

UMZINYATHI

**DISTRICT MUNICIPALITY/
UMASIPALA WESIFUNDA**



IDP REVIEW

2010/2011

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SECTION A: EXECUTIVE SUMMARY

1. INTRODUCTION

In accordance with the requirements of Section 34 of the Municipal Systems Act No. 32 of 2000, all Local and District Municipalities are required to review their IDP's on annual basis for their areas of jurisdiction. A credible IDP is a single, inclusive strategic plan for the municipality that:

- is based on up to date and accurate statistics and empirical data that can inform strategic decision making;
- integrates, co-ordinates and facilitates service delivery, local economic development and wise land use management within the municipal area of jurisdiction;
- forms the general basis on which annual budgets are developed;
- aligns the resources and capacity of the municipality with the implementation of the plan;
- assists a municipality in fulfilling its constitutional mandate as developmental local government; and
- facilitates the processes of democratisation and sustainability through vigorous public participation.

2. INSTITUTIONAL ARRANGEMENTS

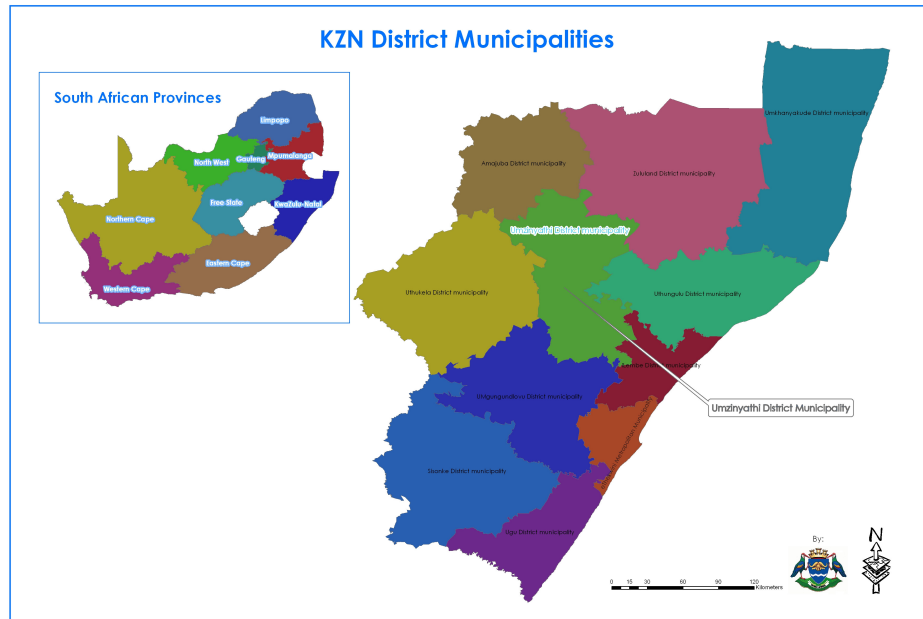
In order to ensure ownership of the process, the municipality continued to utilise the existing institutions as much as possible. The roles and responsibilities of participants in the planning process were defined in the 2010/11 IDP Review Process Plan. The institutional arrangements for the Comprehensive IDP are shown in table below:

ENTITY	RESPONSIBILITY
Council	As the ultimate political decision-making body of the municipality, the Municipal Council has to: <ul style="list-style-type: none">○ Consider, approve and adopt the Process Plan and the IDP Review.
Executive Committee	The Executive Committee: <ul style="list-style-type: none">○ Delegate the overall management, co-ordination and monitoring of the process and drafting of the IDP to the Municipal Manager; and○ Approve nominated persons to be in charge of the different roles, activities and responsibilities of the process and drafting.

ENTITY	RESPONSIBILITY
IDP Steering Committee	<p>Consists of the Municipal Manager, IDP Manager and the Municipal Heads of Departments, their functions are as follows:</p> <ul style="list-style-type: none"> ○ Provide relevant technical, sector and financial information for priority issue analysis; ○ Contribute technical expertise in the consideration of strategies and development of project; ○ Provide departmental operational and capital budgetary information; and ○ Be responsible for ensuring that project proposals are integrated with cross cutting dimensions such as Gender Equity, Employment Equity, BEE and addressing HIV/AIDS.
IDP Representative Forum	<p>Consists of steering committee members, sector departments, business, service providers, traditional leader's representatives, NGO's and civil society organizations. The role of the Representative forum is to:</p> <ul style="list-style-type: none"> ○ Ensure alignment of programmes and projects with other spheres of government and private organizations; and ○ Provide for public, private and civil society sector input to the IDP.
IDP Manager	<p>The role of the IDP manager is to assist the Municipal Manager in the co-ordination and management of the IDP process. This entails:</p> <ul style="list-style-type: none"> ○ Being responsible for secretarial services associated with the IDP meetings; ○ Responding to comments on the draft IDP from the public; ○ Horizontal alignment with other spheres of government to the satisfaction of the Municipal Council; and ○ Ensuring proper documentation of the results of the planning process by the consultant team; ○ Day to day management of the IDP.

