
	5.7	Institutional Development	Development of the Institution by means of Policy development, Risk management & Information management
	5.8	Special Projects	Planning, co-ordination & implementation of integrated strategy for 2010 Soccer World Cup. Implementation of Integrated Poverty Alleviation Strategy

All relevant functions are performed by the District Municipality, no entities has been created, although Service Agents has been appointed as follows:

- ❖ Millennium Waste Company – operation of regional solid waste site;
- ❖ WSSA – Water Service support and provision; and
- ❖ Rural Metro – Disaster Management & Fire protection.

The responsibility for Disaster Management is outlined in the Disaster Management Act 57 of 2002.

At overleaf, a table is provided indicating the legislated Powers and Functions.

As part of institutional framework the understanding of the functional responsibility of the district and local municipality is fundamental to ensure the operational capacity of the municipalities. These responsibilities have been gazetted in the constitution act 108 of 1996 and the municipal structures act no 33 of 2000. The provincial gazette of KwaZulu-Natal, notice in terms of section 85 of the Local Government Municipal Structures Act No. 117 of 1998 provides a more detailed division of municipal functions and powers in terms of Section 85(1). On the 3 January 2003 adjustment of divisions of functions and responsibilities were legislated in the Section 85(1). The fable below represents a list of functional responsibility prescribed by legislation.

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**Table 26: Powers and Functions in terms of Legislation**

In terms of Circular 8/2008: 2008/09 Capacity Assessments and Recommendations: Adjustment of Powers and Functions between District and Local Municipalities in terms of Section 85 of the Local Government: Municipal Structures Act 1998, the uThungulu Distri

		281	282	283	284	285	286
1	S 84(1)(a)	Integrated development planning for the district municipality including Development Plan for the local municipalities within the area of the District Municipality					
2	S 84(1)(b)	Potable water supply that effects a significant proportion of the municipalities in the district					
3	S 84(1)(C)	Bulk supply of electricity					
4	S 84(1)(d)	Domestic waste-water and sewage disposal system					
5	S 84(1)(e)	Solid waste disposal sites serving the area of the District Municipality as a whole					
6	S 84 (1)(f)	Municipal roads which form an integrated part of a road transport system for the area of the district municipality as a whole					
7	S 84 (1)(g)	Regulation of passenger transport services					
8	S 84 (1)(h)	Municipal airport serving the area of the district municipality as a whole					
9	S 84 (1)(i)	Municipal health serving the area of the district municipality as a whole					
10	S 84 (1)(j)	Fire fighting services for district municipality as a whole					
11	S 84 (1)(k)	Fresh produce markets and (abattoirs) serving the area of the district municipality as a whole					
12	S 84 (1)(l)	Cemeteries and crematoria					
13	S 84 (1)(m)	Promotion of local tourism for the district municipality					
14	S 84 (1)(n)	Municipal public works relating to any of the above function or and other functions assigned to the district municipality					
	S 84 (1)(o)	The receipt, allocation and if applicable distribution of grants made to the district municipality					
16	S 84 (1)(p)	The imposition and collection of taxes, levies and duties as related to the above functions or may be assigned to the District Municipality in terms of national legislation					
18	Sched 4 B	Building regulations					
22	Sched 4 B	Local Tourism					
40	Sched 5 B	Licensing and control of undertakings that sell food to the public					
50	Sched 5 B	Refuse removal, refuse dumps, solid waste disposal and cleansing services					

\* Allocated functions are indicated as the shaded blocks.

Annually, the Uthungulu District Municipality hosts a **Growth and Development Summit**. The current action plan from the 2007 Growth and Development Summit has been attached at Appendix M. The uThungulu District Municipality structured its first two Summits (2006 and 2007) in a manner that aligns to the national KPAs.

The 2008 Summit only took place over one day and focused on the following:

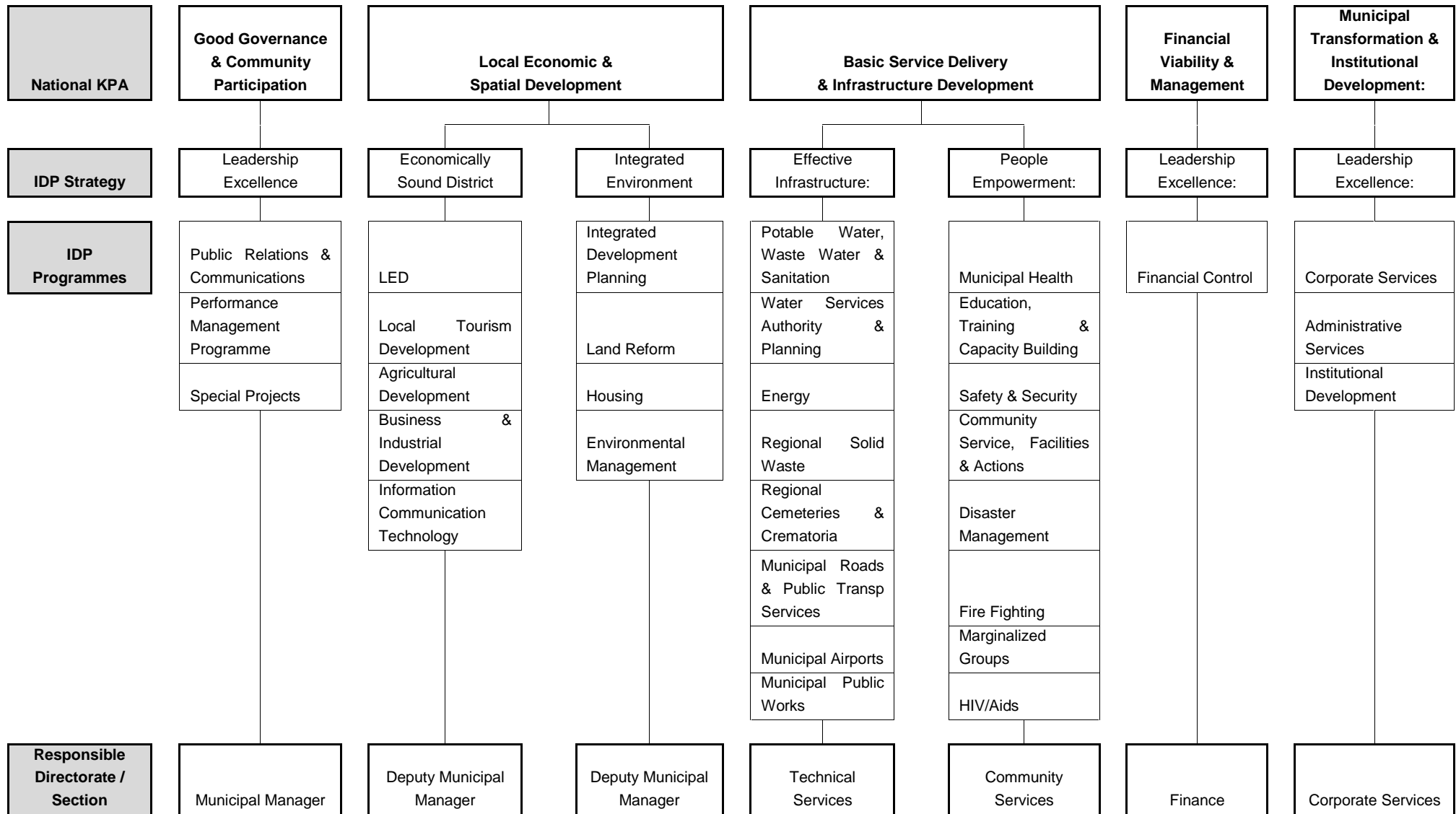
- Municipal Transformation and Institutional Development
- Spatial Planning and SDF
- Local Economic Development
- Basic Service Delivery and Infrastructure Investment

A number of presentations and discussions were held relating to the above. The action plan was not updated and remains relevant.

Similar, but more focused sessions have since been held. During January 2009, a district alignment workshop on the NSDP was held and during March 2009, an Agricultural Indaba was held with commercial agricultural interests. The action plan emanating from the above Agricultural Indaba is attached at Appendix N. It should be noted that a similar session is to be held with the emerging agriculture members of KWANALU.

The following figure illustrates the alignment of the uThungulu IDP Strategies, Programmes and Institutional arrangements to the National Key Performance Areas:

**Figure 10: Alignment between the National Key Performance Areas and the uThungulu IDP Development Strategies, Programmes and Institutional arrangements**



## D. SPATIAL DEVELOPMENT FRAMEWORK

The uThungulu District Municipality recently completed the review of its Spatial Development Framework (SDF).

The process for the review of the uThungulu SDF has guided by the following phases:

Phase 1	Project Inception
Phase 2	Review Status Quo
Phase 3	Review of Spatial Planning and Development Principles
Phase 4	Analysis of Existing Spatial Pattern
Phase 5	Identification of desired Spatial Pattern and Spatial Intervention Areas
Phase 6	Consolidated Spatial Development Framework

The completion of Phase 1 of the process alluded to the identification of a number of **key spatial development issues**. A few of these are noted hereunder:

- Population increase of 16% between 1996 and 2001. Should the trend continue the pressures on municipal infrastructure and services will increase.
- Infrastructural backlogs are especially high in the rural areas.
- Major economic sector is manufacturing which is located in Richards Bay. It is important to continue enforcing investor confidence through the provision of infrastructure.
- Identified coastal nodes as part of Coastal management plan need to be realised.
- Need to encourage alternative energy use in future developments given constraints in the electrification industry.
- Housing Initiatives by Local Municipalities need to align with the district roll-out of infrastructure.
- Measures have to be developed to reduce land degradation.

Phase 2 of the process was informed mainly by updated data at the district level, the updated Local Municipality SDFs as well as the district sector plans.

The Spatial Planning and Development Principles referred to in Phase 3 of the process were mainly guided by the following:

- Millennium Development Goals
- National Spatial Development Perspective (NSDP)
- Provincial Spatial Economic Development Strategy (PSEDS)

The above alluded to the following principles being applied during Phase 4 of the process, i.e. analysis:

### From the **Millennium Development Goals**

- Eradication of extreme poverty and hunger
- Achievement of universal primary education
- Promotion of gender equality and empowerment of women
- Reduction in child mortality
- Improvement of maternal health
- Combating HIV/Aids, malaria and other diseases
- Ensuring environmental sustainability

### From the **NSDP**





uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)



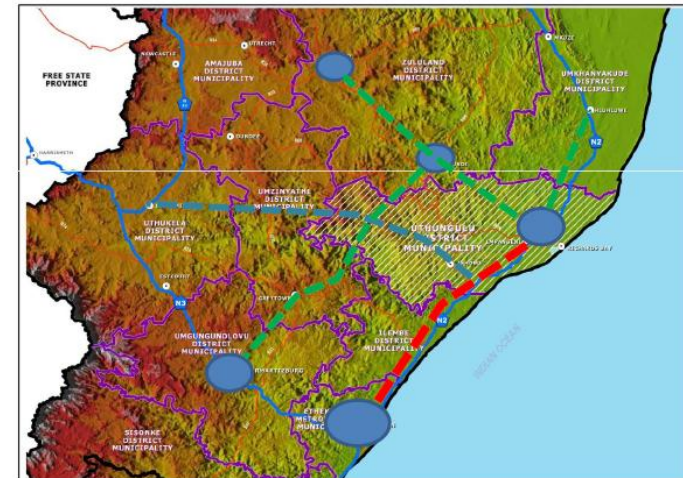
From the **PSEDS**

- **Principle 1:**
  - Sustained and inclusive economic growth is a prerequisite for alleviation of poverty and unemployment
- **Principle 2:**
  - In areas of high potential, invest in productive infrastructure
- **Principle 3:**
  - In areas of high need, invest in redistributive infrastructure (Basic and Free Basic Services)
- **Principle 4:**
  - Focus should be on areas of **high need and potential** and development is to be channelled into activity **corridors and nodes**

The following summary of key principles is provided:

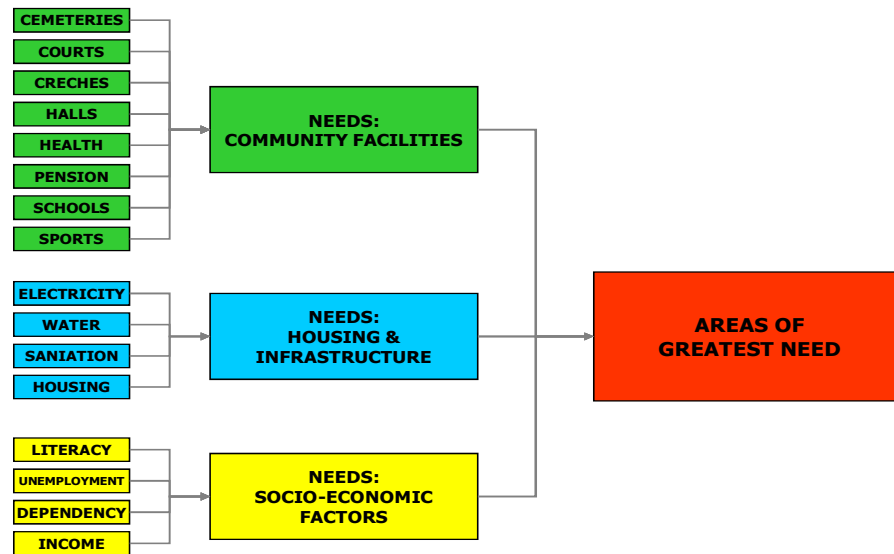
- All communities are to be provided with at least a basic level of service
- Areas targeted for economic growth and development are provided with appropriate levels of infrastructure to attract investment interest - not only to address the immediate need, but also to provide for reliable expansion and growth trends

The corridors identified by the PSEDS relative to uThungulu are shown herewith:



**Multi-Sectoral Activity Corridor**  
**Agricultural Activity Corridor**  
**Tourism Activity Corridor**

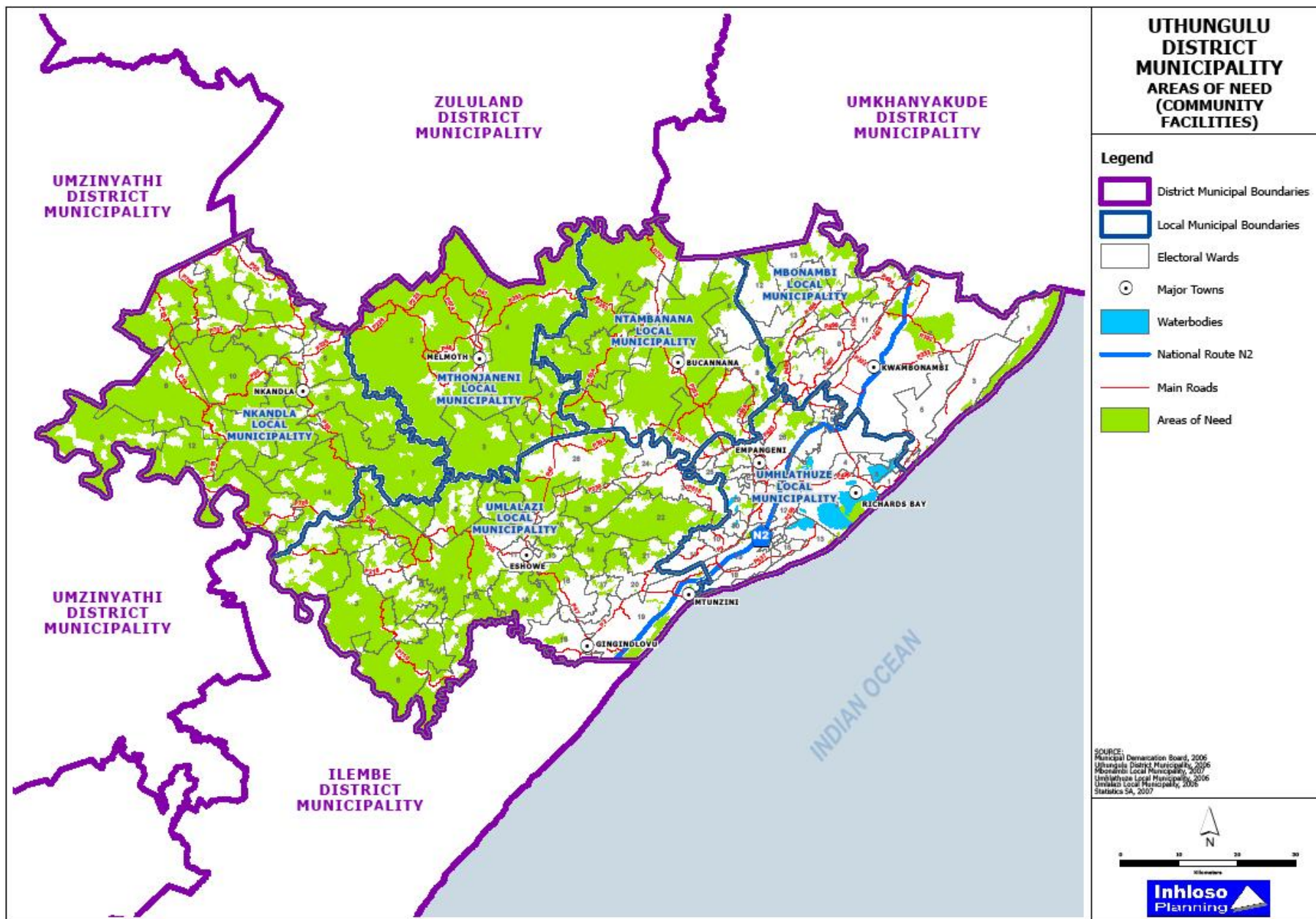
In order to give effect to the identification of areas of high need and potential a **needs analysis model** was derived. The model consists of three components as outlined herewith.

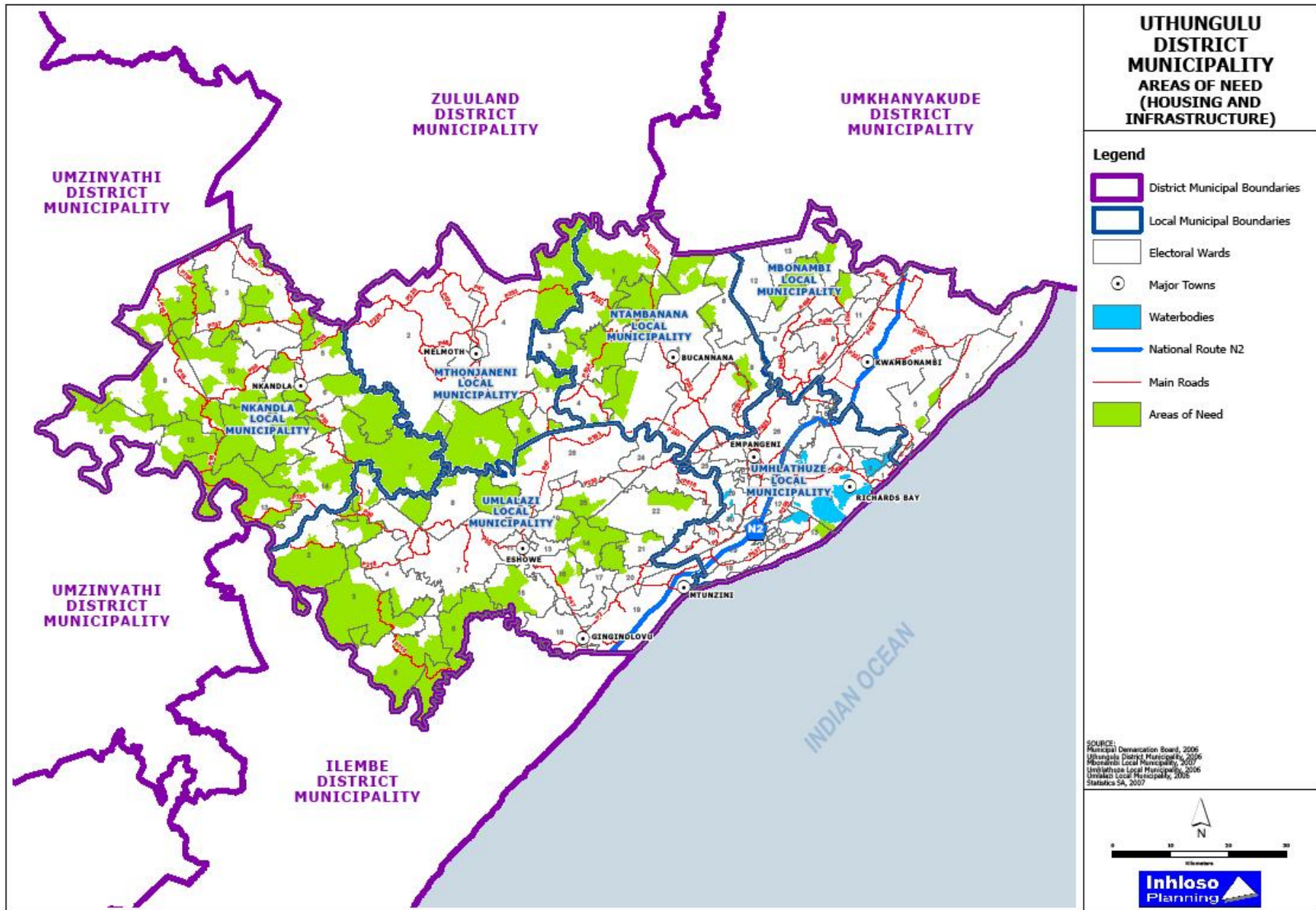


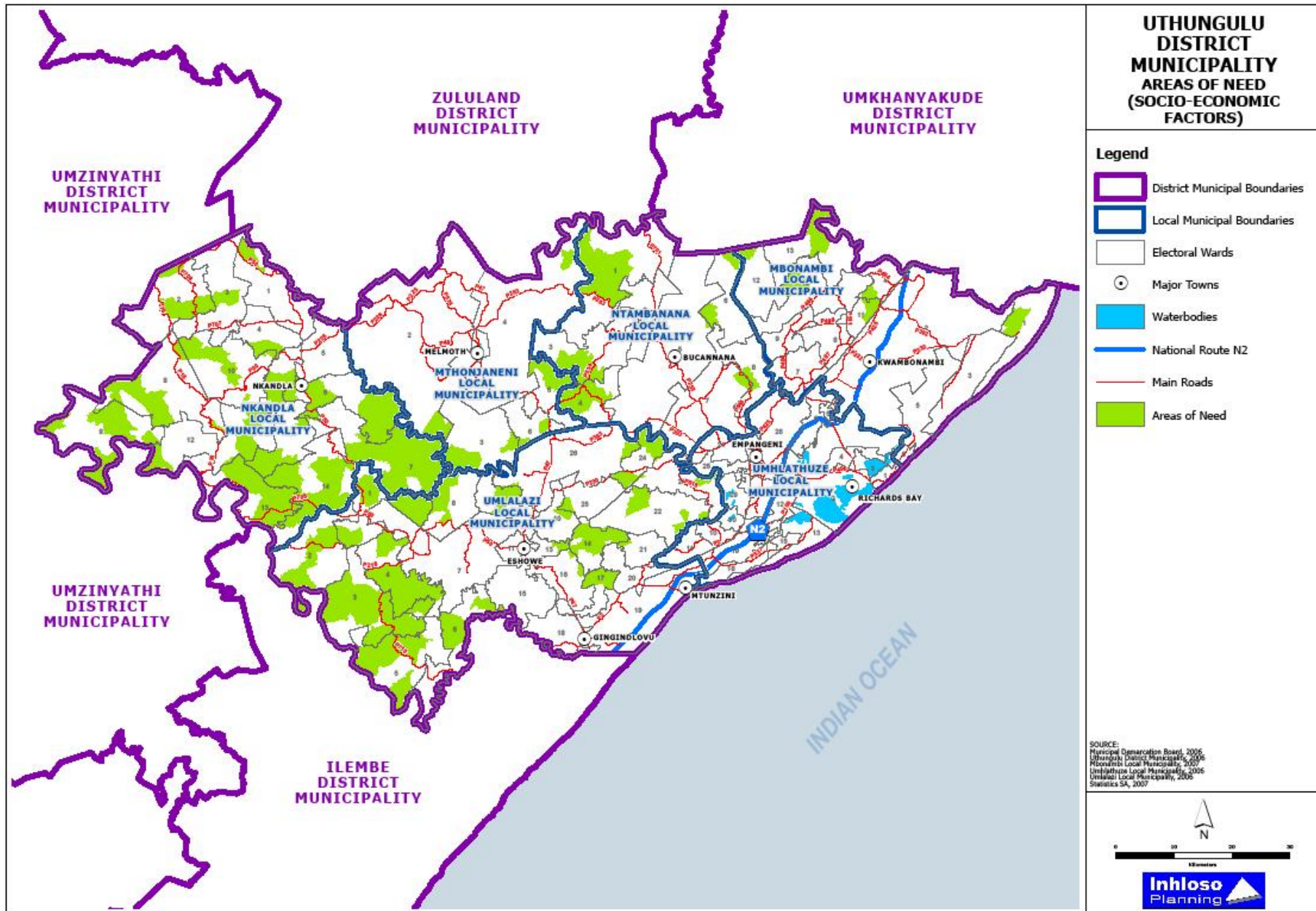
The identification of potential was guided by the following:

- Population density
- Availability of bulk services
- Agricultural potential
- The uThungulu coastal belt
- Major infrastructure investment such as the P700 and the P701
- Centres of economic opportunity reflected as primary and secondary nodes in the respective Local Municipality SDFs

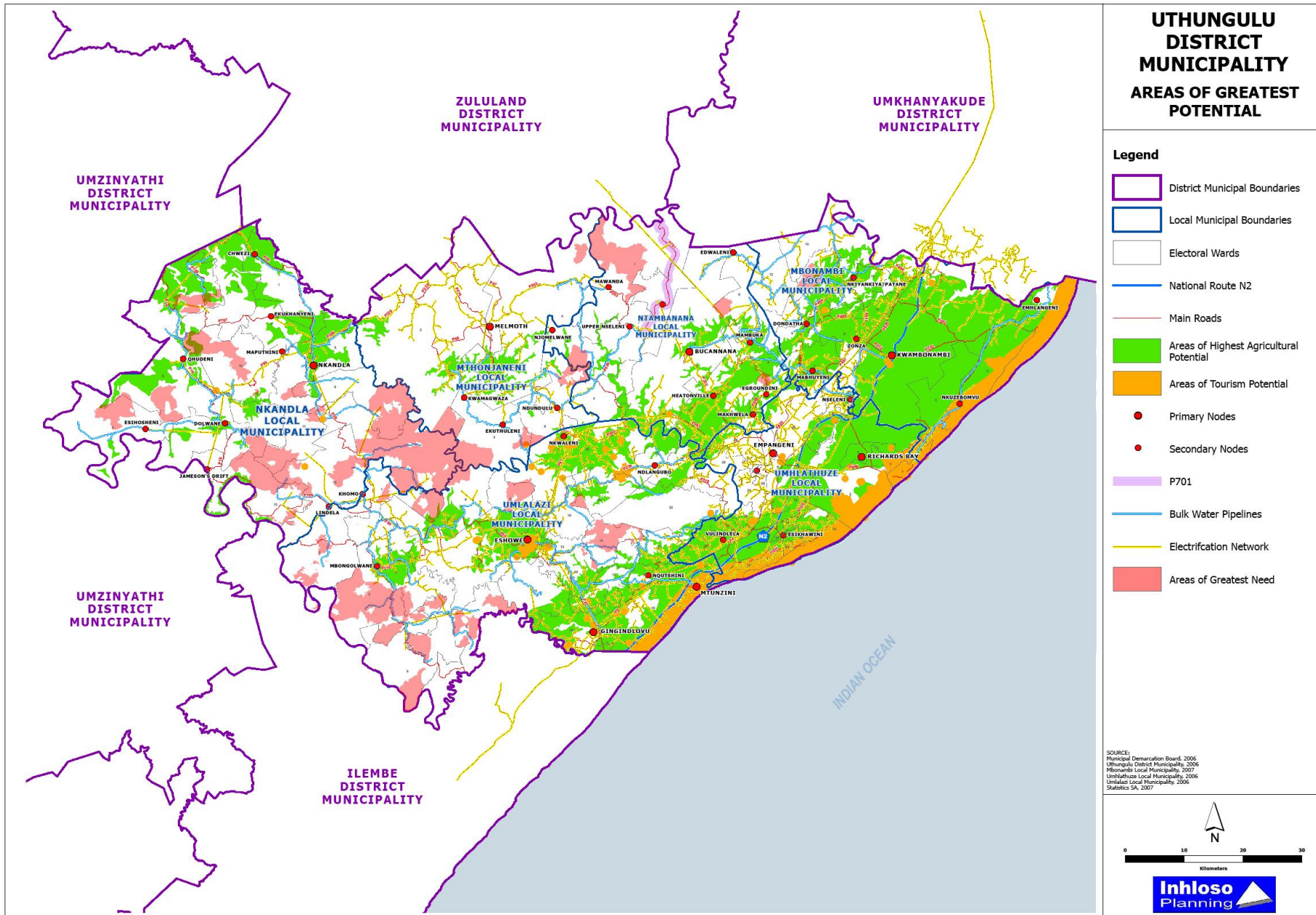
The composite maps indicating the areas of highest need in respect of community facilities, housing and infrastructure as well as socio-economic factors is shown on the following pages. These maps are followed by a map indicating areas of greatest potential in relation to greatest need.







uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)



## DESIRED SPATIAL PATTERN AND INTERVENTION AREAS

### Desired Spatial Pattern

The desired spatial pattern of any area is regarded as a situation rather than an environment with specific characteristics. Thus, the desired spatial pattern of an area should not be measured as an area with a specific household density of a minimum size etc., but rather as a situation of sustainability. Sustainability indicators will differ for various areas. In some areas the carrying capacity of the land can only support a minimum number of households while other areas, such as the Richards Bay/Empangeni areas, can support many thousands of households. The vision of the district is considered to be a good measure of sustainability.