3. SITUATIONAL ANALYSIS

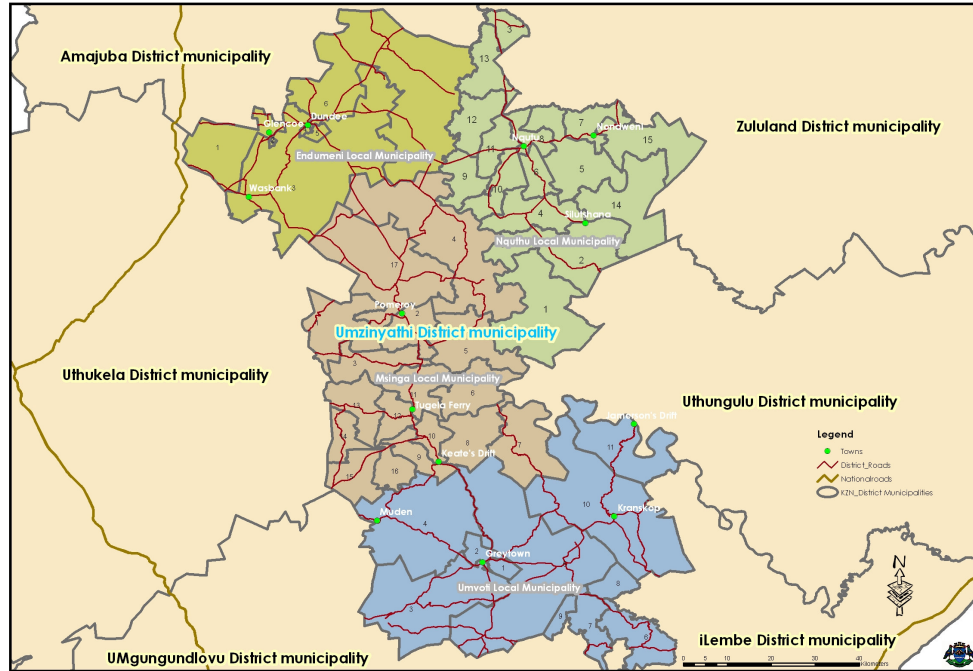
The uMzinyathi District Municipality (DC24) is one of the ten districts of KwaZulu-Natal. The Municipality is bordered in the north by the uMajuba Municipality, in the west by the uThukela Municipality, in the south west by the uMgungundlovu Municipality, in the south east by the iLembe Municipality and in the east by uThungulu District Municipality, as shown on the map below:



The district consists of four Local Municipalities, namely:

- eNdumeni (KZ 241)
- Nquthu (KZ 242)
- Msinga (KZ 244)
- uMvoti. (KZ 245)

The map below shows the location of the local municipalities within the district:



The municipal area is 8079 km² and has extensive grasslands in the north supporting the primary agricultural sector based on cattle ranching for beef, small scale sheep and mixed farming and maize cultivation. In the southern areas substantial forestry is prevalent. Sugar cane and smaller scale fruit farming such as avocado and kiwi fruit cultivation also occur.

Mineral deposits found in the district include coal and metal ores. Only coal was mined on a large scale in the eNdameni Municipality. The coal mining industry is undergoing a restructuring process. There is a decline in corporate interest in the industry, however there is interest in the small scale regeneration of the coal belt for SMME development. A small amount of stone quarrying occurs in the district. Within eNdameni Local Municipality, Dundee has the main economic activities ranging from retail trade, tourism and farming. Dundee is a centre from which tourism based on the cultural heritage of the Zulu Kingdom and “Battlefields” is emphasised and managed to some extent, and there is also Glencoe which serves as a secondary centre to Dundee.

uMzinyathi Municipality, in conjunction with its north western neighbour aMajuba Municipality, is branded as the “custodian” of the “Battlefields region of the Zulu Kingdom”. The “Battlefields of the Zulu Kingdom” are located in the hinterland and lie “in the shadow” of the majestic Drakensberg mountains spanning the western boundary of KwaZulu-Natal. This branding is of international and regional significance. In conjunction with the Beaches of the South and North Coast and Big Five Game attractions in the East of KwaZulu-Natal, the “Battlefields of the Zulu Kingdom” form a vital role in the spatial economy of the province from a tourism perspective. However, within uMzinyathi, the range of battlefields attractions is not adequately harnessed for their job creating opportunities across the municipality.

The main town in the uMvoti Municipality is Greytown. It is the agricultural centre of the district and contributes substantially to the economic viability of the district. Nquthu and Msinga Local Municipalities are rural based subsistence economies with cultural heritage areas that attract some tourists but need to be substantially developed. The main towns are Nqutu, Pomeroy and Tugela Ferry.

The topography of the district is characterised by extensive variation with deep river gorges, rolling grasslands, extensive wetlands, hills and valley bush-veld. These characteristics make the development of infrastructure difficult and costly particularly in the steep terrain. The general slope of the land is between 1:5 and 1:6 and it is susceptible to soil erosion where it is not carefully managed.

3.1 Overview of the Local Municipalities

3.1.1 Endumeni

This municipality is unique, its population is predominantly urbanised or based on commercial farms and unlike the other local municipalities there is no tribal authority land. The main town is the Commercial centre which is Dundee, it has most diversified economy, commercial cattle farming and dairy production and is the centre of the Battlefields tourist region

3.1.2 Nquthu

This municipality is typically rural and largely tribal authority where the population is largely previously disadvantaged and relatively dispersed and where services are scarce and often at rudimentary levels. The main town is Nquthu and subsistence agriculture is the main activity in the area

3.1.3 Msinga

Owing to its rugged terrain Msinga's population is relatively dispersed and where services exist they are concentrated along road infrastructure and water sources such as the Tugela River. The main towns are Pomorey and Tugela Ferry, it's the rural region with subsistence farming.

3.1.4 Umvoti

This local municipality comprises of urban areas, commercial agricultural areas and tribal authority areas all of which exhibit typical characteristics associated with these settlement types. Service levels in urban areas are high except for informal areas, in commercial agricultural areas they are relatively high as farmers provide their own services and in tribal authority areas they are low to moderate. The main town is the commercial centre Greytown

3.2 Demographics Trends and Characteristics

The comparative population figures for 2001 and 2007 at provincial, district and local municipality level is depicted in Table 3.1 below. This information indicates that although the district population has increased from approximately 480 412 in 2001 to 495 748 in 2007, the average annual growth rate of 0.53% over this period is significantly lower than the provincial average of 1.17%. Two of the local municipalities experienced a decrease in population i.e. Nquthu and Msinga Local Municipalities. The strongest population growth was evident in Umvoti LM with an average annual population growth rate of just over 4% between 2001 and 2007.

Table No 1: Comparative population figures for 2001 and 2007

AREA	POPULATION 2001	POPULATION 2007	HOUSEHOLDS 2001	HOUSEHOLDS 2007	AVERAGE ANNUAL GROWTH (%)
KwaZulu Natal	9 584 129	10 259 240	2,117,274	2,234,129	1.17
Umzinyathi DM	480 412	495 748	93,770	104,535	0.53
Nquthu LM	168 989	164 888	29,318	32,169	-0.40
Msinga LM	168 024	161 889	32,505	32,592	-0.61
Umvoti LM	92 292	114 509	19,669	26,019	4.01
Endumeni LM	51 104	54 440	12,278	13,755	1.09

Source : 1. Statistics SA, Census 2001
2. Statistics SA, Community Survey 2007

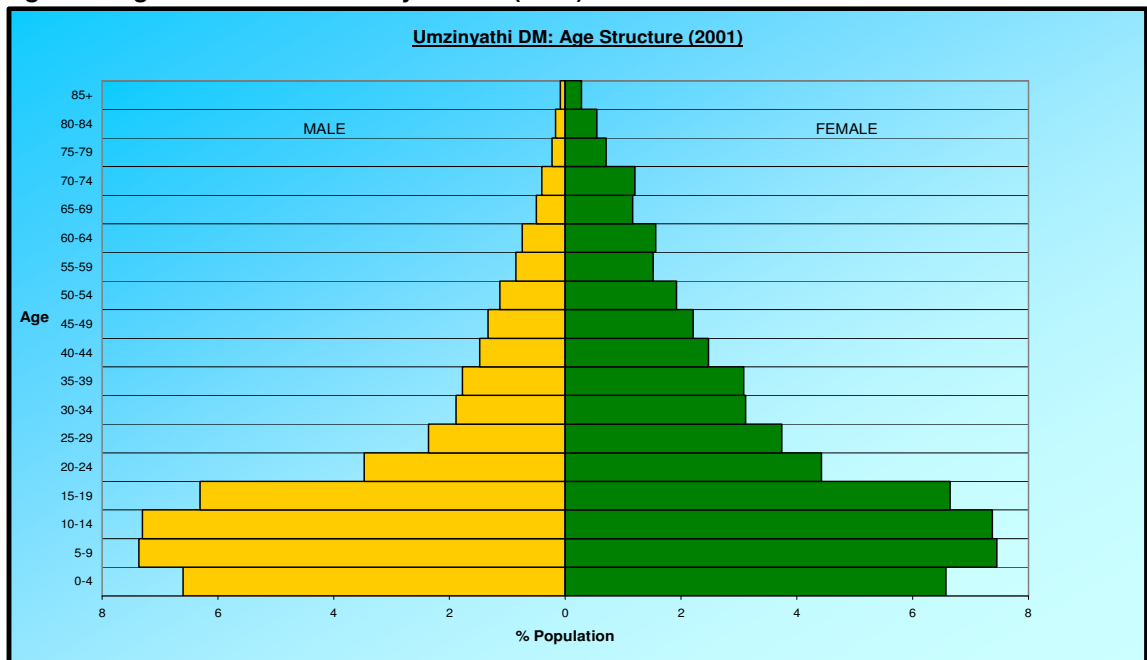
A graphical illustration of the distribution of the population, as well as the population densities in the district is depicted on the attached thematic maps. The density information clearly indicates that the highest population densities are prevalent in the

areas immediately surrounding and in the vicinity of the main centers of the district such as Dundee and Greytown as the primary district centres, as well as Nquthu, Tugela Ferry and Keate's Drift.

3.3 Age Structure and Gender Composition

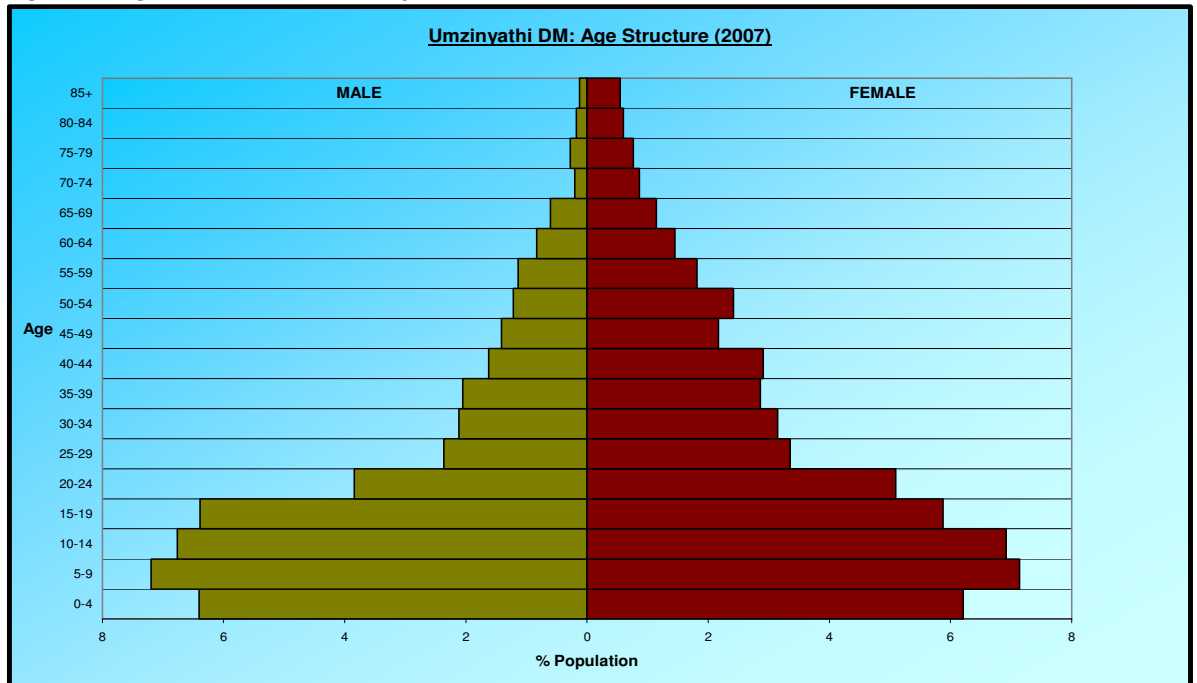
The overall age and gender structure and profile of the Umzinyathi District Municipality is graphically depicted in Figures 1 and 2. This information clearly indicates a very youthful age structure with the overall population profile dominated by the age cohorts of 5 -9 year of age and 10 -14 years of age respectively. These two age categories jointly nearly represent 30% of the total population. These statistics further indicates that that population structure is slightly female dominated. Although the gender profile has not changed significantly between 2001 and 2007, it is apparent that the female population is dominating the age categories from 25 years and older. One of the underlying reasons for this trend can possibly be male absenteeism from the district due to males seeking employment in other areas with comparatively lower unemployment rates than the Umzinyathi DM.