It is furthermore also very important to consider that the desired spatial pattern will be influenced by the anticipated spatial changes that are expected to manifest themselves in any given area.

Emphasis is again placed on the KZN 2014 Growth and Development Goals note that the baseline urbanization figure for the province is 47,5% and that the expected urbanization rate for 2014 is 65%. This translates to roughly 1 750 000 people in the province that are expected to urbanize by 2014. This is a very important consideration given that the uThungulu urbanization rate is at a lower base, namely in the region of between 20% and 30% and therefore significant population movement can be anticipated.

### Intervention Areas

Spatial intervention areas refer to specific areas where deliberate actions from either the district municipality or any other tier of government can improve on a situation that prevails in the said area. Importantly, spatial intervention areas are identified and have to be benchmarked against an acceptable standard. The identification of spatial intervention areas can be considered as a step towards achieving a desired spatial pattern.

The areas that have the **highest agricultural potential** i.e. land capability classes 1, 2 and 3, have been indicated. The areas shown to be of higher agricultural potential do not total a large area. As such, care should be taken when making development decisions of a non-agricultural nature in those areas. Also, a specific investigation into agricultural options in the identified areas is needed to identify the most viable agricultural activities, considering local factors such as rainfall and soil acidity.

Spatial details are provided of areas that boast particular **tourism potential** in the district. As with agriculture, care should be taken when considering development in close proximity to areas of tourism potential to ensure that the comparative advantage of an area is not hindered. Also, such areas should be prioritized for Business Plan formulation in order to obtain implementation funding.

The mapping provided in respect of intervention areas provide an indication of those areas where **need and potential** do overlap. Six such areas are shown and marked as A1 to A6.

The intervention map indicates areas of **priority community facility investment** as well. Again, emphasis has to be placed that basic needs have to be met. Through sector planning the district has identified that community facilities needs are vast in the district and investment in this regard will have to be targeted. Thus, as a first priority, those areas that have a proven community facility need, and have a population density of more than 151 people/km<sup>2</sup> have been identified. A total of 15 such intervention areas were identified.

The Intervention Areas map also indicates **Infrastructure and Housing priorities**. Infrastructure priorities were derived as per the analysis undertaken of which the results are provided as an annexure to this report. The priorities for housing have been derived from the local municipality housing plans that have been prepared. It remains imperative that more accurate housing project information be obtained from the local municipalities to produce more accurate mapping.

**Socio-Economic priorities** are also indicated in the intervention mapping provided. From the section dealing with principles, the importance of investing in people at localities that have limited potential was noted. Such areas, where socio-economic needs are high and where there is limited development potential are identified in the

mapping for appropriate responses from relevant service providers and development agencies/organizations.

See map at overleaf indicating the mentioned intervention areas.

### **CONSOLIDATED SPATIAL FRAMEWORK PLAN**

This section of the report discusses the consolidated Spatial Development Framework for the uThungulu District. The following will be discussed:

- Primary and Secondary Nodes
- The following Corridors and Focus Areas
  - Ongoye Triangle
  - Agricultural Focus Areas
  - Multi-Sectoral Activity Corridor
  - Agricultural Activity Corridor
  - Recreational Focus Areas (Beach Related)
  - P700 Tourism Focus
  - R66 Tourism Route
  - R66 Extensions
  - King Shaka Tourism Route

A number of **Primary and Secondary Nodes** are indicated on the district SDF map. These were mainly derived from the respective Local Municipality SDFs.

See map attached at overleaf.
















# UTHUNGULU DISTRICT MUNICIPALITY

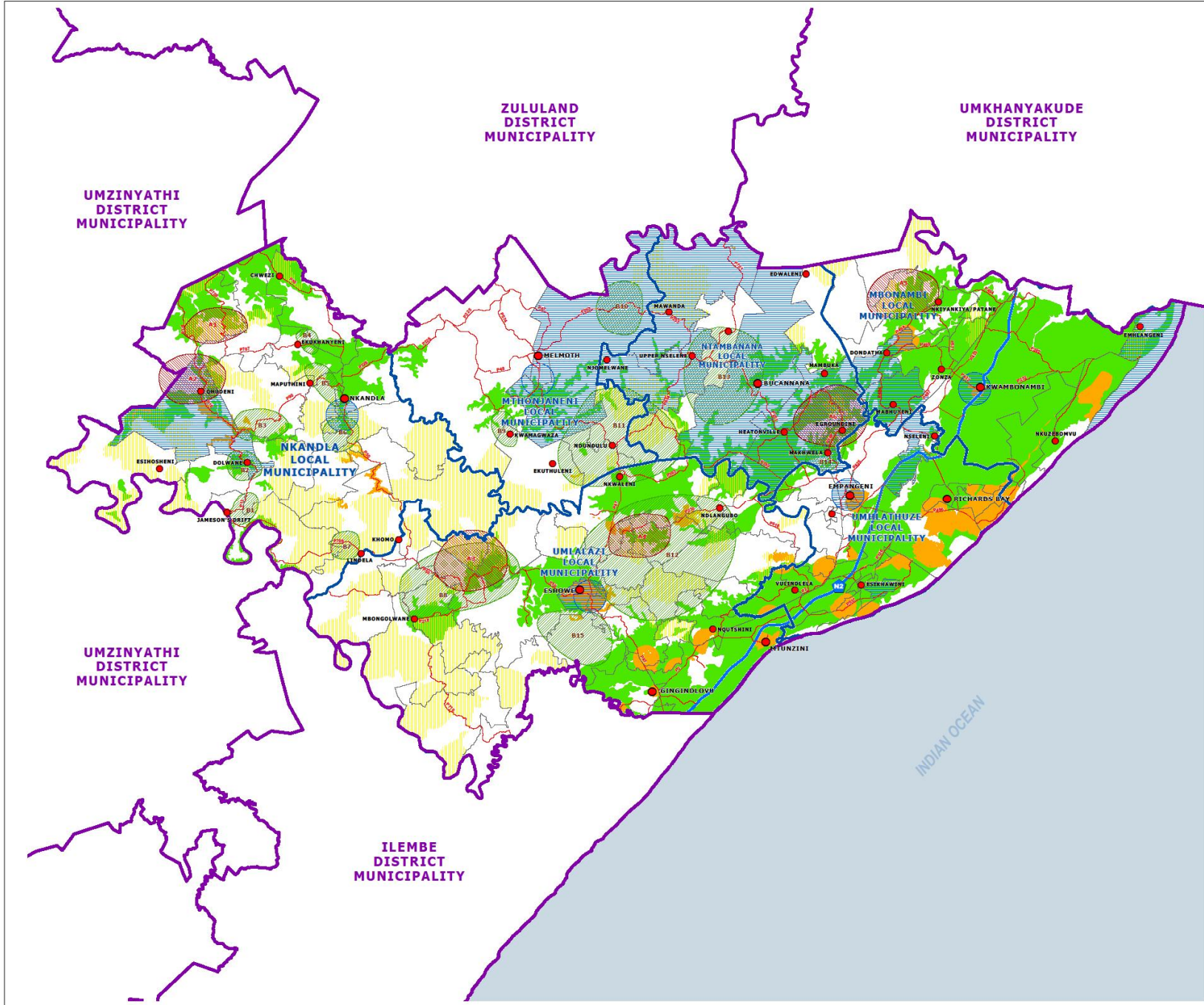
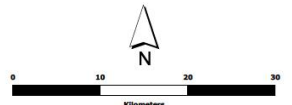
## CONCEPT SPATIAL DEVELOPMENT FRAMEWORK

### INTERVENTION AREAS

**Legend**










-  District Municipal Boundaries
  -  Local Municipal Boundaries
  -  Electoral Wards
  -  National Route N2
  -  Main Roads
  -  Primary Nodes
  -  Secondary Nodes
  -  Areas of Highest Agricultural Potential
  -  Areas of Tourism Potential
  -  Areas of Greatest Need and Potential
- Intervention Areas**
-  Community Facilities Priorities
  -  Infrastructure and Housing Priorities
  -  Socio-Economic Priorities

SOURCE:  
Municipal Demarcation Board, 2006  
Uthungulu District Municipality, 2006  
Mbonambi Local Municipality, 2007  
Umhlatuze Local Municipality, 2006  
Umlalazi Local Municipality, 2006  
Statistics SA, 2007



# UTHUNGULU DISTRICT MUNICIPALITY CONCEPT SPATIAL DEVELOPMENT FRAMEWORK CORRIDORS

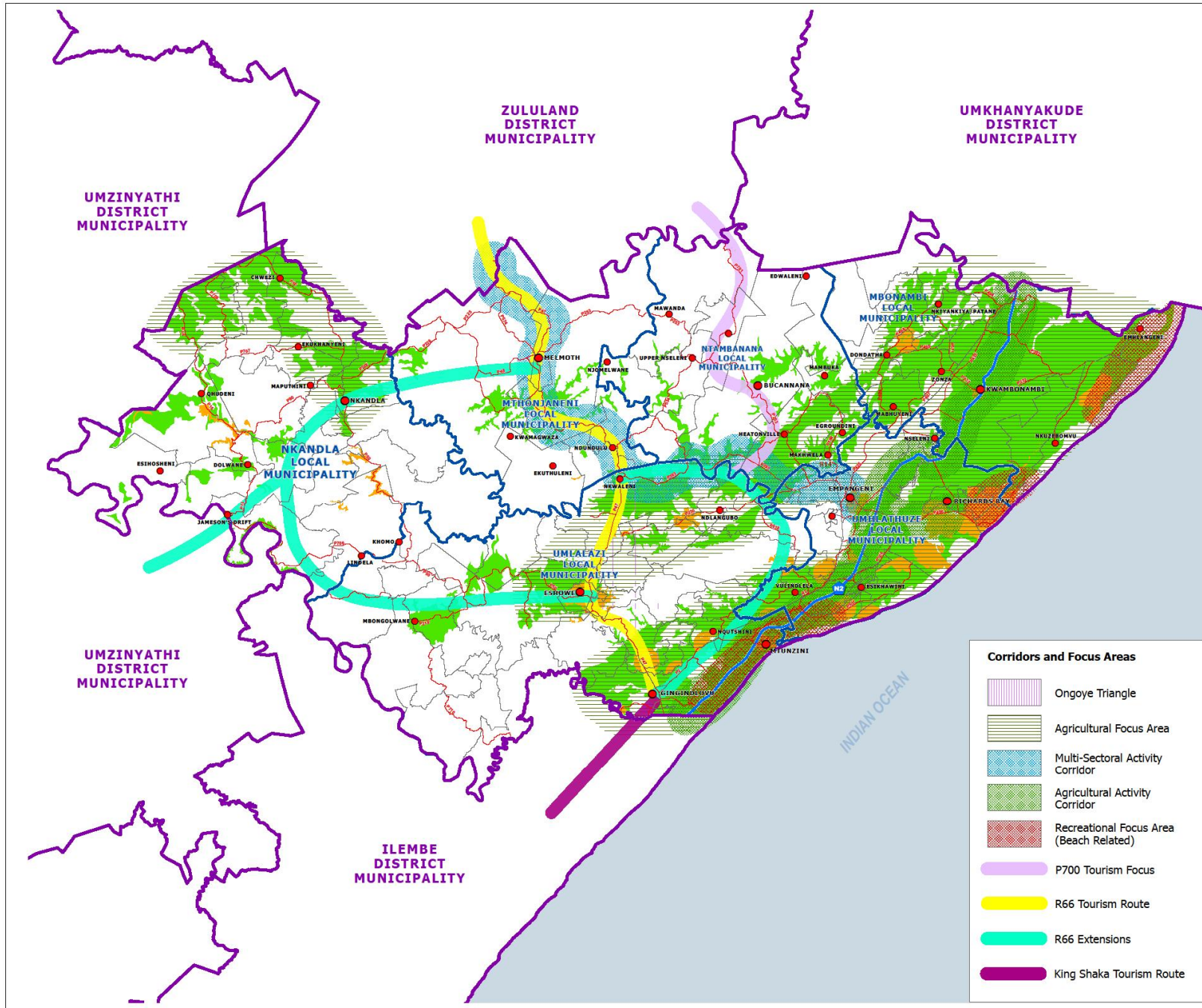
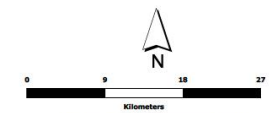
## Legend

-  District Municipal Boundaries
-  Local Municipal Boundaries
-  Electoral Wards
-  National Route N2
-  Main Roads
-  Primary Nodes
-  Secondary Nodes
-  Areas of Highest Agricultural Potential
-  Areas of Tourism Potential

## Corridors and Focus Areas

-  Ongoye Triangle
-  Agricultural Focus Area
-  Multi-Sectoral Activity Corridor
-  Agricultural Activity Corridor
-  Recreational Focus Area (Beach Related)
-  P700 Tourism Focus
-  R66 Tourism Route
-  R66 Extensions
-  King Shaka Tourism Route

SOURCE:  
Municipal Demarcation Board, 2006  
Uthungulu District Municipality, 2006  
Mbozambu Local Municipality, 2007  
Umhlathe Local Municipality, 2006  
Umhlathe Local Municipality, 2006  
Statistics SA, 2007



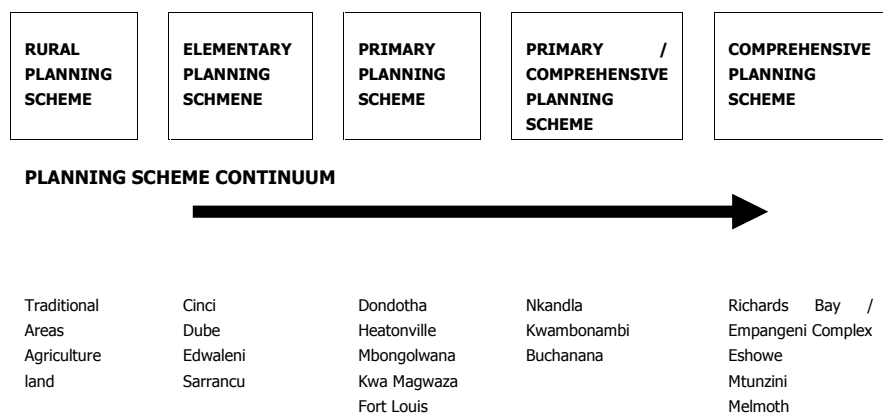
## 1 UTHUNGULU LAND USE MANAGEMENT FRAMEWORK

The Uthungulu District is responsible for the LUMF and has embarked on the framework that encompasses a variety of elements that impact on land use in the Uthungulu district.

The LUMF (see map attached at overleaf) focuses on a Planning Scheme Continuum. The process incorporates the following Planning Schemes:

- ❖ Rural Planning Scheme
- ❖ Elementary Planning Scheme
- ❖ Primary Planning Scheme
- ❖ Primary/Comprehensive Planning Scheme
- ❖ Comprehensive Planning Scheme

The following diagram illustrates this process:

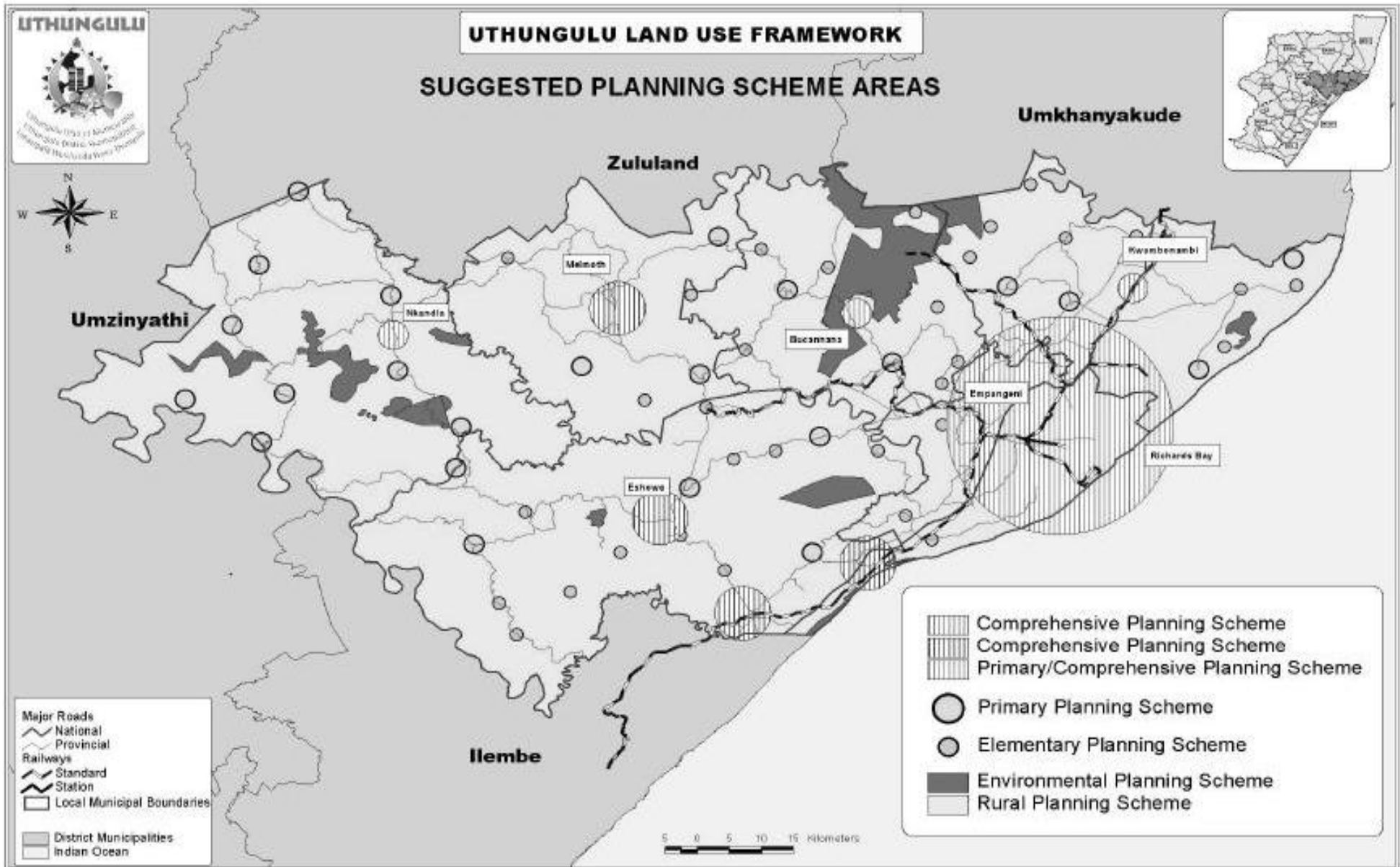


The LUMF incorporates and integrates the Traditional Areas/Agricultural land with the economically active commercial and industrial areas or growth nodes in the Uthungulu District. It is important to note that a policy-based approach is used in Traditional Areas whereby policy statements/guidelines are used to manage land use as opposed to a more prescriptive approach in complex/comprehensive schemes.

The LUMF is a structure that assists the Local Municipalities in the formulation of the Land Use Management Systems by understanding the complexities and integrating the geographic areas into a management system.

The importance of the environmental issues is a further fundamental entity in ensuring that the LUMF adheres to the environmental conservation of resources to ensure economic and sustainable development. The map below illustrates areas of conservation and environmental linkages, highlighting important ecosystems and communities. The LUMF is a responsible entity in ensuring that efficient and effective Land Use Management Systems (LUMS) are formulated and implemented. Having the knowledge of the environmental areas and the various planning schemes the LUMF may be formulated.

**Figure 11: uThungulu LUMF: Suggested Planning Scheme Areas**



## E. SECTOR PLANS AND SECTOR INVOLVEMENT

The purpose of this section is to provide information on sector plans and to report on and ensure that the international, national and provincial policy guidelines related to the cross-cutting dimensions are adequately considered in the implementation of the strategic programmes.

It is important to bear in mind that the vision of the district directs the actions embarked on by the municipality to guide development and foster growth. Amongst others, the vision provides a framework for the following initiatives:

- ❖ Integrated poverty alleviation and its impact on the marginalized;
- ❖ Integrated HIV/AIDS programme;
- ❖ Disaster Management Plan;
- ❖ Integrated Local Economic Development;
- ❖ Integrated Environment Programme; and
- ❖ Integrated Soccer 2010 World Cup Strategy.

These programmes are all **cross cutting programmes** that need to be implemented in conjunction with the line functions of the municipality. It is important to note that the UThungulu District have compiled, or are in the process of compiling, sector plans for some of the above as outlined in the Annexures and Appendices to this document.

It is, however, imperative that they are considered within the ambit of the Millennium Development Goals, National Spatial Development Perspective, ASGISA and the KwaZulu-Natal Provincial Growth and Development Strategy (PGDS).

## 1 INTEGRATED POVERTY ALLEVIATION FOCUSING ON ITS IMPACT ON THE MARGINALISED

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Analysis of the district has illustrated that poverty is a key issue that needs to be addressed by the District Council and all other relevant stakeholders. Approximately 70% of the district population live in rural areas where the highest levels of poverty are recorded. However, poverty is not restricted to rural areas as it is also evident in urbanised areas. This calls for the district's poverty operational strategy to have a strong rural bias but must also give careful consideration to all (urban) communities that may be affected by poverty. It has been established that there exists a close relationship between the poor and marginalised groups of people, namely; the youth, the aged and the disabled. This is due to the fact that marginalized groups of people are the very group of people that bear the burden of poverty. It is for this reason that it is strongly recommended that programmes for poverty alleviation and marginalized groups of people are implemented in unison.

In the analysis of poverty careful consideration has been given to current policy and legislation, such as the Constitution and the White Paper on Local Government. Both these pieces of legislation place emphasis on the need for addressing poverty in an equitable manner and place responsibility on local government institutions in finding innovative ways of addressing poverty in their areas of jurisdiction.

A key issue that has emerged in regards to poverty alleviation is the fact that poverty is multi-dimensional and therefore requires a multi-pronged and integrated approach for its alleviation. Poverty alleviation is a core area of focus of this IDP, it has been dealt with as a cross-cutting issue that is addressed throughout the process of formulation. Poverty alleviation has social and economic dimensions and has an impact on service delivery. Furthermore, analysis has proved that a number of government departments are involved in the poverty alleviation programmes in an uncoordinated manner. As such, there is a need for the coordination of poverty alleviation programmes for them to be more effective and to avoid the duplication of initiatives. Subsequently, it is recommended that various governmental programmes be considered at all times so that they may be integrated in the attempt to alleviate poverty in the district.

The programme for addressing issues of marginalised groups of people in the district requires a broad approach in its implementation as such issues manifest themselves in terms of different and unequal access to and control of resources and power.

Issues pertaining to marginalized groups of people in the district manifest themselves in the following areas:

Access to employment;  
Affordability of services and general household goods; and  
Poverty and a higher degree of vulnerability among single-headed households

#### **APPLICATION:**

An appropriate operational strategy in regards to the above-mentioned issues is a strategy that effectively implements the following:

In conjunction with the Department of Labour and other stakeholders, the District Council must actively promote principles of gender equity, rights of the disabled and affirmative action, etc;  
Service provision must be targeted at all inhabitants of the district with cost effective measures being explored in areas with the highest poverty levels;  
Support for single headed households; and  
Consultation with communities to engage in support and assistance that are required by the communities.

The main objectives in terms of Programmes for the Marginalised Groups are as follows:

- ❖ People with disabilities:
  - Establishment of District Disability Forum
  - Arrange a workshop to establish needs & develop programmes
  - Support International Day for Disabled Persons
- ❖ Children's Rights Programme:
  - Establishment of Children's Rights Council's in all KZ's)
  - Arrange a workshop to establish needs & develop programmes
- ❖ Youth Development Programme
  - Meeting of the Interim District Youth Structure and LM coordinating
  - Youth workshops/Summit to establish needs & develop programmes
  - Youth Day Celebration
- ❖ Women Empowerment
  - Women's day celebration
  - Imbizo yaMadoda

- ❖ Older Persons Programme
  - Older persons day
  - Life Skills Training

## **2 INTEGRATED HIV/AIDS PROGRAMME**

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The integrated HIV/AIDS Programme is a priority for the district. The state of the HIV/AIDS epidemic in the country calls for an immediate response. The thrust of the integrated HIV/AIDS Programme is that it is not just a health issue but also an issue that affects social systems, economic systems and planning. The involvement of the District Council or local government is informed by national policy. The national policies taken into consideration in formulating the integrated HIV/AIDS Programme are the Strategy for HIV/AIDS and Sexually Transmitted Diseases Prevention; the Treatment and Care Efforts for South Africa and the HIV/AIDS Plan 2000 policies.

The principles contained in the Strategy for HIV/AIDS and Sexually Transmitted Diseases Prevention and the Treatment and Care Efforts for South Africa guide the formulation of the district's programme in terms of the manner in which the District Council should plan and deliver services, namely:

- People with HIV and AIDS shall be involved in all prevention, intervention and care strategies;
- People with HIV and AIDS, their partners, families and friends shall not suffer from any form of discrimination;
- The vulnerable position of women in society shall be addressed to ensure that they do not suffer discrimination, nor remain unable to take effective measures to prevent infection;
- Confidentiality and informed consent with regard to HIV testing and test results shall be protected;
- Education counseling and health care shall be sensitive to the culture, language and social circumstances of all people at all times;
- The government has a crucial responsibility with regards to the provision of education, care and welfare of all people in South Africa;
- Full community participation in prevention and care shall be developed and fostered;
- All intervention and care strategies shall be subject to critical evaluation and assessment;

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

- o Both government and civil society shall be involved in the fight against HIV/AIDS;
- o A holistic approach to education and care shall be developed and sustained; and
- o Capacity building will be emphasized to accelerate elements in the response to HIV/AIDS.

The HIV/AIDS Plan 2000 serves to illustrate to local government their key areas of intervention or strategies, namely:

- o An effective and culturally appropriate information, education and communications strategy;
- o Increasing access and acceptability to voluntary HIV testing and counseling;
- o Improving STD management and promote increased condom use to reduce STD and HIV transmission; and
- o Improve the care and treatment of HIV positive persons and people' living with AIDS to promote a better quality of life and limit the need for hospital care.

**APPLICATION:**

The District Municipality realizes that given the far-reaching impact of the disease it needs to address the impact of the disease in partnership with all stakeholders that can be of assistance. The District Council has been successful in accessing funds of R9 million from the United Nations Development Programme (UNDP) for developing the district's Integrated HIV/AIDS Programme. The funds of the UNDP will be utilized for the implementation of services that will be of assistance to those infected and affected by the disease as per by the agreement with the UNDP. Amongst others, the funds of the District Council must be geared towards the district's Awareness Creation Programme, training of volunteers and supplementing services provided by the UNDP-funded programmes, as summarised in the Work Plan below:

**Table 27: Draft UNDP Annual Work Plan 2007**

**1. PROGRAMME: PREVENTION AND AWARENESS:  
OBJECTIVE: To strengthen and expand existing prevention and awareness programmes taking into account the cultural context and prevailing gaps in knowledge and myths that still surround HIV&AIDS**

<p><b>MOU between stakeholders prepared to promote partnership on service delivery capacity;</b></p>	Formalize relationship with stakeholders (Traditional leaders, NGOs/CBOs, Traditional Health Practitioners, Private Sector & Government Departments)
<p><b>Compiled database on existing service providers</b></p>	Identify stakeholders within LMs dealing with Life Skills incl. HIV/AIDS and poverty alleviation programmes
<p><b>Targets:</b></p> <ul style="list-style-type: none"> <li>• coordinated intervention to address the community challenges to eliminate duplication of activities and to promote participatory governance</li> </ul>	Building meaningful relations with CDWs, CHWs, HBCs, peer educators and other key community structures
<p><b>Target</b> Documented practiced supporting behavioural change geared towards HIV &amp; AIDS prevention strategy</p>	Formation and supporting of HIV/AIDS & Poverty related cultural music and drama groups
	Formation and supporting of HIV/AIDS & Poverty related cultural music and drama groups in all 6 local municipalities
	Empowering traditional authorities through workshop on Human Rights values to take a leading role in HIV&AIDS awareness and prevention interventions
	Training on Human Rights and social/community values in the context of HIV/AIDS for youth, young adults and traditional leaders, youth, women & physical challenged people
	Painting two murals for each municipality & Organising quilt workshop

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

<b>2. Programme : Care and support</b>	
<b>OBJECTIVE: To reduce stigma and discrimination and improve care and support for people living with and affected by HIV/AIDS</b>	
<b>Database of Support Groups DoH district office, clinics via DoH developed</b>	Identify existing caregivers, HBC, PLWHA's and civil society organisations and traditional groupings to provide psychological, spiritual care and assist PLWHA's
•	• Promote fully functional linkages between health facilities and community based organisation
<b>Target:</b>	Coordinate in service training for Home Base Carers and coordinate HIV/AIDS Counselling training (offered by DoH)
• Mentorship programme for Home Based Carers and HIV & AIDS Counselling	
• Functional forums and referral system in place	
• Establishment of gender forums	
• Establishment of environmental education programme	Identify and establish OVC Forum and child Care Committees in line with UNICEF standards
	Initiate support for elderly cares through provision of essential training e.g Health, Hygiene and Financial Management
	Identify and Support local government structures in gender responsive institutional transformation and the increased representation of women in management positions
	Sensitize communities on environmental conservation
<b>3. Programme: Impact Mitigation</b>	
<b>To reduce vulnerability of households and to strengthen their livelihood capacity to respond to the epidemic</b>	
<b>Strengthen linkages between informal &amp; formal structures</b>	Strengthen formal and informal structures of HIV/AIDS impact mitigation
	Strengthening the child headed households by channelling their needs to relevant sectors
<b>Targets:</b>	Liaise with relevant SETAS for possible enrolment to learnerships by local unemployed people and youth in particular
• Government / community	

partnerships -civic engagement) enhance equitable and efficient delivery of basic services e.g. through LED Programme	Mentor and support overall economic development working closely with Local Economic Development Office
	Encouraging the groups involved in gardening to enter annual gardening project competition run by Agriculture
<b>4. Programme: Coordination</b>	
<b>OBJECTIVE: To strengthen working relations between provincial departments and Regional councils with clear definition of roles and responsibilities</b>	
<b>Undertake status quo report on access of services by affected and infected at community level</b>	Commission a survey by a reputable organization to conduct situational analysis on access of social services
<b>Target:</b>	Use information from analysis and diagnostic study to compile comprehensive IGR/Service delivery improvement/ implementation plan for the District.
• Strengthen the capacity of local governments and communities to track, monitor and improve service delivery	Identify need for Community centres
• Support operationalization of LAC strategy	Facilitate formation of Local Aids Councils (LAC) across the region
	Formalise relations with national, provincial and other relevant stakeholders such as Khomanani, Lovelife, Mipaa & Wipaa

### 3 DISASTER MANAGEMENT PLAN

Local government is at the forefront of dealing with disasters and the provincial and national Departments of Welfare only get involved when an area is declared a national disaster area. Local government therefore needs to be prepared to manage disaster in their area of jurisdiction.

People are described as vulnerable to disasters depending on the extent to which they are likely to be damaged or disrupted by the impact of a disaster hazard. Vulnerability is complex and varies both in space and in time. It is closely linked to the history, politics; social and economic conditions and the circumstances in which people find themselves. As such, vulnerability is closely associated with factors such as poverty, lack of infrastructure and a fragile environment. Poor communities living in make-shift structures in densely populated urban areas prone to flooding and lacking decent access routes are likely to be extremely at risk during periods of heavy rain or in a



fire. The integration of the district's disaster management programme with other development issues of the district is therefore essential.

The uThungulu District Municipality has completed its **Disaster Management Plan**. The preparation of the plan was not funded from external sources although the district receives assistance with disaster relief in the form of grants and provisions from the Provincial Authorities.

#### **APPLICATION:**

On a broad level the district's disaster management programme focuses on the prevention of disasters, the allocation of relief funds in the incidence of a disaster and the integration of the disaster management programme with the other development programmes in the district.

The disaster management programme through implementation of projects will address all the phases of addressing a disaster, namely:

Hazard Assessment: this will occur in the early stages of the programme where areas are identified and closely monitored.

Vulnerability Assessment: will entail assessing peoples' potential ability in responding to the incidence of a disaster in terms of resources that they may have. This will explore issues of affordability of the people, quality of dwellings, etc.

Risk Reduction: will combine findings of Phase One and Two in order to determine a strategy for reducing the risk of a disaster occurring.

Warning: warning systems will be established in order to mitigate the potential impact of a disaster.

Rescue: A rescue plan for hazard prone areas will be established so as to ensure that appropriate responses to disaster are in place.

Recovery: A recovery plan for disaster prone areas will be identified as part of the Disaster Management Programme.

Rehabilitation: will entail designing a plan of action after the incidence of a disaster. This will explore environmental factors, the people affected and improvements that may be made in Phase Three – risk reduction.

The main objectives in terms of Disaster Management are as follows:

- ❖ Operation of the disaster management centre
- ❖ Operation of the Communications Centre
- ❖ Community Awareness & Education
- ❖ Develop of a Policy Framework including Bylaws
- ❖ Formulation & Completion of Disaster Management Plan
- ❖ Implementation of Fire Fighting services (Shared Services)

## **4 INTEGRATED LOCAL ECONOMIC DEVELOPMENT PROGRAMME**

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In terms of regional context, uThungulu plays a critical role in both the provincial and national economies as a major conduit of trade through the local port of Richards' Bay. Significant economic centres in the district are focused in uMhlatuze local municipality, in both Richards Bay and Empangeni. These industrial centres form the major part of the supporting network of service provision for the settlements in Esikhaleni, Eshowe, Nkandla and Ntambanana.

The uThungulu District has completed the formulation of a framework for the development of the economy of the UThungulu District following the preparation of the three focused economic sector plans, i.e. agriculture; tourism; small, medium and micro enterprises (SMME).

uThungulu has reviewed the existing LED Strategy, and the reviewed strategy was approved in April '07.

### **APPLICATION:**

The LED vision for the uThungulu District Municipality, derived from the uThungulu IDP Review 2006/07 is as follows:

#### **TO BROADEN THE ECONOMIC BASE OF THE DISTRICT ECONOMY WITH THE ESTABLISHMENT OF SUSTAINABLE AND WIDE RANGE OF EMPLOYMENT OPPORTUNITIES BY STRENGTHENING AND DIVERSIFYING OF ECONOMIC SECTORS**

The LED Strategy for uThungulu District Municipality is focussed on fostering an enabling environment for sectoral growth that results in additional employment opportunities in the district being developed. Key focus areas for the district are agriculture, tourism and manufacturing.

The Development Framework for the district's LED strategy calls upon uThungulu to act as both a facilitator and operational role. The facilitation aspect relates to creating an enabling environment for LED to occur within the district by interacting with all the local municipalities and undertaking a coordination role. However, there is also scope for the district to tackle specific district wide projects for which only UDM has the available capacity to implement.

As the matrix below indicates, each economic development **goal** is broken up into a series of **objectives**. These objectives were devised as a supportive objective for the district - the focus for the district would be to insure that all enabling factors are put in place within the district's overarching tourism strategy.

#### **❖ Grow Tourism**

- Grow cultural tourism in the district
- Aid SMME development in the sector
- Grow adventure tourism
- Capture share of 2010 Tourism
- Film Industry
- Clustering Support

#### **❖ Grow Manufacturing Sector**

- SMME development
- Increases in foreign direct investment
- Growth in employment

- Increased BEE participation
- Development of ICT sub-sector

#### **❖ Support Agricultural Development**

- Expand market access for emerging growers
- Diversification of crop production
- Increased value adding activities in the sector
- Increased support services
- Grow female participation

#### **❖ Enhance Information Communication Technology Sector**

- Rural communication network
- Broadband access
- ICT Incubators and Industry Support Strategy
- Grow BEE in the sector

#### **❖ Improve LED Support Mechanisms**

- Improve institutional support within the local municipalities and between the district and local municipalities
- Improved training and capacity in LED for both officials and councillors

In terms of Institutional Arrangements, it is recommended that the uThungulu District Municipality identify, train and position a dedicated person who will act as "project manager" for LED processes within the Development Planning function of the District and also have the duty of liaising with all relevant role players throughout the local municipalities. This recommendation has been identified by each of the local municipalities, who have each cited the lack of capacity as a major constraint to implementation of LED initiatives.

Some information on projects and initiatives is provided herewith:

### **AGRICULTURE:**

#### **Mbonambi Essential Oils Farm**

Located in the Mbonambi Municipality, the farm will comprises 2,5 Ha organic Rose Geranium Essential Oils and 5 beneficiaries. The project is currently being implemented with the aid of labor intensive principals, hence 60% of the budget will be ploughed back into the existing community.

### **Umlalazi Essential Oils Farm**

Located in the Umlalazi Municipality, the farm will comprise 2,5 Ha organic Rose Geranium Essential Oils and 5 beneficiaries. The project is currently being implemented with the aid of labor intensive principals, hence 60% of the budget will be ploughed back into the existing community

### **Mthonjaneni Essential Oils**

The plantation will uplift the rural community and ensure job security for 10 full time employees and 15 part time employees. The project consists of approximately 10 hectares of Essential Oils. The farm has since yielded 60 litres within the first year of harvest.

### **Nkandla Essential Oils Farm**

The Nkandla Small Growers were successful in securing R2 300 000 through the EU Funds from Gijima, with uThungulu contributing R500 000 of the 30% requirement for the project. uThungulu's contribution will be utilized to purchase fencing and irrigation equipment for the project.

### **KwaBulawayo Tourism Development**

The development aims to create a tourism attraction based on historical significance and is situated in rural Bhekeshowe. The Tribal Council consists of seven sub-wards in a 15km area. The actual site of the King Shaka KwaBulawayo Military Capital is the focus of the attraction, surrounded by a wealth of historical and cultural tourism sites.

Phase 1 of the project is complete and will be operated as a day facility.

### **KwaMpungose HIV/AIDS Centre**

Construction of an HIV/AIDS Hospice for abandoned children in the uMlalazi Local Municipality area in the Mpungose Tribal Council. Construction of the centre is complete and is in the process of being officially handed over to the community. The community is currently in discussions with the Department of Health with regard to management of the center.

### **Number of people employed through job creation schemes:**

Short Term	305
Long Term	170

## **TOURISM:**

### **Tourism Forum**

A Tourism Forum was established to align with provincial structures and improve communication in the tourism sector. The aim of the forum is to act as a coordinating, participating District Tourism Forum which will ensure coordinated tourism development and marketing strategies in the uThungulu District Municipality servicing area.

### **R66 Zulu Heritage Route**

The uThungulu District Municipality Tourism Development Plan identified the development of the R66 as one of the priority projects for the District. The Development of the Zulu Heritage Route will:

- Define and package a number of underutilized cultural tourism resources.
- Contribute significantly to the branding of uThungulu as a Zulu Cultural and heritage destination
- Increase Tourism Revenue Yield in rural areas lacking formal economic opportunities;
- Provide the opportunity for Previously Disadvantaged individuals and groups in the ownership and operation of tourism plant.

The Zulu Heritage Route (R66) will form part of the Zulu Cultural Heritage Route which emerged as the lead priority project from the TKZN tourism product development strategy completed in 2002. TKZN finalized a Scoping Exercise as an initial component for the development of the route.

### **Establishment of Craft Warehouse in Richards Bay**

The uThungulu District Municipality Tourism Section is involved in the implementation of the Craft Development Plan which includes the development of a Craft Warehouse for the region. The aim of the craft development project is to develop existing skills base in the district and to create awareness to the unemployed of the opportunities that exist and benefit from by producing craft.

The Craft Warehouse budget and projected income has been based on existing facilities available in the Richards Bay Small Craft harbour. This project will be done in partnership with the Department of Local Government and Traditional Affairs.

### **Zululand Film Office**

The film industry, which includes feature film, audio-visual documentary, television, video, commercial and still photography production, is an important part in the South African economy and one of the fastest growing sectors worldwide.

The Zululand Film Office, incorporating iLembe North Coast and uThungulu District Municipality, officially promotes and acts as industry facilitator for the feature film, television, video and stills photography production trade. It is funded by the uThungulu District. Three District Municipalities bordering the uThungulu District Municipality has shown interest to partner in the project.

### **Cruise Passenger Liner Terminal**

A multi-purpose facility at Richards Bay Harbour is also being proposed to firmly establish Richards Bay as a port of call for Passenger Liners. The development of a Premier Cruise Destination, to cover the destination Durban to Richards Bay to Maputo and back, is proposed. The business plan recommends the establishment of a multi-purpose facility to cater for the welcoming of visitors, an arts and craft market, a tourism info office and conference facilities.

### **Zululand Birding Route**

The Zululand Birding Route is a conservation programme of Birdlife South Africa, showing that birding tourism can generate income for destinations and local communities. There are over 605 bird species in the Zululand area. The Zululand Birding Route is also helping create a new career path for black South Africans, through training as bird guides.

### **Forests of Zululand**

The Forests of Zululand is a unique tourism concept created by the uThungulu District Municipality; this is responsible tourism supporting sustainable rural development and the conservation of our *Unique Forest Heritage*. Nowhere else in South Africa can one experience mist belts, wetlands and dune forests within one area.

#### **The Forests include:**

- The Ongoye Forest which has a large array of rare and endemic tree and plant species and is of great importance as a water catchment area;
- Dlinza Forest which is a 250ha forest within the urban development of Eshowe and is famed for the number of bird species found here;

- Entumeni Forest consists of a gorge covered by forest and has a particularly high and impressive canopy provided by trees;
- Nkandla and Qhudeneni Forests also boast an impressive variety of birds, plants and mammals.

### **11<sup>th</sup> Annual Zulu Dance Competition**

Zululand is renowned for its rich cultural history and majestic tales of Zulu royalty and brave warriors. The striking profile of a magnificent dancer dressed in traditional attire is also synonymous with the region. Each year tourists, filmmakers and avid photographers travel to the uThungulu district to witness and capture on film the choreography and splendour that is the Regional Zulu Dance Competition. The Annual Regional Cultural Zulu Dance competition is a highlight of the uThungulu District Municipality's events calendar and sees groups representing all six of the local municipalities in the district competing in various categories for top honours.

This competition was started 11 years ago with the following goals:

- To instil a sense of pride amongst the younger generation with regard to their culture and heritage
- To preserve the Zulu traditional art forms of music, dress and dance
- To create a tourism market for Zulu culture within the district targeting both domestic and international markets
- To assist the unemployed with a skill; this will enable them to perform when an opportunity arises.

## **5 INTEGRATED ENVIRONMENTAL PROGRAMME**

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An important component of the IDP is ensuring that development in the district is sustainable. This is the focus of the integrated environmental programme.

The environmental programme for the district has identified the driving forces of environmental change as the following, which must be addressed by the programme accordingly:

- Macro and micro economic policies;
- Sectoral policies;
- Social factors such as urbanization and increased living conditions; and
- Resource use patterns and waste/pollution generation.

It is realized that the above-mentioned forces of environmental change must be analysed in order to establish their role in the state of the environment. The IDP is seen as an effective tool to establish the state of the environment and identify key areas of intervention. The key areas of concern in this district have been identified as the coastal area, air pollution as a result of industrial emissions and water pollution as a result of residential burials particularly in rural areas. Some farming practices also contribute to pollution. It has been identified that uMhlathuze is the most affected in terms of pollution as a result of the high levels of urbanization and economic activity that is concentrated in this area.

The abovementioned driving forces have put pressure on the environment. It is important to note that the pressures arise from both current and past driving forces, as there is often a time lag between the actions of humans, and the reaction of the environment. Macro economic and sectoral policies of the past contributed to the pressure on resources to meet present demands. For example, the subsidies on water and energy made commodities very cheap for industrial, agricultural, and domestic users and hence took away the incentive to use them conservatively, to recycle or re-use these resources.

This is particularly applicable to developments in the Richards Bay-Empangeni areas that were identified as industrial zones of the apartheid era. The lack of accounting for natural capital (the monetary value of natural resources) in the national accounting system has also encouraged exploitative use of resources. The sectoral policies of the day could have made a contribution towards this to ensure

that resources were used sustainably, just as minerals were and are extracted at an economically optimal rate. Sectoral policies can assist the distribution of demand for resources, which is presently spread across the country as settlement patterns have been driven by historical distribution of population patterns and employment. Social factors such as dense urbanization and improving socio-economic conditions further pressurize resources through changes in attitudes among the population of increased levels of consumption and waste production. These are issues and principles that this IDP will promote and on which it will be ensured that monitoring mechanisms will be based. Increased generation of waste and pollution put pressure on ecosystems in three ways. Firstly, the environment can only accept certain levels of waste products until a point when levels outstrip the capacity of the environment. This results in higher pressures for waste disposal sites.

Secondly, the environment acts as a "detoxifier" of waste meaning that it can naturally break down bacteria and toxic substances. However, when large volumes of such substances exceed the environment's capacity the result may be soil and groundwater pollution. Lastly, the release of waste and pollutants into the environment puts pressure on the natural functioning of ecosystems. Beyond the range whereby organisms can adapt, they become stressed and may die. The above-mentioned issues give an indication of issues that have been taken into consideration in formulating the integrated environmental programme with a key focus being on ensuring that the district develops in a sustainable manner.

### **APPLICATION:**

The environmental operational strategy takes into consideration the district's environmental issues that emerged in the analysis phase as well as the above-mentioned issues. The following recommendations are therefore given:

- Public participation for the identification of the districts environmental issues;
- A focus on coastal management; and
- Address identified issues of air pollution, water pollution and invader alien species.

Coastal management has been identified as a key issue that has culminated in the allocation of funds to formulate a Coastal Management Plan for the district as part of the Environmental Management Programme.

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Formulation of the Coastal Management Plan will be guided by recommendations and principles based on research and analysis of the Department of Environmental Affairs and Tourism, which states that such a plan or policy should:

- Promote meaningful public participation;
- Foster scientific integrity to improve knowledge and understanding;
- Advance integrated coastal management; and
- Build a practical guide to direct implementation.

It is recommended that the principles of biosphere reserve planning be applied in formulation of the Environmental Management Plan.

## **6 INTEGRATED SOCCER 2010 WORLD CUP STRATEGY**

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The District Municipality of uThungulu will never be the same after 2010, the construction of the 2010 FIFA specs Stadia is underway. The target date for the completion of this project is anticipated to be December 2009. This successful completion will put the District in the right position to therefore serve as an official satellite venue for FIFA 2010 Soccer World Cup.

This was revealed in 2006 where the KZN 2010 model was revealed, uThungulu together with other three District Municipalities were announced as base camps and training venues to the host City of eThekweni (Durban).

### **Strategic Readiness Master Plan**

Focuses on 5 Work Streams, viz:

- Infrastructure Development
- Legacy projects
- Economic Development
- Health, Safety and Disaster Management
- Marketing, Communication and Tourism

### **Disaster Management Plan**

The Department of Local Government and Traditional affairs has made available the budget of R500 000 for the compilation of 2010 Disaster Management Plan. The Business Plan formulation is in progress.

### **2010 Legacy Programmes**

Soccer 2010 Community mobilization Campaign took place on the 28 February 2009 at the Ngwelezane Sport Ground

### **2010 Safety and Security**

- 2010 Safety and Security forum has been established and hold meetings on quarterly basis.

### **Hospitals**

- All facilities and services are identified, databased and already been forwarded to the Premier's office

### **Roads and Transport**

The extension of the North Central Arterial: This road is going to be developed into a double lane both ways going pass the Road Lodge Hotel all the way behind the police station into the 2<sup>nd</sup> entrance of the Sport Complex.

The uThungulu District Municipality Transport Master Plan is to be reviewed, funded by a three party agreement, viz: Department of transport, uThungulu District Municipality and the Provincial Corridor Fund.

All plans have been put to tender process.

### **Beautification of the Airport**

The City of uMhlathuze together with the District has started the project for the beautification of the Richards Bay airport. The Council has approved a budget of R150 000 towards the erection of the signage leading to the Airport and putting up the whole new look of the Airport.

### **Progress Report on the Stadia**

The Contractor has completed two phases, namely: 1A, this includes earthworks (putting pipes into the ground) ; 1B, putting the concrete work and structure. The next phase is 1C, which comprises filling of grass, seat and putting the lights will commence in April 2009.

The Provincial Department of Local Govt. and Traditional affairs, uThungulu District Municipality, City of uMhlathuze and the Department of Sport and Recreation has thus far funded for the Stadia.

## 7 MASTER AND WATER SERVICES DEVELOPMENT PLAN UPDATE

The Water Services Act (Act 108 of 1997, Section 12) specifies that each Water Service Authority (WSA) must prepare a Water Services Development Plan (WSDP) in order to progressively ensure efficient, affordable, economical, and sustainable access to water services. Water services also form an integral part of the inter-sectoral umbrella of the Integrated Development Plan (IDP) that Municipalities are required to prepare. The WSDP sectoral planning and integrated development planning must for this reason inform each other. The WSDP should therefore be prepared as part of the consultative IDP process aimed at involving a variety of stakeholders and perspectives<sup>7</sup>.

Whilst the WSDP is a legal requirement, the real value of preparing a WSDP lies in the need to plan for the improvement of water services whereby key targets are set for a five year period. The WSDP is a mechanism for determining water services priorities, needs and requirements during the planning period and represents the Council's commitment to its constituency in terms of water services.

The WSDP first examines the current status of water services infrastructure and identifies the actions required to achieve the goals and priorities identified. The main elements of a WSDP are:

- a) IDP and WSDP Goals and Integration
  - Identification of IDP priorities related to water services
- b) Socio-Economic Profile
  - Demographics, health, employment, income, and macro-economic trends
- c) Service Level Profile
  - Consumption profile of residential, institutional, and industrial customers
  - Quantification of backlogs in the provision of basic services
- d) Water Resource Profile
  - Assessment of the capacity of groundwater, surface water, and purchased water sources to meet current and future requirements

- Assessment of the water quality of existing sources
  - Assessment of waterborne sanitation services to meet current and future demands
- e) Water Conservation/Demand Management (WC/WDM)
    - Assessment of targets to reduce unaccounted for water, leakages, and high pressures in pipes
    - Assessment of targets to reduce consumer demand and promote conservation amongst users
  - f) Water Services Infrastructure Profile
    - Assessment of the condition of existing infrastructure
    - Assessment of operations and maintenance plans
    - Planning of future infrastructure
  - g) Water Balance
    - Assessment of water abstracted versus consumption and return to sources
  - h) Water Services Institutional Arrangements Profile
    - Assessment of the division of roles between the Water Service Authority (WSA) and Water Service Provider (WSP) or Support Services Agent (SSA)
  - i) Customer Services Profile
    - Assessment of service quality, attending to complaints, health and hygiene education, and pollution awareness programmes
  - j) Financial Profile
    - Assessment of capital expenditure versus capital income (funding)
    - Assessment of operating costs versus operating income (sales)
    - Assessment of charges, tariffs, and free basic water subsidization
  - k) List of Projects
    - Identification of water and sanitation projects aimed at meeting priorities and reducing backlogs

In addition to the updating of the WSDP, the updating of the water and sanitation master plan was also done for the DM. In brief this entailed the:

- (a) Recounting of all the dwellings in the UDM's area of jurisdiction based on the latest aerial photography
- (b) Incorporating all as-built information since the previous master plan update
- (c) Calculation of backlogs based on the above information
- (d) Re-engineering and consolidating the bulk supply schemes based on the source of supply whilst incorporating existing towns

<sup>7</sup> "A water services development plan must form part of any integrated development plan contemplated in the Local Government Transition Act, 1993 (Act No. 209 of 1993)" {Chapter III, 15 (5)}; Water Services Act 108 of 1997 (RSA, 1997)

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

- (e) Recalculation of the cost of new capital infrastructure required based on the confirmed population figures, the higher level of service (60 l/c/d vs 25 l/c/d), and updated cost models for both water and sanitation
- (f) Investigating the potential of cross border supplies with Umzinyathi and uMhlathuze District Municipalities whilst engaging DWAF for potential bulk infrastructure funding
- (g) A bulk water feasibility study for the Vutshini area
- (h) Making recommendations regarding policies for low and upper income housing projects and industrial developments
- (i) Developing guidelines for SMME development regarding the implementation of projects
- (j) Updating the five and twenty year capital expenditure budgets.