Figure 1: Age structure for Umzinyathi DM (2001)



Source: Stats SA; Census 2001

Figure 2: Age structure for Umzinyathi DM (2007)

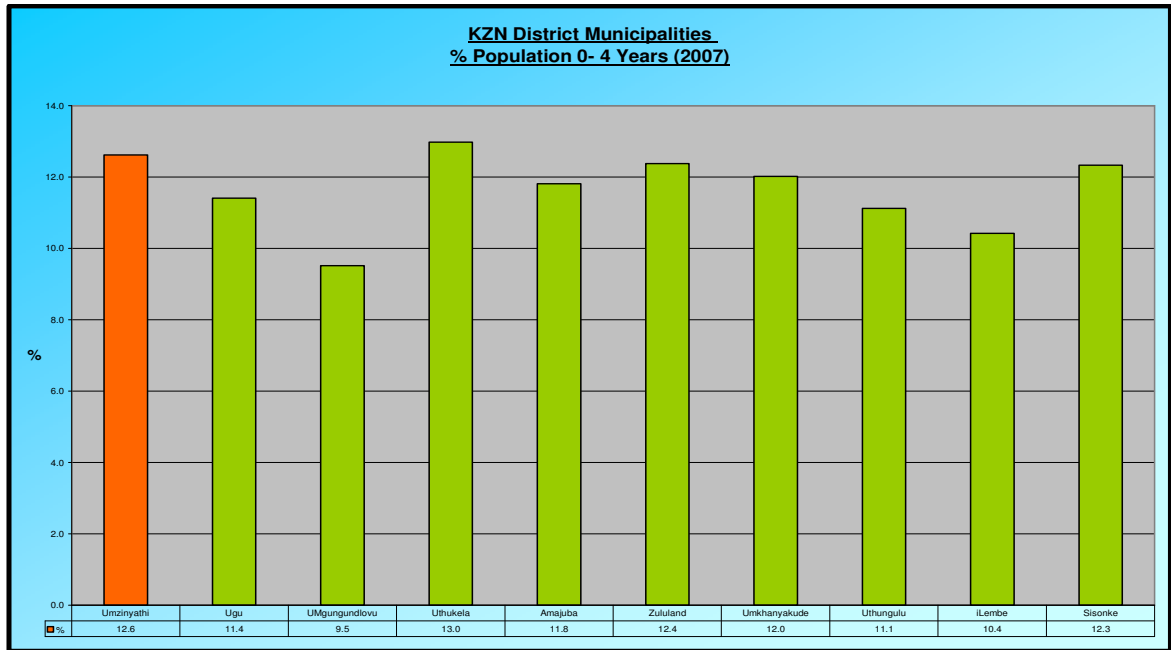


Source: Stats SA; Community Survey 2007

This age structure of the district population is contextualized against the other district municipalities in KwaZulu-Natal as portrayed in Figures 3 to 5 below. These statistics indicates the following aspects:

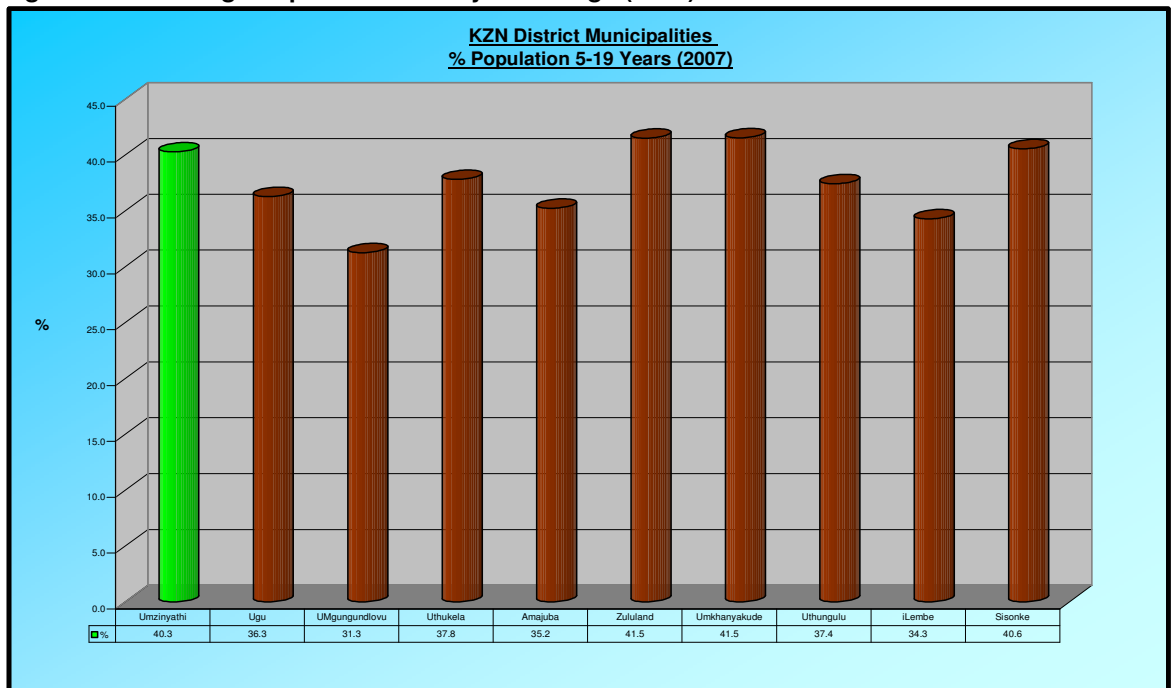
- The Umzinyathi DM has the second highest proportion of population younger than five years of age (12.6%) amongst the districts in KwaZulu Natal. Although a high figure, this is not unlike the norm for other districts in the province, with the proportion of population in this age category (above 11% of total population in most of districts in the province).
- A very high percentage of 40.3% of the district population is of a school going age (between five and nineteen years). This figure is again not dissimilar to the patterns in many other districts within the province (see Figure 3.4).
- The gender structure of the Umzinyathi DM has the highest proportion female population amongst all district municipalities within the province (approximately 55.3% by 2007). This may be indicative of aspects such as male absenteeism due to temporary migration trends and looking for employment opportunities in areas with higher levels of economic activity.