All new and existing infrastructure is presented in hard copy and electronic reports supported by an updated GIS.

## 8 SECTOR PLANS

Each of the strategies has a number of programmes and projects aimed at facilitating its implementation. Apart from specific projects, a number of sector plans have been initiated, are underway, have been completed or are reviewed annually. The progress with regard to these sector plans is summarised in the figure hereunder. The completed sector plans are available on the website at [www.uthungulu.org.za](http://www.uthungulu.org.za).

**Table 28: Status of Sector Plans**

Strategy	Plan	Status
1: Economically Sound District	LED Framework Plan	Complete
	Agricultural Development Plan	Complete
	SMME and Sector Development Plan	Complete
	Local Tourism Development Plan	Complete
	Investment Incentive Strategy	Complete

2: Effective Infrastructure	Water Services Development Plan	Under Review
	Energy Master Plan	Complete
	Integrated Waste Management Plan	Complete
	Cemeteries/ Crematoria Sector Plan	Complete
	Integrated Transport Plan: Phase 2	Complete
3: People Empowerment	Community Services Plan	Complete
	Disaster Management Plan: Phase 2	In Process
	HIV/Aids Policy	In Progress
4: Integrated Environment	IDP Review	Ongoing
	QOL Survey (2007)	Complete
	DIMS: Development and Implementation	Ongoing
	Integrated Environmental Programme	Completed
	Coastal Management Programme	Completed
5: Leadership Excellence	Human Resource Development Plan	Annual Review
	Employment Equity Plan	Under Review
	Skills Development Plan	Ongoing



## 9 SECTOR INVOLVEMENT

The uThungulu District Municipality engages with service providers (government departments) by way of one-on-one Alignment sessions. The following provides details of the sessions that took place during October and November 2008 with such service providers.

- ❖ 30 October 2008
  - Department of Education
  - GCIS
  - Eskom
  - ZFPS
- ❖ 6 November 2008
  - Telkom
  - Department of Housing

It is important to note that not all service providers were able, at the time of the Alignment sessions to provide details on their MTEFs. As such, the data provided hereunder is as per the data presented/provided by the relevant service provider at a later stage.

It should be noted that some departments do not implement project per se but have more of a monitoring role and as such no project budgets are reflected here.

### 9.1 DEPARTMENT OF LOCAL GOVERNMENT AND TRADITIONAL AFFAIRS

Detailed budget information was obtained from the DLGTA and the information considered to be relevant to the uThungulu District Municipality is provided hereunder:

Summary of transfers to municipalities by programme:

<b>RSC Levy, Casino taxes and 2010 Soccer Stadia</b>					
R000	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
Mbonambi	0	0	0	0	0
uMhlathuze	0	0	0	0	0
Ntambanana	0	0	0	0	0
uMlalazi	0	0	0	0	0
Mthonjaneni	0	0	0	0	0
Nkandla	0	0	0	0	0
uThungulu	0	515	0	0	0

<b>Environmental Health</b>					
R000	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
Mbonambi	0	0	0	0	0
uMhlathuze	0	206	222	238	251
Ntambanana	0	73	78	83	88
uMlalazi	0	0	0	0	0
Mthonjaneni	0	0	0	0	0
Nkandla	0	0	0	0	0
uThungulu	0	0	0	0	0

<b>Provincial Management Assistance Programme</b>					
R000	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
Mbonambi	0	100	0	0	0
uMhlathuze	0	0	0	0	0
Ntambanana	0	400	0	0	0
uMlalazi	0	100	0	0	0
Mthonjaneni	0	300	400	0	0
Nkandla	200	0	0	0	0
uThungulu	0	0	0	0	0

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

<b>Infrastructure Provision for Soccer Stadia</b>					
R000	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
Mbonambi	0	0	0	0	0
uMhlathuze	0	0	0	0	0
Ntambanana	0	0	0	0	0
uMlalazi	0	0	0	0	0
Mthonjaneni	0	0	0	0	0
Nkandla	0	0	0	0	0
uThungulu	0	8000	10000	34000	0

<b>Municipal Development Information Services</b>					
R000	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
Mbonambi	0	0	0	0	0
uMhlathuze	0	0	0	0	0
Ntambanana	0	0	0	0	0
uMlalazi	0	0	0	0	0
Mthonjaneni	0	0	0	0	0
Nkandla	0	0	0	0	0
uThungulu	1000	250	250	300	250

<b>Spatial Development</b>					
R000	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
Mbonambi	0	0	0	0	0
uMhlathuze	0	0	0	0	0
Ntambanana	0	0	0	0	0
uMlalazi	0	0	0	0	0
Mthonjaneni	0	0	0	0	0
Nkandla	200	0	0	0	0
uThungulu	0	250	0	0	0

<b>Centre Management Support</b>					
R000	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
Mbonambi	0	0	0	0	0
uMhlathuze	0	0	0	0	0
Ntambanana	0	0	0	0	0
uMlalazi	0	0	0	0	0
Mthonjaneni	0	0	0	0	0
Nkandla	500	0	0	0	0
uThungulu	0	0	500	600	700

<b>Development Administration</b>					
R000	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
Mbonambi	0	0	0	0	0
uMhlathuze	0	0	0	0	0
Ntambanana	0	0	0	0	0
uMlalazi	0	0	0	0	0
Mthonjaneni	0	0	0	0	0
Nkandla	0	0	0	0	0
uThungulu	0	250	0	0	0

<b>Local Economic Development Catalyst</b>					
R000	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
Mbonambi	2150	0	0	0	0
uMhlathuze	0	0	0	0	0
Ntambanana	0	0	0	0	0
uMlalazi	0	0	0	0	0
Mthonjaneni	180	0	0	0	0
Nkandla	100	0	0	0	2000
uThungulu	0	0	0	1000	1000

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

<b>Synergistic Partnerships</b>					
R000	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
Mbonambi	0	0	0	0	0
uMhlathuze	0	0	350	400	0
Ntambanana	0	0	0	0	0
uMlalazi	0	0	0	0	0
Mthonjaneni	0	0	0	0	0
Nkandla	0	0	0	0	0
uThungulu	0	0	0	0	0

<b>Disaster Management</b>					
R000	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
Mbonambi	0	0	0	0	0
uMhlathuze	0	0	0	0	0
Ntambanana	0	0	0	0	0
uMlalazi	0	0	0	0	0
Mthonjaneni	0	0	0	0	0
Nkandla	0	0	0	0	0
uThungulu	2300	500	0	0	0

<b>Corridor Development</b>					
R000	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
Mbonambi	3000	0	0	0	0
uMhlathuze	0	0	0	0	0
Ntambanana	700	0	0	0	0
uMlalazi	2000	0	0	0	0
Mthonjaneni	0	0	0	0	0
Nkandla	1000	0	0	0	0
uThungulu	0	8250	0	0	0

<b>Discontinuation of Old Grants</b>					
R000	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
Mbonambi	0	0	0	0	0
uMhlathuze	0	0	0	0	0
Ntambanana	0	0	0	0	0
uMlalazi	0	0	0	0	0
Mthonjaneni	0	0	0	0	0
Nkandla	0	0	0	0	0
uThungulu	1146	300	0	0	0

<b>Strategic Support</b>					
R000	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
Mbonambi	0	0	0	0	0
uMhlathuze	0	0	0	0	0
Ntambanana	0	0	0	0	0
uMlalazi	50	0	0	0	0
Mthonjaneni	0	0	0	0	0
Nkandla	0	0	0	0	0
uThungulu	0	600	250	416	610

<b>Property Rates</b>					
R000	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
Mbonambi	0	0	0	0	0
uMhlathuze	0	3299	3695	3917	4152
Ntambanana	0	0	0	0	0
uMlalazi	0	102	114	121	128
Mthonjaneni	0	121	136	144	153
Nkandla	0	45	50	53	56
uThungulu	0	0	0	0	0

## 9.2 DEPARTMENT OF AGRICULTURE

Information was provided by the Department of Agriculture for the following project types:

- Crop Massification
- Food Security
- Livestock
- Land Reform

<b>CROP MASSIFICATION</b>			
<b>Municipality</b>	<b>Project Name</b>	<b>Project Type</b>	<b>Project Budget</b>
uMlalazi	Biyela	Maize & Beans	3 961 482
Nkandla	Thalaleni	Maize & Beans	3 961 482
Nkandla	Zulu	Maize & Beans	1 200 000
Nkandla	Mpungose	Maize & Beans	1 200 000
Nkandla	Zondi	Maize & Beans	3 961 482
Mthonjaneni	Vukayibambe	Maize & Beans	1 600 000
Mthonjaneni	Khuthazingondo	Maize & Beans	800 000
Mthonjaneni	Ensengeni	Maize & Beans	1 000 000
Mhlathuze	Nxosazana	Sugar Cane Establishment	2 000 000
Mhlathuze	Ingingozi	Sugar Cane Establishment	1 000 000
Mhlathuze	Iniwe Widows	Maize & Beans	396 148
Mhlathuze	Ilima	Sugar Cane Establishment	1 500 000
Mhlathuze	Ezimtoti	Sugar Cane Establishment	1 296 000
<b>FOOD SECURITY</b>			
<b>Municipality</b>	<b>Project Name</b>	<b>Project Type</b>	<b>Project Budget</b>
uMlalazi	Vukubone	Dam	550 000
uMlalazi	Vukuzame	Tunnels	300 000

uMlalazi	Ingeza	Vegetable production	500 000
uMlalazi	Amambatha CC	Tunnels	300 000
uMlalazi	Mgampondo	Nursery	300 000
Nkandla	Sgwamanda	Poultry	400 000
Nkandla	Chibini	Vegetable production	300 000
Nkandla	Ndabuhlezi	Tunnels	300 000
Nkandla	Mbizwe	Tunnels	300 000
Nkandla	Vukuzitihathe	Vegetable production	300 000
Mthonjaneni	Igula	Poultry	250 000
Mthonjaneni	Bhadaza	Poultry	250 000
Mhlathuze	Vukuzitihathe	Vegetable production	250 000
Mhlathuze	Sondlisizwe	Vegetable production	400 000
Mhlathuze	Masithandane	Vegetable production	250 000
Mhlathuze	Kangaroo	Poultry	400 000
Mhlathuze	Amantungwa	Tunnels	400 000
Mlalazi	Gilmani	Poultry	400 000
<b>LIVESTOCK</b>			
<b>Municipality</b>	<b>Project Name</b>	<b>Project Type</b>	<b>Project Budget</b>
Nkandla	Nxamalala	Goat Production	1 400 000
Nkandla	KwaNtuli	Goat Production	1 400 000
Nkandla	Magwaza	Livestock dam	500 000
Mhlathuze	Somngamona	Goat production	1 400 000
Mhlathuze	Mendu	Livestock dam	500 000
<b>LAND REFORM</b>			
Mlalazi	Bhekeshowe	Cane and citrus	2000 000
Mlalazi	MEKH Trading	Cane and citrus	773 000
Mlalazi	Magalela	Cane and citrus	425 000
Mlalazi	Thulwana	Cane and citrus	5 900 000
Mthonjaneni	Victory Ticket	Cane	935 000
Mhlathuze	Landela	Cane	850 000
Mthonjaneni	Khandimpilo	Cane	925 000

### 9.3 ZULULAND (INLAND) FIRE AND PROTECTION SERVICES

The Zululand Fire and Protection Services have an annual budget for the period 2006 to 2008 of R4.7 million. This is broken up in electronic fire detection equipment to the value of R2.6 million, fire fighting aircraft costs at R1.2 million and basic expenses of R932 000. The Zululand Inland Fire and Protection Services have an annual budget for 2008 of R1.46 million. This is broken up in aircraft of R1.25 million and basic expenses of R207 000. The transport operating cost for fire fighting services is R13,50 per km while the cost of a fire fighting team is R1900 per day. The Zululand Fire and Protection Services as well as the Zululand Inland Fire and Protection Services cover an area of 821 580 hectare and had the following membership contributions since 2006:

- o R629 289 in 2006
- o R659 676 in 2007
- o R710 157 in 2008

### 9.4 DEPARTMENT OF TRANSPORT

The following information pertaining was provided:

**Table 29: Transport Projects**

Programme	Project	Allocated Budget (R '000)	DC	KZ	Expenditure as at 31 October 2008 (R '000)	
					Planned	Actual
African Renaissance Roads Upgrade Programme (ARRUP)	P240	30,000	DC28	KZ284	23,825	28,952
	P230	35,000	DC28	KZ284	21,900	14,353
	P15-2	17,000	DC28	KZ286	11,385	6,904
	P50-2 (IC)	2,500	DC28	KZ286	2,500	11,263
	P50-2 (SC)	20,000	DC28	KZ286	11,169	16,784
	P50-3	0	DC28	KZ286	0	7
	<b>Sub Total ARRUP</b>	<b>104,500</b>			<b>70,779</b>	<b>78,264</b>
Roads of National Importance (RNI)	P496	112,500	DC28	KZ282	101,800	131,920
	<b>Sub Total RNI</b>	<b>112,500</b>			<b>101,800</b>	<b>131,920</b>
Roads for Rural Development (RRD)	P568	8,302	DC28	KZ283	19,205	17,142
	P218/ P710		DC28	KZ284	30,151	3,444
	D877/ D130	804	DC28	KZ283	13,647	638
	D135		DC28			
	P534		DC28			
	P47		DC28			
<b>Sub Total RRD</b>	<b>9,106</b>			<b>63,003</b>	<b>21,223</b>	
Pedestrian Bridges	Nsuze	5,000	DC28	KZ286		515
	Matigulu		DC28	KZ284	1,869	1,610
	Nselanyama		DC28	KZ283	2,146	1,702
	<b>Sub Total Ped Bridges</b>	<b>5,000</b>			<b>4,015</b>	<b>3,827</b>
<b>Total</b>	<b>231,106</b>			<b>239,597</b>	<b>235,234</b>	

## 9.5 ESKOM

**Table 30: ESKOM 3 Year Plan**

DM_CODE	Local Munic	LM_CODE	Project Name	Year	Substation Dependency	Network Dependency	Ward No	Total Conns
DC28	Mthonjaneni Munic	KZ285	Mfanefile	08_09			3	390
DC28	uMlalazi Munic	KZ284	Ncemaneni	08_09			8	225
DC28	uMhlathuze Munic	KZ282	Ehlanzeni Nsele Stage	08_09			26	202
DC28	uMlalazi Munic	KZ284	Dodkodweni #1	08_09			1	1650
DC28	Mbonambi Munic	KZ281	Mngqagayi Sabhuza Nxeb	09_10				1517
DC28	uMhlathuze Munic	KZ282	Empembeni	09_10			6	98
DC28	Mthonjaneni Munic	KZ285	Magwaza 01	09_10			2	218
DC28	uMlalazi Munic	KZ284	Ensingweni	09_10	Gingindlovu NB09 Refurb	Empangeni Mandini 88kV Tee Line	17	814
DC28	uMlalazi Munic	KZ284	Mbileni	09_10	Eshowe NB15 Alternative Feed		1	408
DC28	uMlalazi Munic	KZ284	Izinsundu	09_10	Eshowe NB15 Alternative Feed		1	574
DC28	uMlalazi Munic	KZ284	Catherine Booth-Kwakho	09_10			15	979
DC28	Mbonambi Munic	KZ281	Kwambonambi NB146 - SL	09_10			2	507
DC28	Mbonambi Munic	KZ281	Kwambonambi NB56 - Em	09_10			7	614
DC28	uMhlathuze Munic	KZ282	Nkosazana	09_10			25	101
DC28	uMlalazi Munic	KZ284	Eshowe NB15 - Esiphezi	09_10			9	455
DC28	Mbonambi Munic	KZ281	Kwambonambi NB03 - Hla	09_10			1, 2, 3, 5	1010
DC28	uMlalazi Munic	KZ284	Eshowe NB15 - Gcotshen	09_10			5	622
DC28	Ntambanana Munic	KZ283	Mhlathuze NB07 - Obuka	09_10			1, 2, 3	791
DC28	Mbonambi Munic	KZ281	Kwambonambi NB2 - Safa	09_10			4, 10, 11	1222
DC28	Nkandla Munic	KZ286	Ebuqwini	09_10	Benedict 88/22kV S/S	Mtonjaneni Umfolozi 88kV Tee Li	2	1058
DC28	Nkandla Munic	KZ286	Mfongosi	09_10	Benedict 88/22kV S/S	Mtonjaneni Umfolozi 88kV Tee Li	9	1339
DC28	Nkandla Munic	KZ286	Ekhombe	09_10	Benedict 88/22kV S/S	Mtonjaneni Umfolozi 88kV Tee Li	10	1363
DC28	uMlalazi Munic	KZ284	Stilo NB1 - Dibhasi/Ma	10_11			13	255
DC28	Nkandla Munic	KZ286	Nsuze	10_11	Benedict 88/22kV S/S	Mtonjaneni Umfolozi 88kV Tee Li	3	1237
DC28	Nkandla Munic	KZ286	Mbizwe	10_11	Benedict 88/22kV S/S	Mtonjaneni Umfolozi 88kV Tee Li	5	2216
DC28	uMlalazi Munic	KZ284	Slambo	10_11			3	758
<b>Total</b>								<b>20623</b>

## 9.6 DEPARTMENT OF LAND AFFAIRS

The following projects are underway for the Department of Land Affairs. Note that an update is still awaited from the Department:

<b>Mthonjaneni Cluster</b>
<ul style="list-style-type: none"> <li>○ Dubazane Phase 1 – 1600 Ha</li> <li>○ Simunye Agri Tourism Phase 2 – 2100 Ha</li> <li>○ Bucanana Farm – 1000 Ha</li> <li>○ Mthonjaneni Phase 3 – 770 Ha</li> <li>○ Katazo – 500 Ha</li> </ul>
<b>Nkwaleni Cluster</b>
<ul style="list-style-type: none"> <li>○ Bonavista – 900 Ha</li> <li>○ Perseverance – 432 Ha</li> <li>○ Thorny Creek – 468 Ha</li> </ul>
<b>Stateland non-capital expenditure</b>
<ul style="list-style-type: none"> <li>○ Devondale</li> <li>○ Nkandla</li> <li>○ Eshowe Housing</li> <li>○ Zoetveld</li> </ul>
<b>Balance of Grants Implementation</b>
<ul style="list-style-type: none"> <li>○ Ekhuthuleni – R3 million</li> <li>○ Retchterswell – R1 million</li> <li>○ Mevamhlope – R200 000</li> </ul>
<b>Projects Planned for 2008/2009 financial year</b>
<ul style="list-style-type: none"> <li>○ Vooruitsig Farm – 214 Ha</li> <li>○ Duiven Farm Portion 41 of Nkwalini Settlement No. 12785 – 103 Ha</li> <li>○ Roslea Farm of Nkwalini Settlement – 39 Ha</li> <li>○ Remainder of Hilltop Farm No. 11745 – 285 Ha</li> </ul>

- Portion of Ezulwini Farm No. 11065 – 345 Ha
- Mevamhlope – 194 Ha
- Nkomboshe – 128 Ha
- Pogela – 335 Ha
- Shoragh Farm – 428 Ha
- Wallenton – 243 Ha
- Barbi Farm of Shorrocks Hill – 84 Ha
- Sub 1 of Farm Wallenton – 118 Ha
- Rem of Farm Nowlands – 244 Ha
- Rem of Gebersruh, Expectations, Townland of Eshowe No. 8739 – 259 Ha
- Coctane Farm – 495 Ha
- Ellingham – 249 Ha
- Sub 2 of Lot 272 Empangeni – 28 Ha
- Rem of Sub 1 of Blackwood – 221 Ha
- Cottonlands No. 16161 – 128 Ha
- UVS – Remainder of Erf 14945 – 270 Ha

## 9.8 DEPARTMENT OF EDUCATION

An extensive project list was provided by the Department of Education for their 2008 – 2010 MTEF. The following table is a summary of the totals only:

Curriculum Upgrades	R22 400 000
New Schools	R58 960 000
Upgrades and Additions	R91 836 000

## 9.7 DEPARTMENT OF HEALTH

The following capital projects were reported from the Department of Health:

CAPITAL PROJECTS UNDER CONSTRUCTION IN 2008 - 2009 FINANCIAL YEAR					
No.	PROJECT	DC	PROJECT DESCRIPTION	START DATE	VALUE
1	Chwezi Clinic	286	Additions	10.07.2006	R 2 275 299
2	Samungu Clinic	284	Additions	25.10.2006	R 1 755 792
3	Isiboniso Clinic	282	New Clinic	10.01.2007	R 3 122 051
4	Mkhontokayise Clinic	282	New Clinic	20.12.2007	R 3 198 879
5	Dinuntuli Clinic	286	New Clinic	15.10.2007	R 7 654 000
6	KwaMbiza Clinic	283	New Clinic	23.01.2008	R 5 463 655
PLANNED CAPITAL PROJECTS NOT YET UNDER CONSTRUCTION					
No.	PROJECT	DC	PROJECT DESCRIPTION	EXPECTED START DATE	ESTIMATED VALUE
1	Mphaphala Clinic	284	New Clinic	2012	R 6 281 000
2	Ndundulu Clinic	285	Replacement Clinic	2009	R 8 981 088
3	Dlabe Clinic	286	New Clinic	2012	R 10 000 000
4	Tulwane Clinic	286	New Clinic	2012	R 10 000 000
5	Eshowe Clinic	284	New Clinic	2010	R 10 000 000
6	Nogajuka Clinic	285	New Clinic	2010	R 5 000 000

Information on upgrade and renovations was not yet available at the time of preparing this report.

## 9.9 DEPARTMENT OF HOUSING

The following details on current housing projects were provided:

Local Municipality	Housing Projects	Types	No. of Sites
uMhlathuze	uMhlathuze Village IDT Project	Urban	1191
		Urban	250
Mbonambi	Slovas Mhlana	Slum Clearance	507
		Rural	1000
Ntambanana	Obizo Obuka Sompoho	Rural	1000
		Rural	1000
		Rural	1000
Mthonjaneni	Melmoth (Victoria St)	Urban	10
uMlalazi	Sunnydale Gingindlovu(Ext 5&6)	Slum	440
		Slum	300
Nkandla	Nkandla Ph 1 Nkandla Ph 2	Urban	200
		Urban	410

Information on the following details on planned housing projects was provided and is shown at overleaf:



uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

Local Municipality	Projects	Types	No. of sites
uMhlathuze	Dube	slum	1500
	Khoza	slum	1200
Mbonambi	Cwaka	rural	1000
	Dondotha	rural	1000
	Hlanzeni	rural	1000
Ntambanana	Njomelwane	rural	1000
	Buchanana	rural	1000
	Bhiliya	rural	1000
Mthonjaneni	KwaYanguye	rural	500 in phase 1
	Melmoth	urban	500 in phase 1
uMlalazi	Sunnydale (north)	slum	200
	Mpushini Park	slum	800
Nkandla	Godide	rural	500
	Qhudeni	rural	500

### 9.10 DEPARTMENT OF AGRICULTURE AND ENVIRONMENTAL AFFAIRS

Under the Invasive Alien Species Programme, the following projects from the department are noted:

Name	LM	09/10 Budget
uMhlathuze	uMhlathuze	3 812 460
Mfanefile	Mthonjaneni	856 339
<b>Total</b>		<b>4 668 799</b>

## F. IMPLEMENTATION PLAN

At overleaf, the three year Implementation Plan with committed human & financial resources (IDP Framework) detailing the projects and funding, in line with the multi-year budget for the financial years 2009/10 to 2011/12, is attached.

The 3-year Implementation Plan shows a summary of the total revenue and expenditure, as well as a detailed indication of the projects (operational or capital), the funding sources as well as the total funded project budgets for the years 2009/10 to 2011/12.