Figure 3: Percentage Population 0 – 4 years (2007)



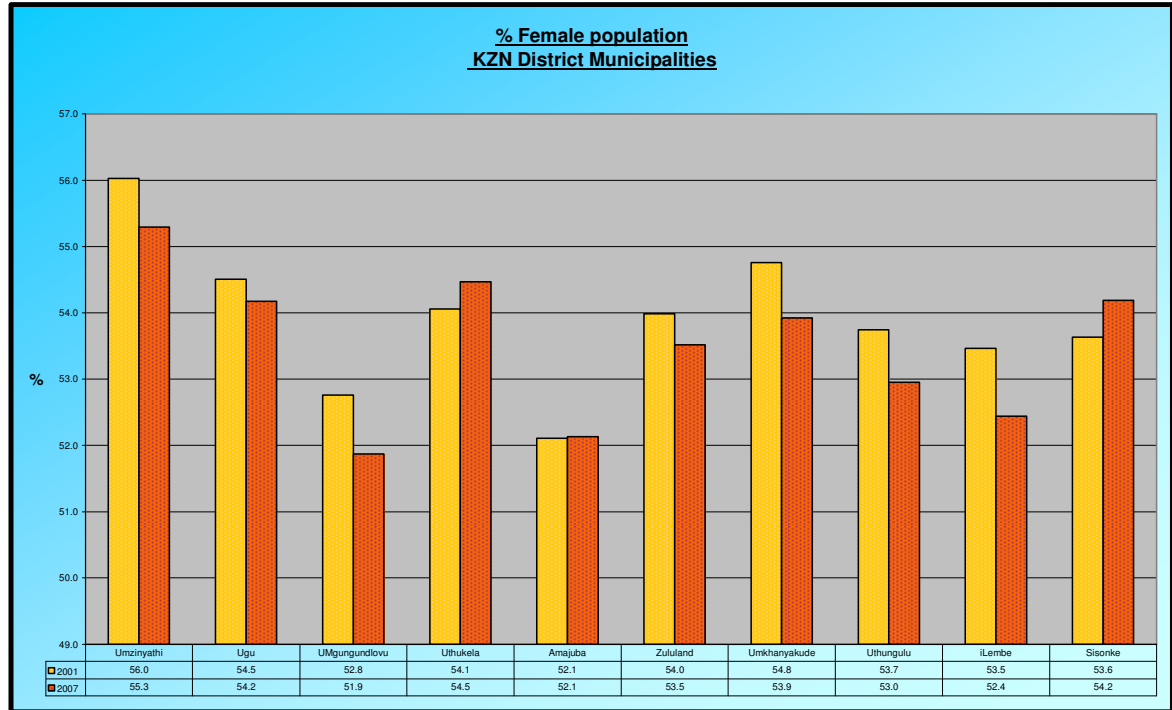
Source: Stats SA; Community Survey 2007

Figure 4: Percentage Population 5 – 19 years of age (2007)



Source: Stats SA; Community Survey 2007

Figure 5: Percentage Female Population in the KwaZulu-Natal District Municipalities



*Source: Stats SA; Census 2001
Stats SA; Community Survey 2007*

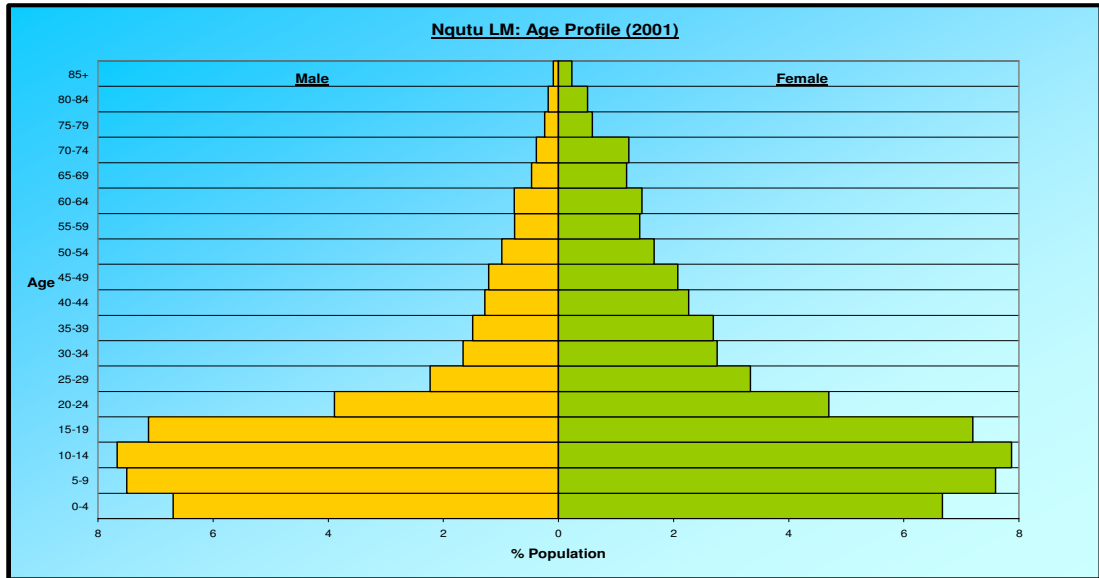
3.3.1 Municipal Level Comparison

The comparative age and gender structures of the four local municipalities within Umzinyathi for 2001 and 2000 respectively are outlined in Figures 6 to 14. The summary characteristics from these comparisons include:

- The age profile of the Nquthu LM is very similar to the overall district figures with the majority of the population between five and nineteen year of age. In both 2001 and 2007, the proportion of the female population in age categories from 25 years and older significantly dominates the male population.
- The gender structure of the Msinga LM is significantly female dominated in the age categories of 25 years and older. Conversely, the population younger than 19 years of age is however somewhat male dominated.
- The age and gender profiles of the Umvoti LM in 2001 and 2007 respectively indicates that the very even distribution between male and female population in 2001, has been replaced by a more female dominated age structure in virtually all age categories, by 2007. Also notable is that the proportion of the population in the 25 – 29 years age category have decreased significantly in proportional terms from 2001 to 2007.