A summary of the budget is indicated in the table below:

**Table 31: Budget Summary**

2009/10 - 2011/12 Budget Discussion Document	0910	10/11	11/12
<b>Expenditure</b>			
Operational Exp (Inc Salaries)	243,633,135	259,761,408	278,262,229
Internally Funded Operational Projects	35,786,962	61,466,730	67,643,271
Internally Funded Capital Projects	35,002,068	16,630,000	19,635,000
Grant Funded Opex (FMG, Planning Shared Serv & PMU)	3,460,335	3,567,209	3,371,170
Externally Funded Operational Projects	148,174,390	45,550,430	31,701,225
Externally Funded Capital Projects	168,063,154	115,551,380	108,890,000
<b>Total Expenditure</b>	<b>634,120,044</b>	<b>502,527,156</b>	<b>509,502,896</b>
Own Funds (Including Equitable Share & LRG)	(282,712,944)	(322,868,137)	(350,540,501)
Depreciation Funding Reserve	(15,000,000)	(15,000,000)	(15,000,000)
Conditional Grants Revenue	(199,912,000)	(163,945,000)	(143,502,000)
Prior Year's Grant Funding	(77,393,310)	(714,019)	(460,395)
Prior Year's Surplus Funded Capital	(16,709,221)	-	-
Borrowings	(42,392,569)	-	-
<b>Total Revenue</b>	<b>(634,120,044)</b>	<b>(502,527,156)</b>	<b>(509,502,896)</b>

## 1 CAPITAL PROJECTS

**Table 32: Three Year Implementation Plan 2009/10 to 2011/12 – Capital Budget**

Strategy	Projects	Funding Source	2009/10	2010/11	2011/2012
	Internal Fixed Assets	Surplus	60,000	-	-
	<b>Administrative Services</b>		<b>60,000</b>	<b>-</b>	<b>-</b>
	Internal Fixed Assets	Surplus	10,000	40,000	40,000
	<b>Budget &amp; Reporting</b>		<b>10,000</b>	<b>40,000</b>	<b>40,000</b>
5	Internal Fixed Assets	Surplus	30,000	100,000	30,000
	<b>Community Services Total</b>		<b>30,000</b>	<b>100,000</b>	<b>30,000</b>
5	Internal Fixed Assets	Surplus	222,000	50,000	80,000
	<b>Board General Total</b>		<b>222,000</b>	<b>50,000</b>	<b>80,000</b>
5	Internal Fixed Assets	Surplus	20,000	50,000	60,000
	<b>Municipal Manager's Dept</b>		<b>20,000</b>	<b>50,000</b>	<b>60,000</b>
	Internal Fixed Assets	Surplus	40,000		60,000
	<b>Management Services - HR</b>		<b>40,000</b>	<b>-</b>	<b>60,000</b>
	Mandawe Cemetery	Surplus	-	1,000,000	1,000,000
	Regional Cemetery	Surplus	214,458	-	-
5	Construction of Regional Cemetery Ph 2	Surplus	3,000,000		-
	<b>Cemetery Total</b>		<b>3,214,458</b>	<b>1,000,000</b>	<b>1,000,000</b>
5	Internal Fixed Assets	Surplus	75,000		40,000
	<b>Consumer Billing Total</b>		<b>75,000</b>	<b>-</b>	<b>40,000</b>
	Civil Protection	Grant	6,811		
	Internal Fixed Assets	Surplus	20,000		
	<b>Disaster Management</b>		<b>26,811</b>		
5	Internal Fixed Assets (R2600 from 08/09)	Grant	42,600	40,000	40,000
	<b>Finance Interns Total</b>		<b>42,600</b>	<b>40,000</b>	<b>40,000</b>
	Internal Fixed Assets	Surplus	50,000	40,000	40,000
	<b>Executive Division - Technical Services</b>		<b>50,000</b>	<b>40,000</b>	<b>40,000</b>
	Nkandla Electricity Upgrade	Surplus	200,000		
			<b>200,000</b>		
3.5.4.1	Fire Fighting Equipment	Surplus	510,664	500,000	500,000
	Fire Fighting Equipment	DTLGA	1,552,700	-	-
	<b>Fire Protection Total</b>		<b>2,063,364</b>	<b>500,000</b>	<b>500,000</b>
5	Internal Fixed Assets	Surplus	230,000	-	50,000
	Network Link at Ging & Melmoth	Surplus	90,000		
	<b>IT Total</b>		<b>320,000</b>	<b>-</b>	<b>50,000</b>

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

Strategy	Projects	Funding Source	2009/10	2010/11	2011/2012
5	Internal Fixed Assets	Surplus	-	100,000	20,000
	<b>Executive Corporate Services</b>		<b>-</b>	<b>100,000</b>	<b>20,000</b>
5	Internal Fixed Assets	Surplus	50,000	100,000	60,000
	E-Venus	Surplus	447,820		
	Venus Server System	Surplus	580,505		
	<b>Executive Financial Services</b>		<b>1,078,325</b>	<b>100,000</b>	<b>60,000</b>
	Internal Fixed Assets	Surplus	<b>30,000</b>		
	<b>Expenditure</b>		<b>30,000</b>		
	Internal Fixed Assets	Surplus	30,000		
	<b>Municipal Health Services</b>		<b>30,000</b>		
5	Internal Fixed Assets	Grant	114,476	-	-
	<b>MSIG Total</b>		<b>114,476</b>	<b>-</b>	<b>-</b>
	Kwambonambi Low Cost Housing Connections	Surplus	120,000		-
	Mbonambi Water Phase 1	Grant			-
	Kwambonambi Low Cost Housing	Grant	1,348,838	-	-
	Mbonambi Water Phase 1	Grant	3,886,058		
	Greater Mthonjaneni	Grant	6,625,848		
	Regional bulk Scheme (06/07)	Grant	1,674,941		
	Nkandla Hospital	Grant	86,423		
	Nseleni Town Fire Hydrant	Surplus	300,000		
	Security at Upper Nseleni Projects	Surplus	43,859		
2.1.1.2	Mbonambi Water Phase 2	Grant	-	8,000,000	9,871,750
2.1.1.3	Mhlana Bulk Water Supply 3B ext.	Grant	3,413,700	-	-
2.1.1.1	Mhlana Somopho Phase 3C	Grant	-	8,000,000	8,000,000
2.1.1.6	Upper Nseleni Phase 1 VO	Grant	-	8,000,000	1,000,000
2.1.1.8	Upper Nseleni Phase 2	Grant	-	5,300,000	5,000,000
2.1.1.10	Vutshini Phase 1	Grant	-	-	14,233,000
2.1.1.11	Vutshini Phase 2	Grant	15,285,228	6,000,000	5,243,000
	Mvutshini Supply Area SSA5	Grant		7,712,620	8,000,000
2.1.1.14	Upper Nseleni Phase 3 B	Grant	45,434,889	6,000,000	4,750,000
2.1.1.1	Mpungose Phase 1D	Grant	2,395,978	-	-
2.1.1.17	Mpungose Phase 1D VO	Grant	-	7,000,000	1,500,000
2.1.1.18	Mpungose Phase 1E	Grant		-	4,696,537

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

Strategy	Projects	Funding Source	2009/10	2010/11	2011/2012
	KwaHlokoHloko Supply Area	Grant		5,188,760	7,000,000
2.1.1.1	Middledrift Phase 2	Grant	23,931,892	8,000,000	8,210,000
2.1.1.21	Middledrift Phase 4	Grant	-		4,402,694
2.1.1.20	Middledrift Purification Plant	Grant	-	26,800,000	7,443,019
2.1.1.12	Greater Mthonjaneni Phase 1 & 2 - DWAF	Grant	15,199,971	-	-
2.1.1.15	Greater Mthonjaneni Phase 3 - DWAF	Grant	2,000,000	8,100,000	8,100,000
2.1.1.15	Greater Mthonjaneni Phase 3 - MIG	Grant		1,400,000	1,400,000
2.1.1.15	Greater Mthonjaneni Phase 4 - DWAF	Grant		10,000,000	10,000,000
2.1.1.23	Greater Mthonjaneni Regional Bulk Scheme	Loans	20,000,000		-
2.1.5.1	Melmoth Water Services Network Upgrade	Surplus	2,624,180	1,500,000	2,000,000
2.1.5.2	Mtunzini Water Services Network Upgrade	Surplus	2,038,240	1,500,000	2,000,000
2.1.5.3	Gingindlovu Water Services Network Upgrade	Surplus	2,544,715	1,500,000	2,000,000
2.1.5.4	Eshowe Water Services Network Upgrade	Surplus	3,716,169	1,500,000	2,000,000
2.1.5.5	Kwambonambi Water Services Network Upgrade	Surplus	1,873,779	1,500,000	2,000,000
	Mthonjaneni Water Services Network Upgrade	Surplus	44,429		
2.1.5.6	Nkandla Water Services Network Upgrade	Surplus	3,054,746	1,500,000	2,000,000
	Amakhosi Chamber	Surplus	1,500,000	500,000	500,000
	Erosion Protection Nkandla Bulk	Surplus	-	550,000	605,000
	Health & Safety Compliance - Plants	Surplus	-	4,000,000	4,550,000
	Eshowe New Industrial Bulk Services	Surplus	2,000,000		
	<b>Water / Municipal Support Total</b>		<b>161,143,883</b>	<b>129,551,380</b>	<b>126,505,000</b>
5	Internal Fixed Assets	Surplus	-	500,000	-
5	Building Extensions	Surplus	5,000,000	-	-
5	Building Extensions	Loans	21,365,041	-	-
	<b>Property Services Total</b>		<b>26,365,041</b>	<b>500,000</b>	<b>-</b>
	Internal Fixed Assets	Surplus	75,000		
	<b>Planning &amp; Development</b>		<b>75,000</b>		
	Internal Fixed Assets	Grant	52,483	100,000	
	<b>Planning Shared Services</b>		<b>52,483</b>	<b>100,000</b>	
5	Internal Fixed Assets	Surplus	75,000	-	-
	Supply Chain Management Stores	Surplus	1,875,657		
	Fixed Asset Register System	Surplus	30,000		
	<b>SCM Total</b>		<b>1,980,657</b>	<b>-</b>	<b>-</b>

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

Strategy	Projects	Funding Source	2009/10	2010/11	2011/2012
2.4.4	Construction of Regional Solid Waste Site	Surplus	2,155,847	-	-
	Construction of Regional Solid Waste Site	Loans	1,027,528		
	<b>Waste Management Total</b>		<b>3,183,375</b>	<b>-</b>	<b>-</b>
	Ocean View Sewer Upgrade	Grant	2,617,749		
	<b>Waste Water Management Total</b>		<b>2,617,749</b>		
	Internal Fixed Assets	Surplus	20,000		
	<b>Water Services Authority Total</b>		<b>20,000</b>		
5	Internal Fixed Assets	Surplus	-	100,000	-
	<b>Water Services Provider Total</b>		<b>-</b>	<b>100,000</b>	<b>-</b>
	<b>Grand Total</b>		<b>203,065,222</b>	<b>132,271,380</b>	<b>128,525,000</b>
	<b>Reconciles to Budget Summary</b>		<b>-</b>	<b>-</b>	<b>-</b>
	SURPLUS		35,002,068	16,630,000	19,635,000
	GRANTS		125,670,585	115,641,380	108,890,000
	LOANS		42,392,569	-	-
	<b>Total</b>		<b>203,065,222</b>	<b>132,271,380</b>	<b>128,525,000</b>
	Budget Summary				
	Provincial Grants		125,670,585	115,641,380	108,890,000
	National Treasury		94,717,465	75,207,054	
			41,921,339	2,720,000	2,020,000

## 2 OPERATIONAL PROJECTS

**Table 33: Three Year Implementation Plan 2009/10 to 2011/12 – Capital Budget**

Strategy Ref	Operational Projects	Funding	2009/10	2010/11	2011/12
2.8.2	Library Services	Grant	5,000,000	1,000,000	-
	<b>Admin Services Total</b>		<b>5,000,000</b>	<b>1,000,000</b>	<b>-</b>
5.1.2	Budget Cycle	Grant	109,417	306,810	499,225
	Credit Rating	Grant	20,000		
	<b>Finance Interns</b>		<b>129,417</b>	<b>306,810</b>	<b>499,225</b>
2.5.1	Cemeteries/Crematoria Sector Plan Review	Surplus	100,000	-	-
2.5.3	Plannning of Regional Cemetery (Phase 2)	Surplus	-	100,000	-
	<b>Cemetery Total</b>		<b>100,000</b>	<b>100,000</b>	<b>-</b>
	Cinci Sports Facility	Grant	1,583		
	Nkandla Swimming Pool	Grant	17,775		
	Nkandla Sportsfield	Grant	35,955		
	Social Empowerment Upliftment Grant	Grant	52,621		
	Gender Violence Camp	Grant	508		
	UNDP Programmes	Grant	30,409		
2.1.1.3	Infrastructure	Grant	852,000	-	-
3.2.1	Co-ordination and Alignment	Surplus	-	50,000	75,000
3.3.1.1	Formulation of Crime Prevention Strategy	Surplus	50,000	-	-
3.3.1.2	Crime Prevention Forum	Surplus	-	50,000	75,000
3.3.1.3	Education & Community Awareness Campaign	Surplus	-	100,000	150,000
3.4.1	Community Services Plan (Review)	Surplus	-	-	150,000
3.4.3.1	District Elimination & Kwanaloga Games	Surplus	1,800,000	2,000,000	2,000,000
3.4.3.3	Sport Development	Surplus	-	100,000	100,000
3.6.1	Programmes for the Marginalised	Surplus	425,000	300,000	450,000
3.7.1	HIV/AIDS Programme	Surplus	144,358	100,000	185,000
5.7.2	Integrated Poverty Alleviation Strategy	Surplus	-	50,000	-
	<b>Community Services Total</b>		<b>3,410,209</b>	<b>2,750,000</b>	<b>3,185,000</b>
5.1.3.1	Revenue Collection	Surplus	-	-	100,000
	<b>Consumer Billing Total</b>		<b>-</b>	<b>-</b>	<b>100,000</b>

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

Strategy Ref	Operational Projects	Funding	2009/10	2010/11	2011/12
	Disaster Management Advisory Forum	Grant	844		
	Disaster Management Plans	Grant	10,666		
	Disaster Management Centre	Grant	342,977		
	Shared Services	Grant	168,476		
3.5.1	Disaster Management Plan (Operational Plans)	Surplus	100,000	-	-
3.5.2	District Advisory Committee	Surplus	-	25,000	-
	Disaster Stock Items	Surplus	150,000	150,000	250,000
3.5.3	Centre Management Support	Grant	500,000	600,000	700,000
	<b>Disaster Management Total</b>		<b>1,272,963</b>	<b>775,000</b>	<b>950,000</b>
2.3.1	Energy Master Plan Review	Surplus	100,000	100,000	150,000
	Energy Sector Planning	Grant	200,000		
	Support & Intergration of REDS	Grant	150,000		
	<b>Electricity Total</b>		<b>450,000</b>	<b>100,000</b>	<b>150,000</b>
	Asset Care Centre	Grant	280,000	-	-
	Fixed Asset Register	Grant	511,653		
	<b>Expenditure Total</b>		<b>791,653</b>	<b>-</b>	<b>-</b>
5.1.6	Implementation of Financial Legislation - MSIG	Grant	153,000	-	-
	Motor Vehicle Licence Fees	Grant	91,000	96,000	102,000
	uThungulu Financing Partnership	Surplus	4,057,604		
	Revenue Enhancement Plan (MSIG)	Grant	130,000		
	<b>Finance Executive Total</b>		<b>4,431,604</b>	<b>96,000</b>	<b>102,000</b>
3.5.4.2	ZFPA Response	Surplus	-	200,000	-
	<b>Fire Protection Total</b>		<b>-</b>	<b>200,000</b>	<b>-</b>
5.2.2.1	Implementation of ICT Strategy	Surplus	-	50,000	100,000
5.2.2.2	Document Management System	Surplus	-		-
	DPLGA Grant	Grant	14,177		
	Website Development	Grant	250,000		
	<b>IT Total</b>		<b>264,177</b>	<b>50,000</b>	<b>100,000</b>



uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

Strategy Ref	Operational Projects	Funding	2009/10	2010/11	2011/12
5.2.1.1	Re-alignment & Impl. of Organisational Development	Surplus	-	200,000	150,000
5.2.1.4	Bursaries recruitment for Tertiary Institutions	Surplus	-	300,000	300,000
5.2.1.2	PAYDAY Upgrade	Surplus	40,000	40,000	-
5.2.1.8	HR Roadshows	Surplus	100,000	100,000	100,000
5.2.1.9	Teambuilding	Surplus	-	150,000	200,000
5.2.1.3	TASK Job Evaluation Implementation (Est. of payscales)	Surplus	-	100,000	150,000
5.2.1.5	Employee Assistance Programme	Surplus	150,000	200,000	250,000
5.2.1.6	Implementation of Substance Abuse Policy	Surplus	-	25,000	250,000
5.2.1.7	Implementation of Occupational Health & Safety Act	Surplus	150,000	200,000	200,000
	<b>Management Services HR Total</b>		<b>440,000</b>	<b>1,315,000</b>	<b>1,600,000</b>
3.1.2	Environmental Health Plan	Surplus	-	100,000	-
3.1.3.1	Community Awareness & Education on diseases	Surplus	120,000	150,000	-
	<b>Municipal Health Total</b>		<b>120,000</b>	<b>250,000</b>	<b>-</b>
5.4.1.1	Events	Surplus	150,000	200,000	150,000
5.3.1.2	Marketing	Surplus	150,000	200,000	150,000
5.4.3.1	District Imbizo's	Surplus	-	50,000	75,000
5.4.3.2	Technical District Committee	Surplus	-	50,000	75,000
5.4.3.3	District Mayor's Forum	Surplus	-	50,000	75,000
5.3.3.4	District House of Traditional Leaders	Surplus	-	50,000	75,000
5.4.4	Uthungulu Web-site Development	Surplus	50,000	100,000	150,000
5.5.1	Establishment of Shared Services Concept	Surplus	-	100,000	150,000
5.6.1	Individual Performance Management	Surplus	-	100,000	100,000
5.5.2.1	Municipal Performance Excellence (VUNA) Strategy	Surplus	-	100,000	100,000
5.5.2.2	Performance Specialist & System Administrator	Surplus	-	200,000	-
5.6.1	District Information Management System	Surplus	-	100,000	-
5.6.2	Risk Management Strategy	Surplus	50,000	100,000	150,000
	<b>Municipal Manager Total</b>		<b>400,000</b>	<b>1,400,000</b>	<b>1,250,000</b>

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

Strategy Ref	Operational Projects	Funding	2009/10	2010/11	2011/12
	KwaBulawayo Development	Grant	1,922,371	-	-
	Agricultural North Eastern Region Grant	Grant	1,088	-	-
	Craft Market Richardsbay Marina	Grant	1,442	-	-
	Public Transport Plan	Grant	313,770	-	-
	uMhlathuze 2010 Sports Stadium	Grant	10,000,000	-	-
	uMhlathuze 2010 Synthetic Athletic Track	Grant	2,500,000	-	-
	Soccer Stadiums (Infrastructure)	Grant	8,773,335	-	-
	Zululan Heritage Route	Grant	1,498,443	-	-
	KwaBulawayo Tourism Development	Grant	3,000,000	-	-
	Northern KZN Film Office	Grant	1,000,000	-	-
	Marina Craft Development & Training	Grant	2,100,000	-	-
	District Transport Plan Review	Grant	500,000	-	-
	IDP Revision	Grant	572	-	-
	Mbonambi SDF	Grant	150,000	-	-
	Development Planning Grant - Shared Services	Grant	1,700,000	-	-
	MIIP Grant	Grant	220,000	-	-
	Strategic Support (IDP Review) Grant	Grant	30,703	-	-
	IDP Roadshows	Grant	53,600	-	-
	Review of Spatial Development Framework	Grant	250,000	-	-
	Town Planning (Development Administration)	Grant	250,000	-	-
	Planning	Grant	788,956	-	-
	Planning : Regional Council	Grant	2,185,604	-	-
	MSIG 04/05 Capacity Building	Grant	400,000	-	-
	MSIG - Nkandla	Grant	80,000	-	-
	MSIG 07/08	Grant	131,178	-	-
	MSIG 06/07	Grant	639,461	-	-
	MSIG Consolidated	Grant	192,488	-	-

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

Strategy Ref	Operational Projects	Funding	2009/10	2010/11	2011/12
1.1.1.1	Review of LED Framework	Surplus	-	150,000	200,000
1.1.2.1	LED Forum	Surplus	-	50,000	50,000
1.1.2.2	LED Development Fund	Surplus	250,000	500,000	300,000
1.1.2.3	LED Operational Support Programme	Surplus	-	200,000	300,000
1.1.2.4	LED Institutional Support	Surplus	-	100,000	150,000
1.1.2.5	LED Capacity Training	Surplus	-	100,000	150,000
1.1.3.15	Business Support Services	Surplus	-	100,000	150,000
1.1.4.1	Trade Missions	Surplus	300,000	250,000	-
1.1.4.2	Trade & Investment Marketing	Surplus	-	350,000	200,000
1.1.4.4	SMME/Agriculture Indaba	Surplus		200,000	-
1.1.4.5	LED Roadshows	Surplus		200,000	150,000
1.2.2.1	Richards Bay Passenger Cruise Terminal & Arrivals	Surplus	85,000	250,000	-
1.2.2.2	Siyayi Coastal Park: Umlalazi NR	Surplus	-	100,000	200,000
1.2.2.3	Lake Nhlabane Estuary and Dawsons Rock	Surplus	-	150,000	-
1.2.2.4	Mapelane - linkage to GSLWP	Surplus	-	150,000	-
1.2.2.6	Etunzi Reserve Development	Surplus	-	100,000	-
1.2.2.7	Zulu Route (Heritage sites upgrade)	Surplus	-	250,000	-
1.2.2.8	Battlefield Route	Surplus	-	50,000	-
1.2.2.9	Birding Route	Surplus	-	200,000	-
1.2.2.10	Kwa-Bulawayo Tourism Development	Surplus	-	200,000	-
1.2.2.12	Tourism related SMME development	Surplus	-	50,000	-
1.2.2.13	Adventure Tourism	Surplus	-	50,000	-
1.2.2.14	2010 World Cup Stadia	Grant	34,000,000	-	-
	2010 Soccer World Cup Stadiums (Pending) - DTLGA	Grant	14,000,000	-	-
	2010 Soccer World Cup Stadiums (Pending) - SAFA	Grant	4,000,000	-	-
	2010 Soccer World Cup Stadiums (Pending) - uMhlathuze	Grant	10,000,000	-	-
	2010 Disaster Management Grant	Grant	500,000		

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

Strategy Ref	Operational Projects	Funding	2009/10	2010/11	2011/12
1.2.2.15	Film Office	Surplus	100,000	200,000	-
1.2.2.16	Craft Marketing & Development Strategy	Surplus	100,000	300,000	-
1.2.2.17	Forests of Zululand	Surplus	-	200,000	-
1.2.2.18	Nkandla Forest Tourism Development	Surplus	-	300,000	250,000
1.2.2.19	Dlinza Forest Tourism Development	Surplus	-	200,000	250,000
1.2.2.20	Ongoye Forest Tourism Development	Surplus	100,000	350,000	250,000
1.2.2.21	Qhudeni Forest Tourism Development	Surplus	-	50,000	75,000
1.2.3.2	Imvoti Plaza Tourism Office	Surplus	-	100,000	100,000
1.2.4.1	Tourism Awareness Programme	Surplus	-	150,000	100,000
1.2.4.2	Tourism Marketing: Shows	Surplus	200,000	200,000	200,000
1.2.4.3	Tourism Marketing Tools	Surplus	-	250,000	200,000
1.2.4.4	Tourism Media Marketing	Surplus	400,000	400,000	400,000
1.2.4.5	Tourism Events (Zulu Dance)	Surplus	500,000	500,000	600,000
1.2.4.6	Signage	Surplus	-	150,000	100,000
1.3.1.1	Review of Agricultural Development Plan	Surplus	-	100,000	-
1.3.2.2	Community Farm: Kwamthetwa	Surplus	100,000	150,000	200,000
1.3.2.3	Community Farm: Mthonjaneni	Surplus	100,000	150,000	200,000
1.3.2.4	Community Farm: Nkandla	Surplus	100,000	150,000	200,000
1.3.2.5	Community Farm: Entumeni	Surplus	100,000	150,000	200,000
1.3.2.6	Community Farm: Ntambanana	Surplus	100,000	150,000	200,000
1.3.2.7	Horticulture Emerging Farmer Assistance	Surplus	-	250,000	300,000
1.3.2.8	Livestock Poultry Project	Surplus	-	150,000	-
1.3.2.9	Community Biodiesel Production Farms	Surplus	-	50,000	-
1.4.1.1	Review of SMME Sector Development Plan	Surplus	-	150,000	-
1.4.2.1	Local Industrial Parks and Small Business Hives	Surplus	-	100,000	-
1.4.2.2	SMME Support (Asisebenze)	Surplus	-	200,000	-
1.4.3.1	Manufacturing related SMME development	Surplus	-	150,000	-
1.4.3.3	BEE Participation	Surplus	-	150,000	-

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

Strategy Ref	Operational Projects	Funding	2009/10	2010/11	2011/12
1.5.3	ICT Support Programme	Surplus	-	100,000	-
2.6.1	Integrated Transport Plan & Implementation	Surplus	-	100,000	-
4.1.1.1	Strategic Support	Grant	250,000	416,000	610,000
4.1.1.2	IDP Roadshows - Izimbizo	Surplus	600,000	700,000	800,000
4.1.2	Quality of Life Survey	Surplus	-	370,000	400,000
4.1.3.1	GIS Development and Training (Municipal Development Information Services)	Grant	250,000	300,000	250,000
4.1.3.1	GIS Development & Training	Surplus	-	300,000	3,000,000
4.2.1.2	District Land Summit	Surplus	-	150,000	-
4.4.1	Integrated Environmental Programme (Review)	Surplus	-	160,000	-
4.4.2.1	Municipal Environmental Management System	Surplus	-	200,000	-
4.4.4	Implementation:Removal of Invader Plants Business Plan	Surplus	-	200,000	-
4.4.5	Coastal Management Programme (Review)	Surplus	-	150,000	200,000
4.4.6.1	District Coastal Working Group	Surplus	-	50,000	75,000
	LED Catalyst	Grant		1,000,000	1,000,000
	EIA Policies	Grant	153,000		
	Municipal Systems Improvement Grant	Grant	19,000	750,000	790,000
	<b>Planning Total</b>		<b>104,990,011</b>	<b>14,096,000</b>	<b>12,800,000</b>
2.4.1.1	Integrated Waste Management Plan Review	Surplus	100,000	-	-
2.4.1.3	Investigate additional suitable land (Regional Solid Waste & Regional Cemetery)	Surplus	-	50,000	-
	Waste Management Ntambanana	Surplus	265,000		
2.4.3	Planning of Regional Solid Waste Site (Cell 3&4)	Surplus	-	250,000	-
	Integrated Waste Grant	Grant	200,000	-	-
	Review of Waste Management Plan	Grant	300,000	-	-
	<b>Waste Management Total</b>		<b>865,000</b>	<b>300,000</b>	<b>-</b>

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

Strategy Ref	Operational Projects	Funding	2009/10	2010/11	2011/12
2.1.2.1	281-2 - VIP Sanitation Project	Grant	8,028,795	6,218,328	-
2.1.2.2	285-3 - VIP Sanitation Project	Grant	-	-	6,250,000
2.1.2.3	285-3 - VIP Sanitation Project	Grant	-	8,000,000	-
2.1.2.5	286-3 - VIP Sanitation Project	Grant	-	6,000,000	6,000,000
2.1.2.6	283-2 - VIP Sanitation Project	Grant	6,714,774	7,200,000	-
2.1.2.7	283-3 Sanitation Project	Grant	-	5,000,000	8,000,000
2.1.2.8	284-3 - VIP Sanitation Project	Grant	-	8,570,292	7,500,000
2.1.1.10	Upgrade sewerage plant, Mtunzini, Eshowe, Ging	Grant	7,337,000	-	-
	Upgrade sewerage plant, Mtunzini, Eshowe, Ging (08/09)	Grant	4,357,329	-	-
	National Sanitation Week	Surplus	50,000	50,000	50,000
	Mthonjaneni Sanitation - DWAF	Grant	1,780,403	-	-
	Sanitation UDM	Grant	1,781,473	-	-
	Sanitation - DWAF	Grant	727,836	-	-
	<b>Waste Water Total</b>		<b>30,777,610</b>	<b>41,038,620</b>	<b>27,800,000</b>
2.1.3.2	Water loss management strategy	Surplus	-	500,000	550,000
	Management Consultant: WSA	Surplus	-	220,000	242,000
	DWAF Water Resource Compliance	Surplus	-	200,000	200,000
2.1.3.4	Water Quality Improvement Interventions	Surplus	500,000	550,000	605,000
2.2.1	Annual Update of WSDP	Surplus	350,000	500,000	400,000
2.2.2	Water Master Planning	Surplus	500,000	500,000	500,000
2.2.3.1	Water / Sanitation Awareness Campaigns	Surplus	-	450,000	300,000
2.2.3.2	National Water Week	Surplus	50,000	50,000	50,000
2.2.3.3	National Arbor Week	Surplus	50,000	50,000	50,000
	Facilitation Assessment Service Delivery	Grant	94,560	-	-
	Integrated Development Infrastructure - Capacity Building	Grant	90,000	-	-
	Subsidy for Water Services Works	Grant	535,240	-	-
	Institutional Support & Capacity Building Grant	Grant	575,456	-	-
	Municipal Development Information Service	Grant	980,380	-	-
	<b>Water Services Authority Total</b>		<b>3,725,636</b>	<b>3,020,000</b>	<b>2,897,000</b>

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

Strategy Ref	Operational Projects	Funding	2009/10	2010/11	2011/12
	Tanker Reduction Strategy	Surplus	5,000,000	11,000,000	12,100,000
2.1.3.1	Issue Manager	Grant	127,000	93,000	-
2.1.3.1	Issue Manager	Surplus	-	250,000	350,000
2.1.3.3	Water metre installation	Surplus	1,000,000	1,100,000	1,210,000
2.1.3.5	Existing Projects Extensions	Surplus	-	1,000,000	1,100,000
2.1.6	Customer Care and Call Centre	Surplus	300,000	400,000	500,000
2.1.4.1	Emergency Water Supply (Water Tankers)	Surplus	2,500,000	2,500,000	3,000,000
2.1.3.2	Survival Water Programme / Drought Relief / Emergency Wat	Surplus	14,100,000	23,876,730	29,651,271
	EPWP Incentive Grant	Grant	754,000	-	-
	Section 78 Capacity Assessment	Grant	528,200	-	-
	Water Services Provider Plan	Grant	1,146,800	-	-
	Technical Support, Infrastructure Backlog, MIIPS	Grant	900,000	-	-
	Issue Manager	Grant	176,000	-	-
	Public Works	Grant	70,912	-	-
	Co-Funding Business Plans	Grant	190,160	-	-
	<b>Water Services Provider Total</b>		<b>26,793,072</b>	<b>40,219,730</b>	<b>47,911,271</b>
	<b>Grand Total</b>		<b>183,961,352</b>	<b>107,017,160</b>	<b>99,344,496</b>
	<b>Reconciles to Budget Summary</b>		<b>-</b>		
	SURPLUS		35,786,962	61,466,730	67,643,271
	GRANTS		148,174,390	45,550,430	31,701,225
	LOANS		-	-	
	<b>Total</b>		<b>183,961,352</b>	<b>107,017,160</b>	<b>99,344,496</b>

## G. PROJECTS

One year detailed operational plan that will be translating to SDBIP.

### ❖ **2009/2010 Implementation Plan :**

The IDP Framework for the 2009/10 Implementation Plan provides detail on the Projects and Funding sources. The projects are divided in two categories, as follows:

- A – Funded
  - UDM funds (uThungulu’s own funds)
  - Grants (Project specific national or provincial grants)
  - Loans
- B – To be sourced
  - Funding to be sourced from external funders or internal surplus funds



uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

UTHUNGULU DISTRICT MUNICIPALITY IDP FRAME					2009/10				
Prog	KPA	KPI / Project	Projects	OP/CAP	Funding Sources & Comments	UDM funds	Grants - project specific	Loans	2009/10 TOTAL FUNDED
<b>NATIONAL KPA: LOCAL ECONOMIC DEVELOPMENT</b>									
			<b>STRATEGY ONE: ECONOMICALLY SOUND DISTRICT</b>			<b>6,362,040</b>	<b>9,523,344</b>	<b>0</b>	<b>15,885,384</b>
<b>1.0</b>			<b>Operational Expenses</b>			<b>3,827,040</b>	<b>0</b>	<b>0</b>	<b>3,827,040</b>
<b>1.1</b>			<b>Local Economic Development</b>			<b>550,000</b>	<b>0</b>	<b>0</b>	<b>550,000</b>
	1.1.1		LED Framework Plan			0	0	0	0
		1.1.1.1	Review of LED Framework	OP	To be sourced	0	0	0	0
	1.1.2		LED Capacity, Institutional & Operational Support			250,000	0	0	250,000
		1.1.2.1	LED Forum	OP		0	0	0	0
		1.1.2.2	LED Development Fund	OP	UDM 09/10	250,000	0	0	250,000
		1.1.2.3	LED Operational Support Programme	OP	UDM 09/10	0	0	0	0
		1.1.2.4	LED Institutional Support	OP		0	0	0	0
		1.1.2.5	LED Capacity Training	OP		0	0	0	0
	1.1.3		Gijima KZN LED Support Programme / LED Projects			0	0	0	0
	1.1.4		Marketing, Trade and Investment			300,000	0	0	300,000
		1.1.4.1	Trade Missions	OP	UDM 09/10	300,000	0	0	300,000
		1.1.4.2	Trade & Investment Marketing (Media Marketing & Tools)	OP		0	0	0	0
		1.1.4.3	Business Retention & Expansion Implementation	OP		0	0	0	0
		1.1.4.4	SMME / Agriculture Indaba	OP		0	0	0	0
		1.1.4.5	LED Roadshows	OP		0	0	0	0
<b>1.2</b>			<b>Local Tourism Development</b>			<b>1,485,000</b>	<b>9,522,256</b>	<b>0</b>	<b>11,007,256</b>
	1.2.1		Tourism Development Plan			0	0	0	0
		1.2.1.1	Review of Tourism Development Plan	OP		0	0	0	0
	1.2.2		Implement LED Framework: Tourism			385,000	9,522,256	0	9,907,256
		1.2.2.1	Richards Bay Passenger Cruise Terminal & Arrivals	OP	UDM 09/10	85,000	0	0	85,000
		1.2.2.2	Siyayi Coastal Park: Umlalazi NR	OP		0	0	0	0
		1.2.2.3	Lake Nhlabane Estuary and Dawsons Rock	OP		0	0	0	0
		1.2.2.4	Mapelane - linkage to GSLWP	OP		0	0	0	0
		1.2.2.6	Etunzi / Port Durnford Reserve Development	OP		0	0	0	0

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<b>NATIONAL KPA: LOCAL ECONOMIC DEVELOPMENT</b>									
			<b>STRATEGY ONE: ECONOMICALLY SOUND DISTRICT</b>			<b>6,362,040</b>	<b>9,523,344</b>	<b>0</b>	<b>15,885,384</b>
		1.2.2.7	Zulu Route (Heritage sites upgrade)	OP	Grant	0	1,498,443	0	1,498,443
		1.2.2.8	Battlefield Route	OP		0	0	0	0
		1.2.2.9	Birding Route	OP		0	0	0	0
		1.2.2.10	Kwa-Bulawayo Tourism Development	OP	Grant	0	4,922,371	0	4,922,371
		1.2.2.12	Tourism related SMME development	OP		0	0	0	0
		1.2.2.13	Adventure Tourism	OP		0	0	0	0
		1.2.2.14	Film Office	OP	UDM 09/10 Grant	100,000	1,000,000	0	1,100,000
		1.2.2.15	Craft Marketing & Development Strategy	OP	UDM 09/10	100,000	0	0	100,000
		1.2.2.16	Forests of Zululand	OP		0	0	0	0
		1.2.2.17	Nkandla Forest Tourism Development	OP		0	0	0	0
		1.2.2.18	Dlinza Forest Tourism Development	OP		0	0	0	0
		1.2.2.19	Ongoye Forest Tourism Development	OP	UDM 09/10	100,000	0	0	100,000
		1.2.2.20	Qhudeni Forest Tourism Development	OP		0	0	0	0
		1.2.2.21	Craft Market Richards Bay Marina	OP	Grant	0	1,442		1,442
		1.2.2.22	Marina craft development and training	OP	Grant	0	2,100,000		2,100,000
	1.2.3		Tourism Destination Management Offices			0	0	0	0
		1.2.3.1	Kwambonambi Tourism Junction	OP		0	0	0	0
		1.2.3.2	Imvoti Plaza Tourism Office	OP		0	0	0	0
	1.2.4		Uthungulu Tourism Development Office			1,100,000	0	0	1,100,000
		1.2.4.1	Tourism Awareness Programme	OP		0	0	0	0
		1.2.4.2	Tourism Marketing: Shows	OP	UDM 09/10	200,000	0	0	200,000
		1.2.4.3	Tourism Marketing Tools & Web-ste	OP		0	0	0	0
		1.2.4.4	Tourism Media Marketing	OP	UDM 09/10	400,000	0	0	400,000
		1.2.4.5	Tourism Events (Zulu Dance)	OP	UDM 09/10	500,000	0	0	500,000
		1.2.4.6	Signage	OP		0	0	0	0
<b>1.3</b>			<b>Agricultural Development</b>			<b>500,000</b>	<b>1,088</b>	<b>0</b>	<b>501,088</b>

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

Prog	KPA	KPI / Project	Projects	OP/CAP	Funding Sources & Comments	UDM funds	Grants - project specific	Loans	2009/10 TOTAL FUNDED
<b>NATIONAL KPA: LOCAL ECONOMIC DEVELOPMENT</b>									
			<b>STRATEGY ONE: ECONOMICALLY SOUND DISTRICT</b>			<b>6,362,040</b>	<b>9,523,344</b>	<b>0</b>	<b>15,885,384</b>
	1.3.1		Agricultural Development Plan			0	0	0	0
		1.3.1.1	Review of Agricultural Development Plan	OP		0	0	0	0
	1.3.2		Agricultural Development & Implementation			500,000	1,088	0	501,088
		1.3.2.1	Co-op Establishment	OP		0	0	0	0
		1.3.2.2	Community Farm: Mbonambi (Kwamthetwa)	OP	UDM 09/10	100,000	0	0	100,000
		1.3.2.3	Community Farm: Mthonjaneni	OP	UDM 09/10	100,000	0	0	100,000
		1.3.2.4	Community Farm: Nkandla	OP	UDM 09/10	100,000	0	0	100,000
		1.3.2.5	Community Farm: uMlalazi (Entumeni)	OP	UDM 09/10	100,000	0	0	100,000
		1.3.2.6	Community Farm: Ntambanana	OP	UDM 09/10	100,000	0	0	100,000
		1.3.2.7	Horticulture: Emerging Farmer Assistance	OP		0	0	0	0
		1.3.2.8	Live Stock: Poultry Project	OP		0	0	0	0
		1.3.2.9	Community Biodiesel Production Farms	OP		0	0	0	0
		1.3.2.10	Regional market	OP		0	0	0	0
		1.3.2.11	School Curriculum Programme	OP		0	1,088	0	1,088
<b>1.4</b>			<b>Business &amp; Industrial Development</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	1.4.1		SMME Sector Development Plan			0	0	0	0
		1.4.1.1	Review of SMME Sector Development Plan	OP		0	0	0	0
	1.4.2		Implementation of SMME Plan			0	0	0	0
		1.4.2.1	Local Industrial Parks and Small Business Hives	OP		0	0	0	0
		1.4.2.2	SMME Support	OP		0	0	0	0
	1.4.3		Implementation of LED Framework: Manufacturing			0	0	0	0
		1.4.3.1	Manufacturing related SMME development	OP		0	0	0	0
		1.4.3.2	Employment Generation Strategy	OP		0	0	0	0
		1.4.3.3	BEE Participation	OP		0	0	0	0
<b>1.5</b>			<b>Information Communication Technology</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	1.5.1		ICT Sector Development	OP		0	0	0	0
	1.5.2		Broadband Access	OP		0	0	0	0
	1.5.3		ICT Support Programme	OP		0	0	0	0
	1.5.4		Co-ordination and Alignment	OP		0	0	0	0

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Prog	KPA	KPI / Project	Projects	OP/CAP	Funding Sources & Comments	UDM funds	Grants - project specific	Loans	2009/10 TOTAL FUNDED
<b>NATIONAL KPA: BASIC SERVICE DELIVERY &amp; INFRASTRUCTURE INVESTMENT</b>									
			<b>STRATEGY TWO: EFFECTIVE INFRASTRUCTURE</b>			<b>217,043,951</b>	<b>166,422,766</b>	<b>21,027,528</b>	<b>404,494,245</b>
<b>2.0</b>			<b>Operational Expenses</b>			<b>168,034,759</b>	<b>0</b>	<b>0</b>	<b>168,034,759</b>
<b>2.1</b>			<b>Potable Water, Waste Water &amp; Sanitation</b>			<b>41,760,117</b>	<b>156,229,502</b>	<b>20,000,000</b>	<b>217,989,619</b>
	2.1.1		Implementation of District Water Projects			<b>163,859</b>	<b>121,197,343</b>	<b>20,000,000</b>	<b>217,989,619</b>
		2.1.1.1	Mbonambi Water Phase 2	CAP	MIG	0	0	0	0
		2.1.1.2	Mhlana Bulk Water Supply 3B ext.	CAP	MIG	0	3,413,700	0	3,413,700
		2.1.1.3	Mhlana Somopho Phase 3C	CAP	MIG	0	0	0	0
		2.1.1.4	Upper Nseleni Phase 1 VO	CAP	MIG	0	0	0	0
		2.1.1.5	Upper Nseleni Phase 2	CAP	MIG	0	0	0	0
		2.1.1.6	Vutshini Phase 1	CAP	MIG	0	0	0	0
		2.1.1.7	Vutshini Phase 2	CAP	MIG	0	15,285,228	0	15,285,228
		2.1.1.8	Greater Mthonjaneni Phase 1 & 2	CAP	MIG	0	15,199,971	0	15,199,971
		2.1.1.9	Greater Mthonjaneni Phase 3	CAP	DWAF	0	2,000,000	0	2,000,000
		2.1.1.10	Greater Mthonjaneni Phase 1 & 2 Bulk Infr.	CAP	DWAF	0	0	0	0
		2.1.1.11	Upper Nseleni Phase 3B (reticulation)	CAP	MIG	0	45,434,889	0	45,434,889
		2.1.1.12	Greater Mthonjaneni Phase 3	CAP	MIG	0	0	0	0
		2.1.1.13	Greater Mthonjaneni Phase 4	CAP	MIG	0	0	0	0
		2.1.1.14	Mpungose Phase 1D	CAP	MIG	0	2,395,978	0	2,395,978
		2.1.1.15	Mpungose Phase 1D VO	CAP	MIG	0	0	0	0
		2.1.1.16	Mpungose Phase 1E	CAP	MIG	0	0	0	0
		2.1.1.17	Middledrift (Purification Plant)	CAP	MIG	0	0	0	0
		2.1.1.18	Middledrift Phase 2	CAP	MIG	0	23,931,892	0	23,931,892
		2.1.1.19	Middledrift Phase 4	CAP	MIG	0	0	0	0
		2.1.1.20	Greater Mthonjaneni Regional Bulk Scheme	CAP	Loan	0	0	20,000,000	20,000,000
		2.1.1.21	Kwambonambi Low cost housing connections	CAP	Surplus	120,000	0	0	120,000
		2.1.1.22	Kwambonambio Low cost housing	CAP	Grant	0	1,348,838	0	1,348,838

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Prog	KPA	KPI / Project	Projects	OP/CAP	Funding Sources & Comments	UDM funds	Grants - project specific	Loans	2009/10 TOTAL FUNDED
<b>NATIONAL KPA: BASIC SERVICE DELIVERY &amp; INFRASTRUCTURE INVESTMENT</b>									
			<b>STRATEGY TWO: EFFECTIVE INFRASTRUCTURE</b>			<b>217,043,951</b>	<b>166,422,766</b>	<b>21,027,528</b>	<b>404,494,245</b>
		2.1.1.23	Mbonambi water phase 1	CAP	Grant	0	3,886,058	0	3,886,058
		2.1.1.24	Greater Mtonjaneni	CAP	Grant	0	6,625,848	0	6,625,848
		2.1.1.25	Regional Bulk Scheme 06/07	CAP	Grant	0	1,674,941	0	1,674,941
		2.1.1.26	Security of upper Nseleni projects	CAP	Surplus	43,859	0	0	43,859
	2.1.2		Implementation of District Sanitation Projects			0	33,345,359	0	33,345,359
		2.1.2.1	281-2 - VIP Sanitation Project	OP	MIG	0	8,028,795	0	8,028,795
		2.1.2.2	281-3 VIP Sanitation Project	OP	MIG	0	0	0	0
		2.1.2.3	285-2 - VIP Sanitation Project	OP	MIG	0	0	0	0
		2.1.2.4	285-3 - VIP Sanitation Project	OP	MIG	0	0	0	0
		2.1.2.5	286-3 - VIP Sanitation Project	OP	MIG	0	0	0	0
		2.1.2.6	283-2 - VIP Sanitation Project	OP	MIG	0	6,714,774	0	6,714,774
		2.1.2.7	283-3 Sanitation Project	OP	MIG	0	0	0	0
		2.1.2.8	284-2 - VIP Sanitation Project	OP	MIG	0	0	0	0
		2.1.2.9	284-3 - VIP Sanitation Project	OP	MIG	0	0	0	0
		2.1.2.10	Upgrade Sewage Plants - Mtunzini, Eshowe, Gin	OP	Nat Grant - Backlo	0	7,337,000	0	7,337,000
		2.1.2.11	Upgrade Sewage Plants - Mtunzini, Eshowe, Gin 0809	OP	Grant	0	4,357,329	0	4,357,329
		2.1.2.12	Mthonjaneni sanitation	OP	Grant	0	1,780,403	0	1,780,403
		2.1.2.13	Sanitation UDM	OP	Grant	0	1,781,473	0	1,781,473
		2.1.2.14	Sanitation DWAF	OP	Grant	0	727,836	0	727,836
		2.1.2.15	Umlalazi (Ocean View sewer upgrade)	CAP	Grant	0	2,617,749	0	2,617,749
	2.1.3		Improvement of Water & Sanitation Schemes			6,500,000	1,686,800	0	8,186,800
		2.1.3.1	Issue Manager	OP	UDM 09/10 & Nat 0	0	303,000	0	303,000
		2.1.3.2	Water loss management strategy	OP	UDM 09/10	0	0	0	0
		2.1.3.3	Water metre installation	OP	UDM 09/10	1,000,000	0	0	1,000,000

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

Prog	KPA	KPI / Project	Projects	OP/CAP	Funding Sources & Comments	UDM funds	Grants - project specific	Loans	2009/10 TOTAL FUNDED
<b>NATIONAL KPA: BASIC SERVICE DELIVERY &amp; INFRASTRUCTURE INVESTMENT</b>									
			<b>STRATEGY TWO: EFFECTIVE INFRASTRUCTURE</b>			<b>217,043,951</b>	<b>166,422,766</b>	<b>21,027,528</b>	<b>404,494,245</b>
		2.1.3.4	Water Quality Improvement Interventions	OP	UDM 09/10	500,000	0	0	500,000
		2.1.3.5	Existing Projects Extensions	OP	UDM 09/10	0	0	0	0
		2.1.3.6	EPWP Incentive Grant	OP	Grant	0	754,000	0	754,000
		2.1.3.7	Heath and Safety Compliance	OP	Grant	0	0	0	0
		2.1.3.8	Tanker reduction strategy	OP		5,000,000			5,000,000
		2.1.3.9	Facilitation Assessment Service Delivery	OP	Grant	0	94,560	0	94,560
		2.1.3.10	Subsidy for Water Services Works	OP	Grant	0	535,240	0	535,240
	2.1.4		Drought relief			16,600,000	0	0	16,600,000
		2.1.4.1	Emergency water supply (Water tankers)	OP	UDM 09/10	2,500,000	0	0	2,500,000
		2.1.4.1	Survival Water Programme	OP	UDM 09/10	14,100,000	0	0	14,100,000
	2.1.5		Upgrading of Water Services Networks			18,196,258	0	0	18,196,258
		2.1.5.1	Melmoth Water Services Network Upgrade	CAP	UDM 09/10	2,624,180	0	0	2,624,180
		2.1.5.2	Mthonjaneni water services network upgrade	CAP		44,429	0	0	44,429
		2.1.5.3	Mtunzini Water Services Network Upgrade	CAP	UDM 09/10	2,038,240	0	0	2,038,240
		2.1.5.4	Gingindlovu Water Services Network Upgrade	CAP	UDM 09/10	2,544,715	0	0	2,544,715
		2.1.5.5	Eshowe Water Services Network Upgrade	CAP	UDM 09/10	3,716,169	0	0	3,716,169
		2.1.5.6	Kwambonambi Water Services Network Upgrade	CAP	UDM 09/10	1,873,779	0	0	1,873,779
		2.1.5.7	Nkandla Water Services Network Upgrade	CAP	UDM 09/10	3,054,746	0	0	3,054,746
		2.1.5.8	Nkandla town fire hydrant	CAP	Surplus	300,000	0	0	300,000
		2.1.5.9	Eshowe New Industrial Bulk Services	CAP	Surplus	2,000,000	0	0	2,000,000
	2.1.6		Customer Care & Call Centre	OP	UDM 09/10	300,000	0	0	300,000
<b>2.2</b>			<b>Water Service Authority &amp; Planning</b>			<b>1,000,000</b>	<b>2,712,256</b>	<b>0</b>	<b>3,712,256</b>
	2.2.1		Annual Update of WSDP	OP	UDM 09/10	350,000	990,000	0	1,340,000
		2.2.1.1	Technical Support, Infr Backlogs, MIIPS	OP		0	900,000	0	900,000
		2.2.1.2	Integrated Development Inf - Capacity Building	OP			90,000	0	90,000

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<b>NATIONAL KPA: BASIC SERVICE DELIVERY &amp; INFRASTRUCTURE INVESTMENT</b>									
			<b>STRATEGY TWO: EFFECTIVE INFRASTRUCTURE</b>			<b>217,043,951</b>	<b>166,422,766</b>	<b>21,027,528</b>	<b>404,494,245</b>
	2.2.2		Water Master Planning	OP	UDM 09/10	500,000	1,146,800	0	1,646,800
		2.2.2.1	Water Services Provider Plan	OP		0	1,146,800	0	1,146,800
	2.2.3		Water Events			150,000	0	0	150,000
		2.2.3.1	National Water Week	OP	UDM 09/10	50,000	0	0	50,000
		2.2.3.2	National Arbor Week	OP	UDM 09/10	50,000	0	0	50,000
		2.2.3.3	National Sanitation Week	OP		50,000			50,000
	2.2.4		Establish Design Office & Feasibility Studies	OP		0	575,456	0	575,456
<b>2.3</b>			<b>Energy</b>			<b>300,000</b>	<b>350,000</b>	<b>0</b>	<b>650,000</b>
	2.3.1		Energy Master Plan Review	OP	UDM 09/10	100,000	0	0	100,000
			Energy sector planning	OP	Grant	0	200,000	0	200,000
			Support & Integration of REDS	OP	Grant	0	150,000	0	150,000
			Nkandla electricity upgrade	CAP	Surplus	200,000	0	0	200,000
<b>2.4</b>			<b>Regional Solid Waste</b>			<b>2,520,847</b>	<b>1,028,200</b>	<b>1,027,528</b>	<b>4,576,575</b>
	2.4.1		Integrated Waste Management			365,000	1,028,200	0	1,393,200
		2.4.1.1	Integrated Waste Management Plan Review	OP	UDM 09/10 Grant	100,000	300,000	0	400,000
		2.4.1.2	Waste Management Strategy (recycling)	OP	To be sourced	0	0	0	0
		2.4.1.3	Investigate additional suitable land (Regional Solid Waste & Regional Cemetery)	OP	UDM 09/10	0	0	0	0
		2.4.1.4	Waste Management Ntambanana			265,000			265,000
		2.4.1.5	Integrated Waste Grant	OP	Grant	0	200,000		200,000
		2.4.1.6	Section 78 Capacity Assessment	OP	Grant	0	528,200	0	528,200
	2.4.2		Implementation of Integrated Waste Management Plan	OP		0	0	0	0
	2.4.3		Planning of Regional Solid Waste Site (Cell 3&4)	OP		0	0	0	0
	2.4.4		Construction of Regional Solid Waste Site (Cell 2)	CAP		2,155,847	0	1,027,528	3,183,375
	2.4.5		Construction of Transfer Stations (Mthonjaneni)	OP		0	0	0	0

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<b>NATIONAL KPA: BASIC SERVICE DELIVERY &amp; INFRASTRUCTURE INVESTMENT</b>									
			<b>STRATEGY TWO: EFFECTIVE INFRASTRUCTURE</b>			<b>217,043,951</b>	<b>166,422,766</b>	<b>21,027,528</b>	<b>404,494,245</b>
<b>2.5</b>			<b>Regional Cemeteries and Crematoria</b>			<b>3,314,458</b>	<b>0</b>	<b>0</b>	<b>3,314,458</b>
	2.5.1		Cemeteries/Crematoria Sector Plan Review	OP	UDM 09/10	100,000	0	0	100,000
	2.5.2		Implementation of Cemeteries/Cremetoria Sector Plan	OP		0	0	0	0
	2.5.3		Plannning of Regional Cemetery (Phase 2 / 3)	OP		0	0	0	0
	2.5.4		Construction of Regional Cemetery (Phase 2)	CAP	Surplus	3,214,458	0	0	3,214,458
<b>2.6</b>			<b>Municipal Roads &amp; Public Transport Services</b>			<b>113,770</b>	<b>700,000</b>	<b>0</b>	<b>813,770</b>
	2.6.1		Public Transport Plan	OP	Grant	113,770	700,000	0	813,770
	2.6.2		John Ross Highway	OP		0	0	0	0
<b>2.7</b>			<b>Municipal Airports</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	2.7.1		Regional Airport Feasibility Assessment	OP		0	0	0	0
<b>2.8</b>			<b>Municipal Public Works</b>			<b>0</b>	<b>5,402,808</b>	<b>0</b>	<b>5,402,808</b>
	2.8.1		Library Services	OP	Prov Grant	0	5,000,000	0	5,000,000
	2.8.2		Cinci Sports Facility	OP	Grant	0	1,583	0	1,583
	2.8.3		Nkandla Swimming Pool	OP	Grant	0	17,775	0	17,775
	2.8.4		Nkandla Sports Field	OP	Grant	0	35,955	0	35,955
	2.8.5		Nkandla hosptial	CAP	Grant	0	86,423	0	86,423
	2.8.6		Public Works	OP		0	70,912	0	70,912
	2.8.7		Co-funding Business Plans	OP		0	190,160	0	190,160



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Prog	KPA	KPI / Project	Projects	OP/CAP	Funding Sources & Comments	UDM funds	Grants - project specific	Loans	2009/10 TOTAL FUNDED
<b>NATIONAL KPA: BASIC SERVICE DELIVERY &amp; INFRASTRUCTURE INVESTMENT</b>									
			<b>STRATEGY THREE: PEOPLE EMPOWERMENT</b>			<b>21,731,506</b>	<b>2,666,012</b>	<b>0</b>	<b>24,397,518</b>
<b>3.0</b>			<b>Operational Expenses</b>			<b>16,931,484</b>	<b>0</b>	<b>0</b>	<b>16,931,484</b>
<b>3.1</b>			<b>Municipal Health</b>			<b>120,000</b>	<b>0</b>	<b>0</b>	<b>120,000</b>
	3.1.1		Establishment of Environmental Health Section	OP		0	0	0	0
	3.1.2		Environmental Health Plan	OP		0	0	0	0
	3.1.3		Implementation of Environmental Health Plan			120,000	0	0	120,000
		3.1.3.1	Community Awareness & Education on diseases	OP	UDM 09/10	120,000	0	0	120,000
<b>3.2</b>			<b>Education, Training &amp; Capacity Building</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	3.2.1		Co-ordination and Alignment	OP		0	0	0	0
<b>3.3</b>			<b>Safety and Security</b>			<b>50,000</b>	<b>0</b>	<b>0</b>	<b>50,000</b>
	3.3.1		Crime Prevention Strategy			50,000	0	0	50,000
		3.3.1.1	Formulation of Crime Prevention Strategy	OP	UDM 09/10	50,000	0	0	50,000
		3.3.1.2	Crime Prevention Forum	OP		0	0	0	0
		3.3.1.3	Education & Community Awareness Campaign	OP	UDM 09/10	0	0	0	0
		3.3.1.4	CCTV Cameras contribution	OP	To be sourced	0	0	0	0
<b>3.4</b>			<b>Community, Service, Facilities and Actions</b>			<b>3,300,000</b>	<b>0</b>	<b>0</b>	<b>3,300,000</b>
	3.4.1		Community Services Plan (Review)	OP		0	0	0	0
	3.4.2		Implementation of Community Services Plan			1,500,000	0	0	1,500,000
		3.4.2.1	Multi-Purpose Community Centres - Co-ordination	OP		0	0	0	0
		3.4.2.2	Amakhosi Chamber	CAP		1,500,000			1,500,000
	3.4.3		Sport & Recreation Programme			1,800,000	0	0	1,800,000
		3.4.3.1	District Elimination and KWANALOGA Games	OP	UDM 09/10	1,800,000	0	0	1,800,000
		3.4.3.3	Sport Development	OP	UDM 09/10	0	0	0	0