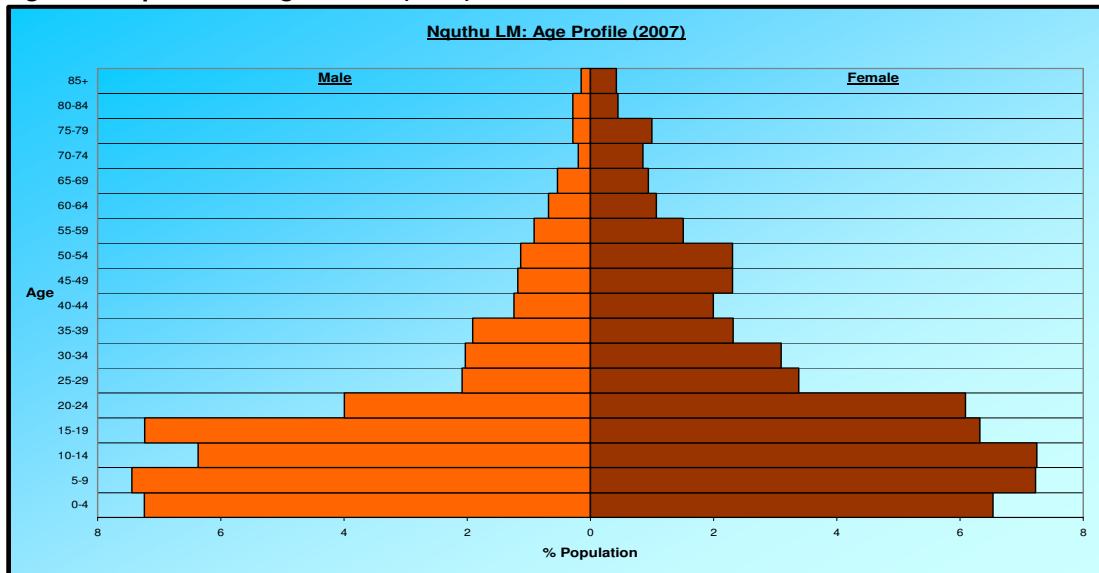
- The age structure of the eNdameni LM is not as heavily dominated by the younger than 19 years of age category compared to the other three local municipalities. It is also the only local municipality within the district where the gender structure is dominated by male population.

Figure 6: Nquthu LM: Age Profile (2001)



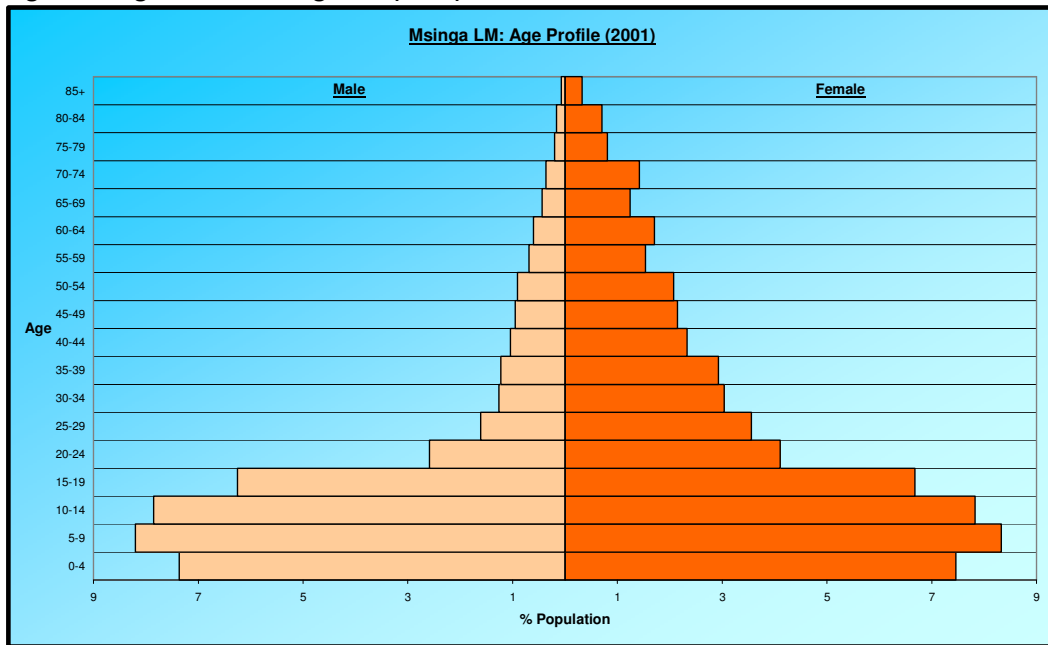
Source: Stats SA: Census 2001

Figure 7: Nquthu LM: Age Profile (2007)