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<b>NATIONAL KPA: BASIC SERVICE DELIVERY &amp; INFRASTRUCTURE INVESTMENT</b>									
			<b>STRATEGY THREE: PEOPLE EMPOWERMENT</b>			<b>21,731,506</b>	<b>2,666,012</b>	<b>0</b>	<b>24,397,518</b>
<b>3.5</b>			<b>Disaster Management</b>			<b>760,664</b>	<b>2,582,474</b>	<b>0</b>	<b>3,343,138</b>
	3.5.1		Disaster Management Plan (Operational Plans)	OP	UDM 09/10 Grant	100,000	10,666	0	110,666
	3.5.2		District Advisory Committee/Forum	OP	Grant	0	844	0	844
			Disaster Stock Items	OP		150,000	0	0	150,000
	3.5.3		Centre Management Support	OP	Prov grant - Centre	0	500,000	0	500,000
			Shared Services	OP	Grant	0	168,476	0	168,476
			Disaster Management Centre	OP	Grant	0	342,977	0	342,977
			Civil Protection	CAP	Grant	0	6,811	0	6,811
	3.5.4		Fire Fighting Services			510,664	1,552,700	0	2,063,364
	3.5.4.1		Fire Fighting Equipment	CAP	Surplus/Grant	510,664	1,552,700	0	2,063,364
	3.5.4.2		ZFPA Response	OP	To be sourced	0	0	0	0
<b>3.6</b>			<b>Marginalised Groups</b>			<b>425,000</b>	<b>53,129</b>	<b>0</b>	<b>478,129</b>
	3.6.1		Programmes for the Marginalised			425,000	53,129	0	478,129
<b>3.7</b>			<b>HIV/AIDS</b>			<b>144,358</b>	<b>30,409</b>	<b>0</b>	<b>174,767</b>
	3.7.1		Model Communities HIV/AIDS Programme (UDM/UN)			144,358	30,409	0	174,767

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<b>NATIONAL KPA: SPATIAL PLANNING &amp; SPATIAL DEVELOPMENT FRAMEWORKS</b>									
			<b>STRATEGY FOUR: INTEGRATED ENVIRONMENT</b>			<b>9,794,001</b>	<b>8,724,942</b>	<b>0</b>	<b>18,518,943</b>
<b>4.0</b>			<b>Operational Expenses</b>			<b>9,194,001</b>	<b>0</b>	<b>0</b>	<b>9,194,001</b>
<b>4.1</b>			<b>Integrated Development Planning</b>			<b>600,000</b>	<b>8,571,942</b>	<b>0</b>	<b>9,171,942</b>
	4.1.1		IDP Review			600,000	734,875	0	1,334,875
		4.1.1.1	Annual IDP Review	OP	Grant	0	572	0	572
		4.1.1.2	Strategic Support	OP	Grant	0	280,703	0	280,703
		4.1.1.3	IDP Review Roadshows - Izimbizo	OP	UDM 09/10 Grant	600,000	53,600	0	653,600
		4.1.1.4	Review of Spatial Development Framework	OP	Grant	0	250,000	0	250,000
		4.1.1.5	Mbonambi SDF	OP	Grant	0	150,000	0	150,000
	4.1.2		Quality of Life Survey	OP		0	0	0	0
	4.1.3		GIS Development			0	1,230,380	0	1,230,380
		4.1.3.1	GIS Development & Training	OP	Prov Grant - Munic	0	250,000	0	250,000
		4.1.3.2	Municipal Development Information Services	OP	Grant		980,380	0	980,380
	4.1.4		Planning Implementation			0	6,606,687	0	6,606,687
		4.1.4.1	Town Planning & Land Use Management	OP		0	250,000	0	250,000
		4.1.4.2	Development Plans	OP	Grant	0	2,974,560	0	2,974,560
		4.1.4.3	Development Planning: Shared Services	OP	Grant		1,700,000	0	1,700,000
		4.1.4.4	Development Administration	OP	Grant		0	0	0
		4.1.4.5	MSIG Implementation	OP	Grant		1,682,127	0	1,682,127
<b>4.2</b>			<b>Land Reform</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	4.2.1		KZ Co-ordination & Alignment			0	0	0	0
		4.2.1.1	Area Based Plan	OP		0	0	0	0
		4.2.1.2	District Land Summit	OP		0	0	0	0
<b>4.3</b>			<b>Housing</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	4.3.1		KZ Co-ordination & Alignment	OP		0	0	0	0
<b>4.4</b>			<b>Environmental Management</b>			<b>0</b>	<b>153,000</b>	<b>0</b>	<b>153,000</b>
	4.4.1		Integrated Environmental Programme (Review)	OP	UDM 09/10	0	0	0	0

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<b>NATIONAL KPA: SPATIAL PLANNING &amp; SPATIAL DEVELOPMENT FRAMEWORKS</b>									
<b>STRATEGY FOUR: INTEGRATED ENVIRONMENT</b>									
						<b>9,794,001</b>	<b>8,724,942</b>	<b>0</b>	<b>18,518,943</b>
	4.4.2		Implementation of Integrated Environmental Programme			0	0	0	0
		4.4.2.1	Municipal Environmental Management System	OP		0	0	0	0
	4.4.4		Implementation:Removal of Invader Plants Business Plan	OP		0	0	0	0
	4.4.5		Coastal Management Programme (Review)	OP		0	0	0	0
	4.4.6		Implementation of Coastal Management Programme			0	0	0	0
		4.4.6.1	District Coastal Working Group	OP		0	0	0	0
			EIA Policies	OP		0	153,000		153,000
<b>NATIONAL KPA: FINANCIAL VIABILITY &amp; FINANCIAL MANAGEMENT - Financial Control</b>									
<b>NATIONAL KPA: MUNICIPAL TRANSFORMATION &amp; INSTITUTIONAL DEVELOPMENT - Corporate Services, Administrative Services, Institutional Development, Shared Services</b>									
<b>NATIONAL KPA: GOOD GOVERNANCE &amp; COMMUNITY PARTICIPATION - Public Relations &amp; Communications, Performance Management Programme, Special Projects</b>									
<b>STRATEGY FIVE: LEADERSHIP EXCELLENCE</b>									
						<b>63,064,772</b>	<b>86,394,141</b>	<b>21,365,041</b>	<b>170,823,954</b>
<b>5.0</b>			<b>Operational Expenses</b>			<b>49,106,186</b>	<b>0</b>	<b>0</b>	<b>49,106,186</b>
<b>5.0</b>			<b>Internal Fixed Assets</b>			<b>1,037,000</b>	<b>209,559</b>	<b>0</b>	<b>1,246,559</b>
<b>5.0</b>			<b>Building Extensions</b>	CAP		<b>5,000,000</b>	<b>0</b>	<b>21,365,041</b>	<b>26,365,041</b>
<b>5.1</b>			<b>Financial Control</b>			<b>6,991,586</b>	<b>1,295,070</b>	<b>0</b>	<b>8,286,656</b>
	5.1.1		Compilation of Financial Statements	OP		0	0	0	0
	5.1.2		Budget Cycle	OP	FMG	0	109,417	0	109,417
	5.1.3		Income			4,057,604	221,000	0	4,278,604
		5.1.3.1	Revenue Collection	OP		0	0	0	0
		5.1.3.2	Motor vehicle license fees	OP	Grant	0	91,000	0	91,000
		5.1.3.3	Revenue Enhancement Plan (MSIG) Cost recovery strategy	OP	MSIG	0	130,000	0	130,000
		5.1.3.4	uThungulu Financing Partnership	OP	Surplus	4,057,604	0	0	4,057,604
	5.1.4		Expenditure			1,905,657	791,653	0	2,697,310
		5.1.4.1	Procurement (Supply Chain Management) - Stores	CAP		1,875,657	0	0	1,875,657

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<b>NATIONAL KPA: FINANCIAL VIABILITY &amp; FINANCIAL MANAGEMENT - Financial Control</b>									
<b>NATIONAL KPA: MUNICIPAL TRANSFORMATION &amp; INSTITUTIONAL DEVELOPMENT - Corporate Services, Administrative Services, Institutional Development, Shared Services</b>									
<b>NATIONAL KPA: GOOD GOVERNANCE &amp; COMMUNITY PARTICIPATION - Public Relations &amp; Communications, Performance Management Programme, Special Projects</b>									
			<b>STRATEGY FIVE: LEADERSHIP EXCELLENCE</b>			<b>63,064,772</b>	<b>86,394,141</b>	<b>21,365,041</b>	<b>170,823,954</b>
		5.1.4.2	Salaries & wages	OP		0	0	0	0
		5.1.4.3	Asset Care Centre	OP		0	280,000	0	280,000
		5.1.4.4	Fixed Asset Register	OP	Grant	30,000	511,653	0	541,653
	5.1.6		Implementation of Financial Legislation	OP	MSIG	1,028,325	153,000		1,181,325
		5.1.6.1	E-Venus	CAP	Surplus	447,820	0	0	447,820
		5.1.6.2	Venus Server System	CAP	Surplus	580,505	0	0	580,505
	5.1.7		Strategic Financial Plan	OP		0	0	0	0
	5.1.8		Credit Rating	OP	Grant	0	20,000	0	20,000
<b>5.2</b>			<b>Corporate / Management Services</b>			<b>530,000</b>	<b>14,177</b>	<b>0</b>	<b>544,177</b>
	5.2.1		Human Resource Development			440,000	0	0	440,000
		5.2.1.1	Impl. of Organisational Development and Skills Audit	OP	MSIG	0	0	0	0
		5.2.1.2	Pay Day upgrade	OP	UDM 09/10	40,000	0	0	40,000
		5.2.1.3	TASK Job Evaluation Implementation (Est. of payscales)	OP	To be sourced	0	0	0	0
		5.2.1.4	Bursaries Recruitment (Tertiary Institutions)	OP	UDM 09/10	0	0	0	0
		5.2.1.5	Employee Assistance Programme	OP	UDM 09/10	150,000	0	0	150,000
		5.2.1.6	Implementation of Substance Abuse Policy	OP	To be sourced	0	0	0	0
		5.2.1.7	Implementation of Occupational Health & Safety Act	OP	UDM 09/10	150,000	0	0	150,000
		5.2.1.8	HR Roadshows	OP	UDM 09/10	100,000	0	0	100,000
		5.2.1.9	Team Building	OP	UDM 09/10	0	0	0	0
		5.2.1.10	UDM Training Assesment Centre	CAP	UDM 09/10	0	0	0	0
	5.2.2		Information Technology			90,000	14,177	0	104,177
		5.2.2.1	Implementation of ICT Strategy	OP	UDM 09/10	0	0	0	0
		5.2.2.2	Document Management System	OP	UDM 09/10	0	0	0	0
		5.2.2.3	Voice Over Internet Protocol	OP	To be sourced	0	0	0	0

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<b>NATIONAL KPA: FINANCIAL VIABILITY &amp; FINANCIAL MANAGEMENT - Financial Control</b>									
<b>NATIONAL KPA: MUNICIPAL TRANSFORMATION &amp; INSTITUTIONAL DEVELOPMENT - Corporate Services, Administrative Services, Institutional Development, Shared Services</b>									
<b>NATIONAL KPA: GOOD GOVERNANCE &amp; COMMUNITY PARTICIPATION - Public Relations &amp; Communications, Performance Management Programme, Special Projects</b>									
			<b>STRATEGY FIVE: LEADERSHIP EXCELLENCE</b>			<b>63,064,772</b>	<b>86,394,141</b>	<b>21,365,041</b>	<b>170,823,954</b>
		5.2.2.4	Enterprise Resource Management System (SAP)	OP	To be sourced	0	0	0	0
		5.2.2.5	DPLGA Grant	OP	Grant	0	14,177	0	14,177
		5.2.2.6	Network link at Ging and Melmoth	CAP	Surplus	90,000	0	0	90,000
<b>5.3</b>			<b>Administrative Services</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	5.3.1		General Corporate Administration Services			0	0	0	0
<b>5.4</b>			<b>Public Relations &amp; Communications</b>			<b>350,000</b>	<b>250,000</b>	<b>0</b>	<b>600,000</b>
	5.4.1		Public Relations Programme			300,000	0	0	300,000
		5.4.1.1	Events	OP	UDM 09/10	150,000	0	0	150,000
		5.4.1.2	Marketing	OP	UDM 09/10	150,000	0	0	150,000
	5.4.2		Twinning Agreement (Manzini & UDM)	OP	To be sourced	0	0	0	0
	5.4.3		Intergovernmental Relations			0	0	0	0
		5.4.3.1	District Imbizo's	OP	To be sourced	0	0	0	0
		5.4.3.2	Technical District Committee	OP	To be sourced	0	0	0	0
		5.4.3.3	District Mayor's Forum	OP	To be sourced	0	0	0	0
		5.4.3.4	District House of Traditional Leaders	OP	To be sourced	0	0	0	0
	5.4.4		Uthungulu Web-site Development	OP	UDM 09/10 Grant	50,000	250,000	0	300,000
<b>5.5</b>			<b>Shared Services</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	5.5.1		Establishment of Shared Services Concept	OP	To be sourced	0	0	0	0
<b>5.6</b>			<b>Performance Management Programme</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	5.6.1		Individual Performance Management	OP	To be sourced	0	0	0	0
	5.6.2		Organisational Performance Management			0	0	0	0
		5.6.2.1	Municipal Performance Excellence (VUNA) Strategy	OP		0	0	0	0
		5.6.2.2	Performance Specialist & System Administrator	OP	To be sourced	0	0	0	0

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<b>NATIONAL KPA: FINANCIAL VIABILITY &amp; FINANCIAL MANAGEMENT - Financial Control</b>									
<b>NATIONAL KPA: MUNICIPAL TRANSFORMATION &amp; INSTITUTIONAL DEVELOPMENT - Corporate Services, Administrative Services, Institutional Development, Shared Services</b>									
<b>NATIONAL KPA: GOOD GOVERNANCE &amp; COMMUNITY PARTICIPATION - Public Relations &amp; Communications, Performance Management Programme, Special Projects</b>									
			<b>STRATEGY FIVE: LEADERSHIP EXCELLENCE</b>			<b>63,064,772</b>	<b>86,394,141</b>	<b>21,365,041</b>	<b>170,823,954</b>
<b>5.7</b>			<b>Institutional Development</b>			<b>50,000</b>	<b>0</b>	<b>0</b>	<b>50,000</b>
	5.7.1		District Information Management System	OP	UDM 09/10	0	0	0	0
	5.7.2		Risk Management Strategy	OP	UDM 09/10	50,000	0	0	50,000
	5.7.4		Policy Development	OP		0	0	0	0
<b>5.8</b>			<b>Special Projects</b>			<b>0</b>	<b>84,625,335</b>	<b>0</b>	<b>84,625,335</b>
	5.8.1		2010 Soccer World Cup			0	84,625,335	0	84,625,335
		5.8.1.1	2010 Soccer World Cup Strategy	OP		0	0	0	0
		5.8.1.2	Soccer Stadiums (Infrastructure)	OP	Grant	0	81,625,335	0	81,625,335
		5.8.1.3	Synthetic Athletics Track	OP		0	2,500,000	0	2,500,000
		5.8.1.4.	Soccer 2010 Disaster Management Grant	OP		0	500,000	0	500,000
	5.8.2		Integrated Poverty Alleviation Strategy	OP		0	0	0	0
			<b>GRAND TOTAL</b>			<b>317,996,270</b>	<b>273,731,205</b>	<b>42,392,569</b>	<b>634,120,044</b>

## H. FINANCIAL PLAN

### 1 ALIGNMENT OF BUDGET & IDP

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A new municipal Integrated Development Plan (IDP) has been prepared as required by the Municipal Systems Act and the MFMA, to coincide with the term of the newly elected council. The complete process of IDP preparation was followed, and the content of the previous IDP was taken into account.

The budget process is integrated with the review of the IDP through the IDP review mechanism. The outcome of consultation feeding into the IDP review is taken into account in the budget process.

The budget was prepared using the following IDP inputs:

- ❖ Situational Analysis
- ❖ The outputs of the consultations with the various stake holders.
- ❖ Priority Development Issues
- ❖ Strategic approach

The information from the above processes was included in the budget according to the IDP prioritization model.

### 2 MODELS USED FOR PRIORITISING RESOURCE ALLOCATION

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During March 2009, the district's Management Committee completed an exercise to assist with the technical prioritization of projects, based on council's review of the Municipality's priorities in February 2006.

The main criteria applied related to the:

- (1) Status of the proposed project;
- (2) The public benefit associated with the project;
- (3) Income benefit to Council;
- (4) The impact on the operating budget and
- (5) Planning and approval status.

Each of the criteria is evaluated in terms of a number of considerations to which a weighted value is allocated. The criteria are discussed briefly hereunder:

- ❖ The **status of the project** relates mainly to whether it is a critical or compulsory, i.e. very important to alleviate a health or safety hazard or a legislative requirement. Other considerations relate to the whether the project is essential to fulfil Council's obligations, whether the project is a catalyst to unlock potential or desirable in order to create a positive image.
- ❖ When evaluating the **public benefit** of a project, the most important consideration is the provision in basic needs of a community. Other considerations relate to improving existing basic facilities to a higher standard and the creation of an enabling environment, i.e. a project serves as a catalyst and provides critical linkages.
- ❖ Projects are also evaluated in terms of the **potential income benefit to Council and financial sustainability**. In this regard, a differentiation is made whether a project is income generating, received grant funding in full (covers its own expenses) or partly funded or is a shared service funded from contributions. Another consideration is whether a project could leverage or attract outside investment.
- ❖ The impact of a project on the **operating budget** is another important criteria. Hereunder the most important considerations are a potential reduction on the operating budget. Caution is also taken with regard to projects that could become a liability due to a significant increase in the operating budget.



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- ❖ The final criteria relates to the **planning and approval status** of a project. The main consideration here relates to the approval status of the project in the forms of a sector plan or business plan. The argument being that those projects with approved status can be commenced with sooner.

A technical prioritization model is used that focuses on the municipal core functions, the millennium targets as well as backlog eradication.

The results of the 2007/08 prioritisation were as follows:

	PROGRAMME	PRIORITY TOTAL:
1	Regional Solid Waste	11.5
1	Municipal Public Works	11.5
2	Potable Water, Waste Water & Sanitation	11.0
2	Integrated Development Planning	11.0
3	Municipal Health	10.6
4	Energy	10.5
4	Drought relief	10.5
4	Regional Cemeteries and Crematoria	10.5
4	Fire Fighting (Shared services)	10.5
5	Disaster Management	10.3
6	Municipal Roads & Public Transport Services	10.0
6	Water Service Authority & Planning	10.0
6	Financial Control	10.0
7	HIV/AIDS	9.6
8	Local Economic Development	9.0
9	Poverty Alleviation	8.3
9	Planning Implementation Management Support (PIMS)	8.3
10	Performance Management Programme	8.0
11	Safety and Security	7.8
12	Local Tourism Development	7.5
13	Municipal Airports	7.2
14	Agricultural Development	6.5
15	Community, Service, Facilities and Actions	5.9
16	Environmental Management	5.5
17	Business & Industrial Development	4.5
17	Management Services	4.5
17	Administrative Services	4.5

18	Housing	4.2
19	Marginalised Groups	3.9
20	Education, Training & Capacity Building	3.6
21	Public Relations & Communications	3.5
22	Telecommunication and Technology	3.2
22	Land Reform	3.2

### 3 BUDGET OVERVIEW

#### 3.1 LEGISLATIVE REQUIREMENTS

The Municipal Finance Management Act, 2003 (Act No.56 of 2003) became effective on 1 July 2004. Elements of the act have been phased in according to capacity of each municipality – high, medium and low. As a high capacity municipality, uThungulu was required to comply with the earliest implementation dates, the majority of which are now effective.

Some of the key budget reforms encapsulated within the MFMA, that uThungulu has applied, are:

- ❖ Forward looking, multi-year budgets with strategic focus;
- ❖ Clear links between budget allocations and agreed policies;
- ❖ Improved integration of budget and planning processes;
- ❖ New budget process timetable with earlier adoption of budgets by council and earlier audits of Annual Financial Statements;
- ❖ Improved in-year reporting according to vote/ function;
- ❖ Improved financial management information;
- ❖ Service Delivery and Budget Implementation Plans (SDBIP) developed and approved with budgets;
- ❖ New accounting norms and standards;
- ❖ Improvements to procurement and Supply Chain Management policies and processes;
- ❖ Establishment of a new audit committee and oversight process reforms; and
- ❖ Focus on performance measurement.

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In accordance with Municipal Finance Management Act (MFMA), No.56 of 2003 section 16 (2) the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.

In accordance with MFMA Circular No. 41 which states that "Municipalities are expected to table credible and sustainable budgets. The multi-year budgets should be outputs/outcomes focused and consistent with the form required in terms of the MFMA and supported by the budget and revenue related policies. In this regard, we emphasise the need to ensure that revenue projections are realistic and achievable, allocations from other sources are consistent with the Division of Revenue Act, provincial and district budgets, tariffs and rates are raised taking into account affordability levels of the community, the backlogs in infrastructure are being addressed, whilst maintaining a balance between new and rehabilitation of assets, sufficient provision is made for maintenance of existing assets, provision for working capital, administrative overheads are minimised and overdrafts are managed downwards over the next financial year."

As a result of the above recommendation and in compliance with the MFMA and Municipal Systems Act the budget/IDP process occurred according to the budget timetable approved by council and was monitored by the Budget/IDP Project team. The team further ensured compliance with the MFMA and subsequent circulars in the preparation and approval of the multi-year budget/IDP and SDBIP.

According to the budget/IDP timetable, initial alignment meetings have already occurred with major stakeholders, such as provincial and national government departments, and meetings with suppliers, EXCO, MANCO and Council, and road shows to the communities in November 2008.

The budget was also prepared on recommendations made according to National Treasury's Medium Term Budget Policy in October last year, which indicated projected growth rates, CPIX and a replacement for Levy Income.

The other important pieces of legislation when considering the budget processes are:

- The Division of Revenue Bill 2009; and

- The Municipal Systems Act (Act No.32 of 2000), together with the Municipal Systems Amendment Act (Act No. 44 of 2003).

### Division of Revenue Bill 2009

This Bill issued in February annually, provides the three year allocations from national government to local government. It sets out all the reporting requirements and conditions relating to the grants. Alongside this Provincial Departments allocate funding to local government by means of a provincial gazette.

These allocations are used when preparing the three year budget in order to comply with section 18 of the MFMA (relating to reasonably anticipated revenues to be collected). Additional allocations – both nationally and provincially – are sometimes made to municipalities. However, these are not included in the original budget as the allocations are not certain. When confirmed they will be included in an adjustments budget in accordance with section 28 of the MFMA.

### The Municipal Systems Act (Act No.32 of 2000) and the Municipal Systems Amendment Act (Act No. 44 of 2003)

These Acts form the basis of the links between the budget and the Integrated development Plan (IDP). In particular, the aspects that have been considered in preparing the budget are:

- Community participation (Chapters 4 & 5);
- Performance management (Chapter 6), providing also the basis for measurable performance objectives in the Service Delivery and Budget Implementation Plan (SDBIP); and Tariff policy (Chapter 8).

### 3.2 BUDGET SUMMARY

The following table summarises the overall 2009/10 multi-year budget:

**Table 34: Summary 2009/10 Multi-Year Budget**

2009/10 - 2011/12 Budget Discussion Document	0910	10/11	11/12
<b>Expenditure</b>			
Operational Exp (Inc Salaries)	243,633,135	259,761,408	278,262,229
Internally Funded Operational Projects	35,786,962	61,466,730	67,643,271
Internally Funded Capital Projects	35,002,068	16,630,000	19,635,000
Grant Funded Opex (FMG, Planning Shared Serv & PMU)	3,460,335	3,567,209	3,371,170
Externally Funded Operational Projects	148,174,390	45,550,430	31,701,225
Externally Funded Capital Projects	168,063,154	115,551,380	108,890,000
<b>Total Expenditure</b>	<b>634,120,044</b>	<b>502,527,156</b>	<b>509,502,896</b>
Own Funds (Including Equitable Share & LRG)	(282,712,944)	(322,868,137)	(350,540,501)
Depreciation Funding Reserve	(15,000,000)	(15,000,000)	(15,000,000)
Conditional Grants Revenue	(199,912,000)	(163,945,000)	(143,502,000)
Prior Year's Grant Funding	(77,393,310)	(714,019)	(460,395)
Prior Year's Surplus Funded Capital	(16,709,221)	-	-
Borrowings	(42,392,569)	-	-
<b>Total Revenue</b>	<b>(634,120,044)</b>	<b>(502,527,156)</b>	<b>(509,502,896)</b>

### 3.3 BUDGET POLICIES & SYSTEMS

The following budget related policies are available in full from the office of the Chief Financial Officer. Where applicable, the policies are available on the web-site: [www.uthungulu.org.za](http://www.uthungulu.org.za).

Name of Policy	Date of Council adoption	Purpose / Basic areas covered by Policy
Tariff	29 <sup>th</sup> March 2007 (UDMC: 253)	Details of all tariffs and charges for new financial year

Credit control and debt collection bylaws	14 <sup>th</sup> March 2007 (UDMC: 185)	Principles and guidelines to be followed with respect to arrear consumer debt control
Incentive	29 <sup>th</sup> March 2007 (UDMC: 252)	To improve the principal of paying for services received.
Indigent	29 <sup>th</sup> March 2007 (UDMC: 251)	Guidelines and procedures for the subsidization of rates and basic services to indigent households
Borrowing Policy	23 <sup>rd</sup> September 06 (UDMC: 23)	Sets out the borrowing principles that the municipality will follow when considering any form of borrowing.
Investment and Banking	8 <sup>th</sup> November 06 (UDMC: 83)	Guideline of procedures to be followed when investing or lending money.
Virement	14 December 05 (UDMC: 2689)	Sets out guidelines and procedures to be followed when transferring budget savings between votes
Supply chain management	14 December 05 (UDMC: 2688)	Dictates procedures for the procurement of goods and services

In addition, the following policies / systems are to be noted:

#### 3.3.1 ASSET MANAGEMENT POLICY

The draft policy was conceded by the Financial Portfolio Committee on 26 February 2009 (UDMFS:151), and was set to be approved by Council in June 2009.

#### 3.3.2 REVENUE MANAGEMENT & BILLING SYSTEM

The Venus Financial System is a fully integrated financial system for income and expenditure.

### 3.3.3 EXPENDITURE REPORTS

Detailed expenditure reports, in terms of Section 71 of the MFMA, are submitted monthly to the Financial Portfolio Committee, as well as the Executive Committee and Council.

### 3.4 FUNDING OF THE BUDGET

The following table provides a summary of revenue by source for the financial years 2009/10 to 2011/12:

**Table 35: Summary Revenue by source**

Revenue by Source			
Grants & Subsidies - Provincial - Operational	54,091,000	3,412,000	2,662,000
Grants & Subsidies - Provincial - Capital	852,000	-	-
<b>Total Province Allocations</b>	<b>54,943,000</b>	<b>3,412,000</b>	<b>2,662,000</b>
Grants & Subsidies - National - Operational	262,199,467	304,602,620	314,941,000
Grants & Subsidies - National - Capital	85,298,533	112,501,380	105,850,000
<b>Total National Government Allocations</b>	<b>347,498,000</b>	<b>417,104,000</b>	<b>420,791,000</b>
Other Government - Operational	10,000,000	-	-
Public Contributions	4,000,000	-	-
<b>Total Grants &amp; Subsidies</b>	<b>416,441,000</b>	<b>420,516,000</b>	<b>423,453,000</b>
OTHER INCOME			
Sundry Income	4,243,604	200,880	216,950
Interest	31,045,000	33,329,466	35,620,602
Shared Service Revenue	886,550	957,474	1,034,072
<b>Total Other Income</b>	<b>36,175,154</b>	<b>34,487,820</b>	<b>36,871,624</b>
<b>TOTAL TRADING SERVICES REVENUE</b>	<b>30,008,790</b>	<b>31,809,317</b>	<b>33,717,876</b>
Summary of Total Revenue by Source			
Operational Grants	330,290,467	308,014,620	317,603,000
Capital Grants	86,150,533	112,501,380	105,850,000
Other income	36,175,154	34,487,820	36,871,624
Trading Services	30,008,790	31,809,317	33,717,876
<b>Total Revenue - Excluding Depreciation Reserve</b>	<b>482,624,944</b>	<b>486,813,137</b>	<b>494,042,501</b>
Surplus reserve for depreciation	15,000,000	15,000,000	15,000,000
Prior Year Grant Funding	77,393,310	714,019	460,395
Borrowings	42,392,569	-	-
Prior Year's Surplus Funded Capital	16,709,221	-	-
<b>Total Revenue</b>	<b>634,120,044</b>	<b>502,527,156</b>	<b>509,502,896</b>

### 3.4.1 TARIFFS AND OTHER CHARGES

#### Changes in tariff structure

In October 2003, the assessment of the water provision for the District (excluding KZ 282) per section 78 per the MSA was completed. The results in the summary indicated that the Local Municipalities current water tariffs were not fully inclusive of all costs and therefore could not be implemented as the increase in tariffs would be unaffordable.

Council then adopted a phase in approach. Item UDME: 2161. It must be noted that, in terms of the phase in, all domestic consumers will be on the same tariff in the 2007/2008 financial year. Commercial consumers phase in is as follows for the 2007/2008 Financial year.

- ❖ KZ 281 Year 4 of Year 5
- ❖ KZ 284 Year 4 of Year 5
- ❖ KZ 281 Year 4 of Year 6
- ❖ KZ 285 Year 4 of Year 6

#### Municipal Services

There are four categories of municipal services, namely that of:

- ❖ Trading services – e.g. Water , electricity and sewerage
- ❖ Economic services - e.g. Solid waste disposal facility and other adhoc
- ❖ Subsidized services -e.g. Categories of water and cemetery
- ❖ Community services - e.g. Fire fighting

#### ➤ **Trading Services**

These services are defined as services whereby the consumption of the service is measurable and can be accurately apportioned to an individual consumer. These services are hence managed like businesses and meters are read, where circumstances reasonably permit, on a monthly basis. The tariffs for these services are budgeted for in such a way as to reach a breakeven situation for the municipality. Examples of these services include water, electricity and waste sewer.

The Council's pricing strategy for these services is to **where possible** recover the full cost of rendering the service to the communities. For this purpose full cost includes:

- ❖ Direct operating costs e.g. Salaries, allowances including overtime, materials used, repairs and maintenance, general expenses and plant and vehicle hire.
- ❖ Depreciation / capital charges based on usage, life of buildings, plant and equipment and infrastructure used.
- ❖ Financing outlays which includes loan service cost.
- ❖ Allocated costs that include costs allocated through support services.

#### ➤ **Economic Services**

These are services for which tariffs are fixed in such a way as where possible the full cost of providing the service is recovered, e.g. trade effluent includes commercial and industrial use of the solid waste site, tender deposits and sale of maps. The consumption of an economic service can be measured or determined accurately and charged to an individual consumer. Whilst they are also managed like businesses, the tariffs for these services are normally determined in such a way that user charges cover the cost of providing the service.

These costs can be determined as follows:

- ❖ Full cost of providing the service or;
- ❖ The rate per unit is based on projected usage.

#### ➤ **Subsidized Services**

These are services for which tariffs are fixed in such a way that at least a portion of the cost of providing the service can be recovered. The consumption of these services can be determined reasonably accurately and can be apportioned to individuals and consumers. However, if the tariffs for using this service were based on its real cost, nobody would be able to afford it. In most cases not only would the consumer benefit from using the service, but also other persons.

Therefore, user charge is payable for using the service, but the tariff is much lower than the real cost of providing the service. These services include water, fire fighting, approval of building plans and the construction of buildings (Nkandla and Mbonambi only), leasing of municipal facilities, selling of burial sites and certain town planning functions.

#### ➤ **Community Services**

Community services are those services for which the Council is unable to accurately determine the consumption and hence apportion to individual consumers. These services are typically financed through the operating budget. These services include the provision and maintenance of roads and storm water drainage systems, the establishment, management and maintenance of cemeteries etc. In addition to the above services sewage removal is also a community service provided directly to all the residents and for which costs form part of a balanced budget.

The Municipality also provides support services such as committee services, records and archives, financial management accounting and stores, occupational health and human resources management, which are financed through the operating budget

#### Calculation of tariffs for major services

A minimum amount of basic services must be free. The Municipality subscribes to the policy that all poor households are entitled to a minimum amount of free basic services. A basic service is a service that is necessary to ensure an acceptable and reasonable quality of life and, if not provided, would endanger public health or safety of the environment. These services include:

- ❖ Potable water
- ❖ Domestic wastewater and sewage removal
- ❖ Burials
- ❖ Electricity

Council is aware that it currently does not provide these services to all residents within its municipal area. It is also aware that, more than likely, some of the services it currently provides in conjunction with the abovementioned services may be transferred or assigned to other bodies. In the latter case, the Council commits itself to make representations and negotiate with those services providers to achieve its goal.

Council realizes that in order to achieve its goal, a minimum amount of basic services should be free to the poor, whilst tariffs for services above the minimum level of consumption will have to be increased. These increases are necessary to

make good any shortfall resulting from free services and to ensure a balanced budget on the trading account.

### **Keeping Tariffs Affordable**

Council is keenly aware of the financial situation of most residents within the Municipal area therefore, it undertakes to keep tariffs at affordable Levels. Council is also aware that due to historical reasons many residents receive services at a level higher than what they can afford. In order for services to remain affordable Council will ensure that:

- ❖ Services are delivered at an appropriate level,
- ❖ Efficiency improvements are actively pursued across the Municipalities' operations,
- ❖ Any service that is provided for which there is little demand, be priced at the actual cost of providing it and which requires the Municipality to maintain significant infrastructure and other facilities, are phased out, except where Council is by law required to provide such a service.

#### **➤ Introducing the "Consumer must pay principle".**

Having regard for the abovementioned Council's policy on minimum amount of free basic services, Council believes that consumers of services must pay for the amount of services that they use. Where it is possible to measure the consumption services, Council intends to install metering systems as in the case of water usage, and to take into account the free service element. In this regard the Council will develop a programme to install meters in appropriate cases. Also it is the Council's policy that the tariffs for such services must include all relevant cost factors.

#### **➤ Redistribution / Cross Subsidization**

It is a fact that some members of the community are better able to afford to pay for the services that they use and have the benefit of, than others are. The budget of the Municipality is an important device in ensuring redistribution within

the community. Likewise Council will ensure that the cross-subsidization occurs between and within services to further contribute to its redistribution objectives.

#### **➤ Promoting Local and Economic Competitiveness and Development**

The service charges accounts presented to the local businesses, is a significant business overhead for any business enterprise in the Municipal area. The overhead of a business is one of the factors that influence the price of goods and services sold by it, and therefore its profitability and chances of survival. Council will take care that the municipal accounts presented to local businesses are fair. To ensure fairness toward local business, Council will, when it determines tariffs, take into account the desire:

- ❖ To promote local economic competitiveness and
- ❖ To promote local economic development and growth.

#### **➤ Ensuring Financial Sustainability of Service Delivery**

The Constitution, Local Government Municipal Systems Act, 2000 and Water Services Act of 1997 require that the Municipality must ensure that the services that it provides must be sustainable.

Financial sustainability of an enterprise will be achieved when it is financed in a manner that ensures that it's financing is sufficient. The tariff for a service must therefore be sufficient to cover the cost of the initial capital expenditure required and interest thereon, managing and operating the service and maintaining, repairing and replacing the physical assets used in its provision. However, sustainability does not only mean that the price of the service must include all the relevant cost elements, it also means that charges to be levied must be collected. Council will therefore adopt and apply a Credit Control and Debt Collection policy to ensure that service charges are fully recovered.

It be noted that a section 73 revision is currently in progress in order to determine the appropriateness of the current tariffs, in relation to cost recoverability.

## I. PERFORMANCE MANAGEMENT

Performance management is a strategic approach to management, which is aimed at equipping leaders, managers, workers and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organization in terms of indicators and targets for efficiency, effectiveness and impact. It is a requirement for local government in terms of the Municipal Systems Act, which requires all municipalities to:

- Develop a performance management system;
- Set targets, monitor and review performance based indicators linked to their integrated development plan (IDP);
- Publish an annual report on performance for the councilors, staff, the public and other spheres of government;
- Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government;
- Conduct an internal audit on performance before tabling the report;
- Have their annual performance report audited by the Auditor-General; and,
- Involve the community in setting indicators and targets and in reviewing municipal performance.

### 1 PERFORMANCE MANAGEMENT SYSTEM

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A performance management system has been established and implemented by the District Council, and outlines the performance targets reached for the five IDP Strategies, as electronically captured on the District Information Management System (DIMS).

The following content is included to give an explanation on the DIMS Performance Management System:

- ❖ The DIMS Performance Management System is the measurement tool used by the municipality to measure its success or failure in respect of the IDP for a specific financial year, from 01 July to 30 June;
- ❖ For the purpose of correct and effective measurement, the IDP and the DIMS Performance Management System is aligned in terms of Strategies, Programmes and Key Performance Areas;
- ❖ To understand the levels of measurement and the principles of alignment, the following explanation is given:
  - **Vision :** The uThungulu District Municipality has a vision statement that reads as follows "Our vision is an economically sound district municipality that empowers people, protects the environment and demonstrates leadership excellence".
  - **Strategies :** From the vision five strategies are derived upon which the IDP, the Performance Management System and ultimately service delivery by the municipality, is based. The five strategies are:
    1. Economically Sound District;
    2. Effective Infrastructure;
    3. Integrated Environment;
    4. Leadership Excellence;
    5. People Empowerment.
  - **Programmes:** Under each of the above five strategies, fall a number of programmes in the IDP, aligned to the Performance Management System.
  - **Key Performance Areas (KPA's):** Each programme is divided into a number of Key Performance Areas (KPA's).
  - **Objectives:** Each KPA has an objective(s) outlining what it is that one wants to achieve.
  - **Key Performance Indicators, Targets, Actions and Responsible Officials.**  
To realize each objective, it must have the following:
    - **Key Performance Indicators**, indicating what must be achieved;

- **Targets**, indicating how much and by what time it must be achieved (quantitative and qualitative);
- **Actions**, indicating what actions need to be implemented to achieve the targets;
- **Responsible Officials**, indicating the Team of Officials responsible for the action as well as the Team Leader.”

**NOTE:** The performance module within DIMS were developed to measure and report on performance on both the organisation in terms of their IDP as well as performance on specific targets assigned to individual employees i.e. section 57 staff, since targets are set for achieving specific goals on i.e. projects directly as result of the organisational targets, impacting on individuals.

Since the implementation of DIMS at the uThungulu District Municipality, new performance regulations were gazetted effectively from 1 August 2006. The procedures specifically with regards to the assessment of individuals (Section 57) employees differ from the procedure followed previously within DIMS. The assessment rating and scoring criteria are also now prescribed by the regulations and an applicable performance assessment calculator has been developed by the DPLG.

DIMS in its current status does not cater for compliance with the performance regulations, therefore a manual process has to be followed outside of DIMS for the interim in order to legally comply with the provisions of the regulations. An investigation into a long terms solution is therefore recommended.

**NOTE:** The Municipal Performance Regulations were proclaimed by Minister Sydney Mufamadi and implemented across the Local Government Industry with effect from 01 August 2006 and such will guide Performance Agreements and the Measurement of Performance in the workplace with effect from the 2007/08 Financial Year.

## **2 DRAFT ORGANISATIONAL SCORECARD**

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The Organisational Performance Management System is in the format of a Balanced Organisational Scorecard. The following table sets out the draft Organisational Scorecard with Key Performance Indicators for each objective:



uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

<b>NATIONAL KPA</b>	<b>PROVINCIAL PGDS</b>	<b>LOCAL KPA (Strategies)</b>	<b>OBJECTIVE</b>	<b>AGREED KPI (including national KPIs)</b>
<b>Democracy and Governance</b>	Governance and Administration	Leadership Excellence	To demonstrate improved governance levels through the establishment and implementation of a performance management system	% compliance with OPMS cycle as per OPMS framework
<b>Infrastructure and Services</b>	Community and Social Infrastructure	Effective Infrastructure	To increase the % of households with access to water at a minimum survival standard	% of households with access to a basic level (5lit per person per day) of water
<b>Infrastructure and Services</b>	Community and Social Infrastructure	Effective Infrastructure	To provide at least 55 % of the population with 25 litre of water per person within a 200m walking distance	% of population with 25 litre of water per person within a 200m walking distance
<b>Infrastructure and Services</b>	Community and Social Infrastructure	Effective Infrastructure	To increase the % of households with access to VIP latrine services	% of households with access to a basic level (VIP) of sanitation
<b>Infrastructure and Services</b>	Community and Social Infrastructure	Effective Infrastructure	To provide health hygiene education to at least 90% of the population	Number of households reached with educational initiative per annum
<b>Infrastructure and Services</b>	Community and Social Infrastructure	Effective Infrastructure	To facilitate the electrification of all households within the District	% of households with access to a basic level of electricity
<b>Infrastructure and Services</b>	Community and Social Infrastructure	Effective Infrastructure	To improve bulk waste collection in the District through the solid waste site and transfer stations	Number of bulk users and transfer stations that utilise the solid waste site
<b>Infrastructure and Services</b>	Governance and Administration	People Empowerment	To improve the satisfaction level of communities with the delivery of social services (environmental health, disaster management, fire fighting)	% increase in satisfaction levels with services
<b>Infrastructure and Services</b>	Governance and Administration	People Empowerment	HIV/Aids	To be developed.
<b>Infrastructure and Services</b>	Governance and Administration	People Empowerment	Community facilities	To be developed.
<b>Infrastructure and Services</b>	Governance and Administration	People Empowerment	Safety and Security	To be developed.

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

<b>NATIONAL KPA</b>	<b>PROVINCIAL PGDS</b>	<b>LOCAL KPA (Strategies)</b>	<b>OBJECTIVE</b>	<b>AGREED KPI (including national KPIs)</b>
<b>Infrastructure and Services</b>	Governance and Administration	People Empowerment	Education/Training	To be developed.
<b>Municipal Financial Viability and Management</b>	Governance and Administration	Leadership Excellence	To demonstrate improved governance levels through the establishment of a prudent financial service delivery strategy	Debt coverage
<b>Municipal Financial Viability and Management</b>	Governance and Administration	Leadership Excellence	To demonstrate improved governance levels through the establishment of a prudent financial service delivery strategy	Cost coverage
<b>Municipal Financial Viability and Management</b>	Governance and Administration	Leadership Excellence	To demonstrate improved governance levels through the establishment of a prudent financial service delivery strategy	Outstanding debtor's days
<b>Municipal Financial Viability and Management</b>	Governance and Administration	Leadership Excellence	To demonstrate improved governance levels through the establishment of a prudent financial service delivery strategy	% compliance with the budget process as prescribed
<b>Municipal Financial Viability and Management</b>	Governance and Administration	Leadership Excellence	To demonstrate improved governance levels through the establishment of a prudent financial service delivery strategy	Compliance with prescribed deadlines for the compilation of the annual financial statements
<b>Social and Economic Development</b>	Community and Social Infrastructure	Integrated Environment	To have an integrated development plan in place that is aligned with local municipalities and national and provincial programmes and stakeholders within the District	% compliance annually with the IDP process plan
<b>Social and Economic Development</b>	Community and Social Infrastructure	Integrated Environment	To have an integrated land use management plan in place that is aligned with local municipalities and national and provincial programmes and stakeholders within the District	To be developed.
<b>Social and Economic Development</b>	Economic Development	Economically Sound District	To contribute to a reduction unemployment levels by creating job opportunities through the District LED projects	Number of jobs created through the Districts LED initiatives
<b>Social and Economic Development</b>	Economic Development	Economically Sound District	To contribute to a reduction unemployment levels by creating job opportunities through the District capital projects	Number of jobs created through the Districts capital projects

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

<b>NATIONAL KPA</b>	<b>PROVINCIAL PGDS</b>	<b>LOCAL KPA (Strategies)</b>	<b>OBJECTIVE</b>	<b>AGREED KPI (including national KPIs)</b>
<b>Social and Economic Development</b>	Economic Development	Economically Sound District	To contribute to a reduction in unemployment levels in the District	% unemployment rate in the District
<b>Social and Economic Development</b>	Economic Development	Economically Sound District	To reduce poverty levels in the district by half by the year 2014	To be developed.
<b>Social and Economic Development</b>	Economic Development	Economically Sound District	To promote economic growth and development in all sectors with a particular focus on agriculture	To be developed.
<b>Social and Economic Development</b>	Economic Development	Economically Sound District	To promote economic growth and development in all sectors with a particular focus on tourism	To be developed.
<b>Social and Economic Development</b>	Economic Development	Economically Sound District	To promote economic growth and development in all sectors with a particular focus on industry (SMME)	To be developed.
<b>Social and Economic Development</b>	Economic Development	Economically Sound District	To increase income levels of the poorest 25 000 households to above R 1600 per month	To be developed.
<b>Social and Economic Development</b>	Governance and Administration	People Empowerment	To improve the social well-being of the people of the District by partnering with key stakeholders and service providers	To be developed.
<b>Social and Economic Development</b>	Health and Social Support	Economically Sound District	To reduce poverty levels in the district by half by the year 2014	% of households earning less than R1100 per month with access to free basic water
<b>Social and Economic Development</b>	Health and Social Support	Economically Sound District	To reduce poverty levels in the district by half by the year 2014	% of households earning less than R1100 per month with access to free basic electricity
<b>Transformation and Institutional Development</b>	Cross-cutting Priorities	Leadership Excellence	To be developed.	Number of people from the designated group employed in three highest levels of management
<b>Transformation and Institutional Development</b>	Cross-cutting Priorities	Leadership Excellence	To be developed.	% of the municipality's budget actually spent on implementing its workplace skills plan
<b>Transformation and Institutional Development</b>	Governance and Administration	Leadership Excellence	To demonstrate improved governance levels through the establishment of a prudent financial service delivery strategy	% of capital budget actually spent on capital projects identified in the District IDP

### **3 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)**

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Section 69(3)(a) of the MFMA requires the accounting officer to submit a draft SDBIP to the mayor no later than 14 days after the approval of the budget and drafts of the performance agreement as required in terms of the section 57 (1) (b) of the Municipal Systems Act. The mayor must subsequently approve the SDBIP no later than 28 days after the approval of the budget in accordance with section 53(1)(c)(ii) of the MFMA.

The draft SDBIP is attached as an Annexure and the final will be included once approved.

The District Municipality carries out extensive consultation with the community and other stakeholders as part of the process to ensure awareness of, and to encourage input into the Budget and the IDP.

Each department has prepared its own operational plan to give effect to the organizational goals and to meet departmental service delivery and performance targets. These feed into this overall plan, providing the key performance areas against which each senior manager will be held accountable.

The purpose of the SDBIP being to provide a management implementation and monitoring tool that will assist the Mayor, Councillors, Municipal Manager, other Senior Managers, stakeholders and the community in monitoring service delivery. It will ensure that appropriate information is available to monitor:

- ❖ The execution of the budget;
- ❖ The performance of managers; and
- ❖ The performance of the municipality as a whole.

The SDBIP complements and should be read together with multi-year budget and the Integrated Development Plan (IDP). It also takes into account other sector plans such as the Water Services Development Plan (WSDP).

More specifically, the SDBIP provides information, per vote, on the following:

- ❖ Performance Indicator Area
- ❖ IDP Reference Numbers
- ❖ Strategic Objectives
- ❖ Key Performance Indicator (Performance Target Output)
- ❖ Planned Target
- ❖ Performance over the 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> quarters

The votes are:

- ❖ Executive and Council
- ❖ Planning and Development
- ❖ Water
- ❖ Finance and Administration
- ❖ Community and Social Services

The SDBIP is therefore a key management, implementation and monitoring tool, which provides operational content to the end-of-year service delivery targets set in the budget and IDP. It determines the performance agreements for the municipal manager and all top managers, whose performance can then be monitored through section 71 monthly reports, and evaluated through the annual report process.

Once completed, the SDBIP will be included in this report.

### **4 ANNUAL REPORT**

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Every municipality must prepare an annual report for each financial year in accordance with the Municipal Finance Management Act (MFMA) and, during the MFMA transitional period, the Division of Revenue Act and the Municipal Systems Act 2000.

The purpose of the annual report is:

- ❖ to provide a record of the activities of the municipality or entity;
- ❖ to provide a report on performance in service delivery and budget implementation; and
- ❖ to promote accountability to the local community.

The 2006/07 Annual Report has been completed, and is available from the web-site: [www.uthungulu.org.za](http://www.uthungulu.org.za).

## 5 QUALITY OF LIFE SURVEY

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The UThungulu Annual Quality of Life Survey is another measure of tracking the IDP process, programmes and projects. The objective of the Quality of Life Survey is to ensure that the IDP programmes and projects have an impact on the living conditions of the people of the district.

The uThungulu District Municipality Quality of Life Survey has been undertaken by the District Municipality in order to gauge the socio-economic standard of life of the people of uThungulu. This will allow the municipality to become aware of the needs of its people and allow the District Municipality to plan for the future development of the area. It will direct the municipality in terms of the pro-active actions that are needed to achieve development. The study examines survey results in each of the local municipalities within its area and within the district itself. The study forms part of the Performance Management System that will ultimately measure the progress of the district authority.

The quality of life of the people and communities is determined by analysing aspects of life in uThungulu such as household socio-economic profiles, and community and household services. The survey indicates which aspects of life that uThungulu residents are dissatisfied with, and this will give the District Municipality direction in formulating programmes and projects on how to improve and fulfil the needs of its people in terms of the Integrated Development Plan. The aspects that people are satisfied with will be noted to ensure that the municipality improves on the current situation.

The first round of surveys were conducted in March 2003 with the results made public in June 2003. The purpose of the Quality of Life Survey is to provide a benchmark against which the performance of the district and the local municipalities can be measured. A 5% sample size of the UThungulu population was used – this equates to 4600 questionnaires. For this reason, 4004 sample household surveys were conducted between March and April in all six of the local municipalities. All six local municipalities were surveyed in accordance with the socio-economic grouping of the area. The questionnaire for the survey and the

logistical arrangements were undertaken with the full cooperation of the respective local municipalities.

The design of the 2002/3 questionnaires was based for the socio-economic needs and profile of the population as well as the perceptions of the population with respect to the various public sector services that are being provided.

Consequently the 2003/4 and 2004/5 surveys had been undertaken with a sample size of 1260 (95% confidence level). The questionnaire had been amended, where appropriate, to ensure that it is in line with the IDP programmes and KPI's. The results of the completed surveys have been benchmarked against the 2001 national Census. The 2004 study interviewed 1208 households. In the census 2001 data sample units are termed 'sub-places'. This 2005 study has followed the 2001 census data, and interviewed a total of 1208 households. The same sample areas as that used in the 2004 survey were visited in this 2005 study. The sample area selection and sample size was sufficient to provide statistically relevant information at local municipal level.

A stratified random sample survey methodology was applied for the project. In order to ensure that the results to the consecutive years' surveys were comparable to the 2003 survey, similar survey sites were visited by fieldworkers.

In general surveys often use the following social indicators in order to measure and monitor quality of life:

- ❖ Employment
- ❖ Housing
- ❖ Health
- ❖ Education level
- ❖ Recreation
- ❖ Service provision
- ❖ Natural environment
- ❖ Political participation

The uThungulu quality of life survey also looks at these indicators, and others. More specifically:

- ❖ Income (household, assistance, affordability, savings)
- ❖ Housing (type, satisfaction, improvements)

uThungulu District Municipality Integrated Development Plan (2007/08 to 2011/12)

- ❖ Service provision (access and satisfaction levels of: water supply, toilet, electricity, waste removal)
- ❖ Education
- ❖ Employment (type, satisfaction of)
- ❖ Crime (perception of, whether victim, safety)
- ❖ HIV/AIDS (opinion of health authorities efforts, suggested solutions)
- ❖ Community (amenities, improvements?, sense of belonging, transport)
- ❖ Perceptions of life (reasons, spare time activities, improvements?)
- ❖ Perceptions of uThungulu

## J. ANNEXURES & APPENDICIES

	<b><u>ANNEXURES</u></b>	<b>Contact person</b>	<b>Available on:</b>
<b>A</b>	Spatial Development Framework,	E Marais	www.uthungulu.org.za
<b>B</b>	Disaster Management Plan	S Makoena	www.uthungulu.org.za
<b>C</b>	SDBIP	Municipal Manager	www.uthungulu.org.za
	<b><u>APPENDICIES</u></b>		
<b>C</b>	IDP Process Plan/ IDP Framework Plan	E Marais	www.uthungulu.org.za
<b>D</b>	Land Use Management Framework	E Marais	www.uthungulu.org.za
<b>E</b>	Coastal Management Programme	E Marais	www.uthungulu.org.za
<b>F</b>	Integrated Waste Management Plan	Z Msomi	www.uthungulu.org.za
<b>G</b>	Water Service Development Plan	Z Msomi	www.uthungulu.org.za
<b>H</b>	Integrated Transport Plan	E Marais	www.uthungulu.org.za
<b>I</b>	Energy Master Plan	Z Msomi	www.uthungulu.org.za
<b>J</b>	Local Economic Development Plan	E Marais	www.uthungulu.org.za
<b>K</b>	Community Facilities Plan	Municipal Manager	www.uthungulu.org.za
<b>L</b>	Quality of Life Survey 2007	E Marais	www.uthungulu.org.za
<b>M</b>	Growth and Development Summit Action Plan	E Marais	www.uthungulu.org.za
<b>N</b>	Action Plan from Agricultural Indaba	E Marais	www.uthungulu.org.za