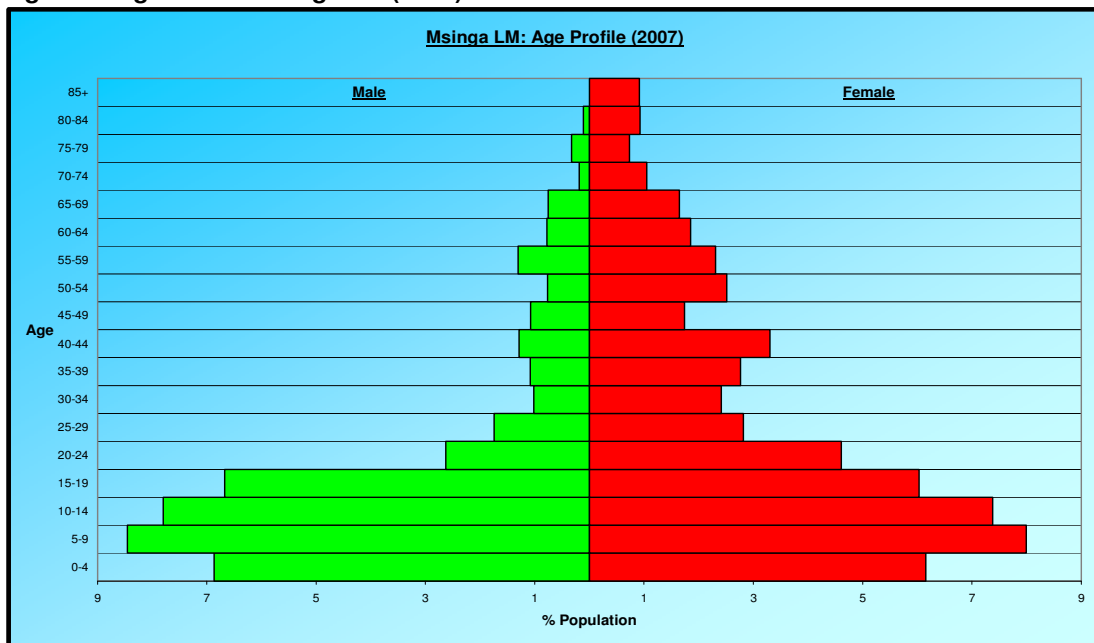
Source: Stats SA; Community Survey 2007

Figure 8: Age Profile Msinga LM (2001)



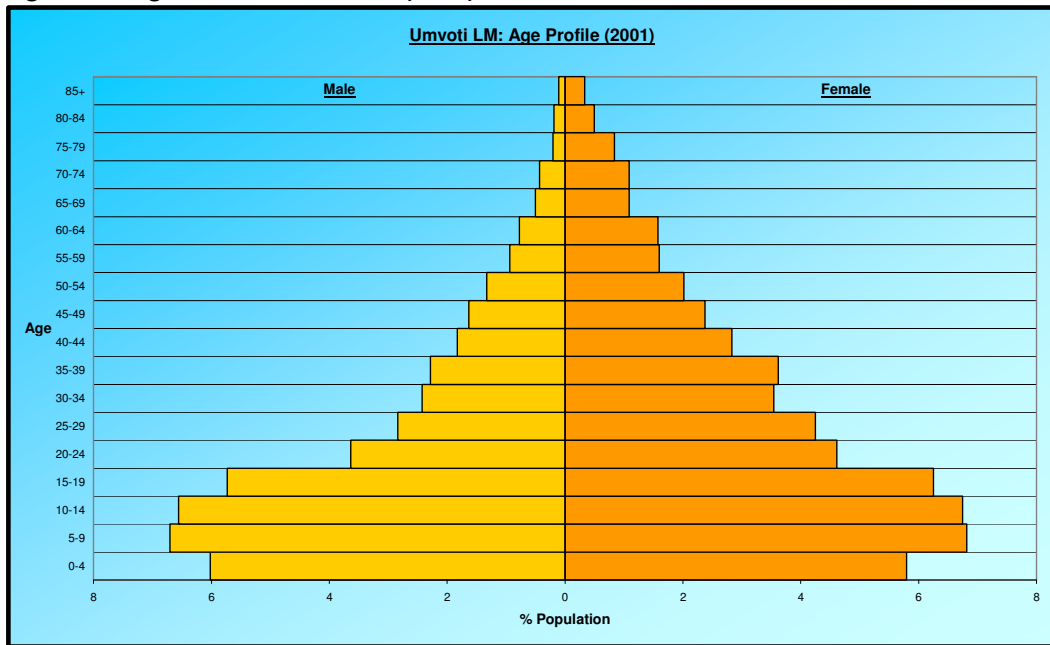
Source: Stats SA; Census 2001

Figure 9: Age Profile Msinga LM (2007)



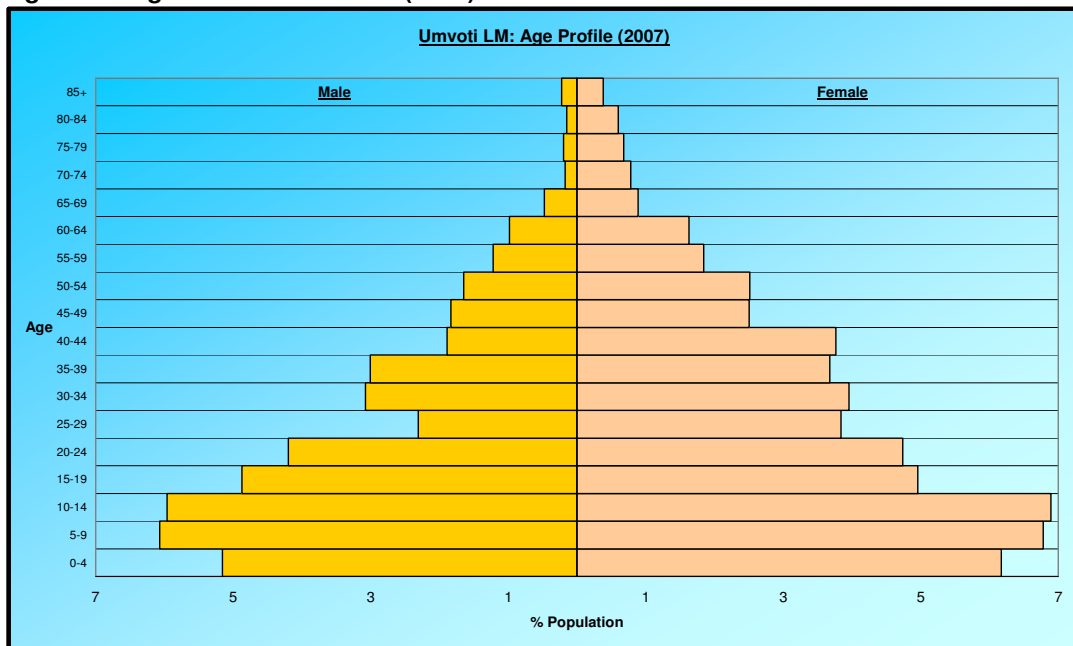
Source: Stats SA; Community Survey 2007

Figure 10: Age Profile Umvoti LM (2001)



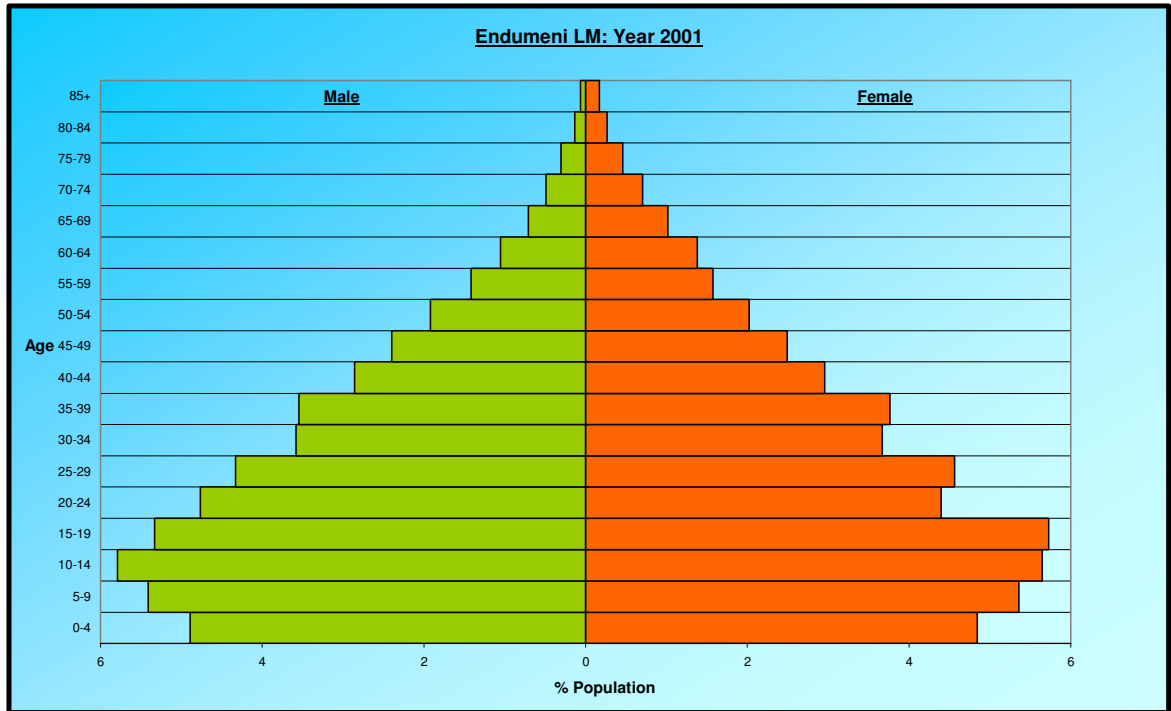
Source: Stats SA; Census 2001

Figure 11: Age Profile Umvoti LM (2007)



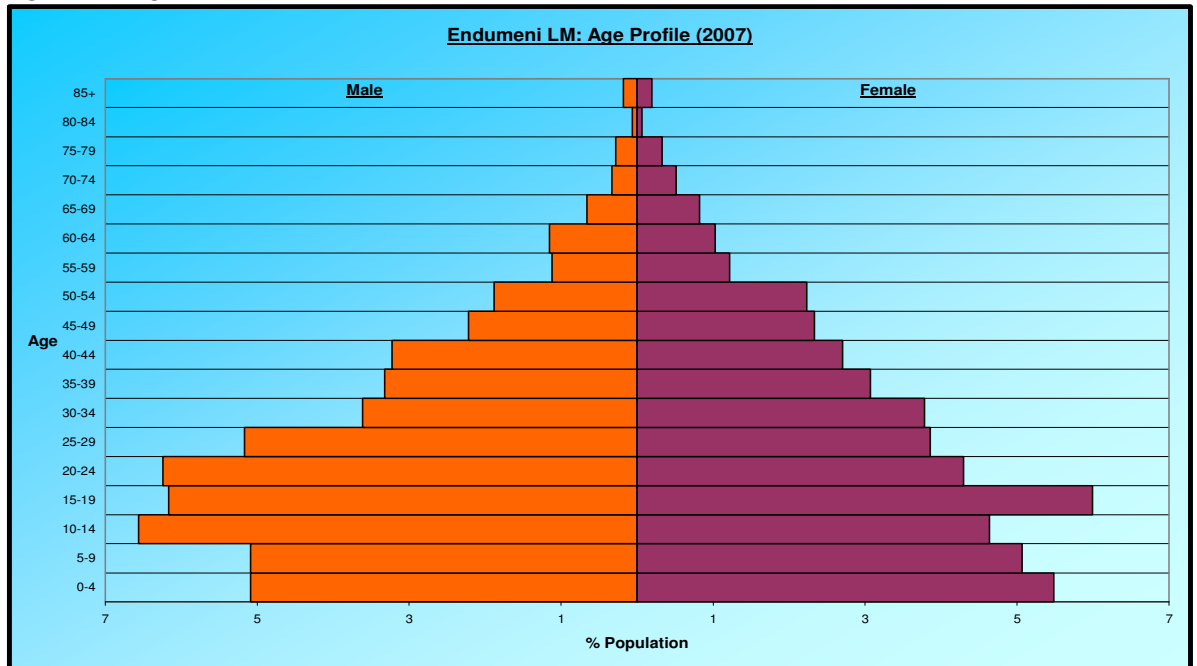
Source: Stats SA; Community Survey 2007

Figure 12: Age Profile eNdumeni LM 2001



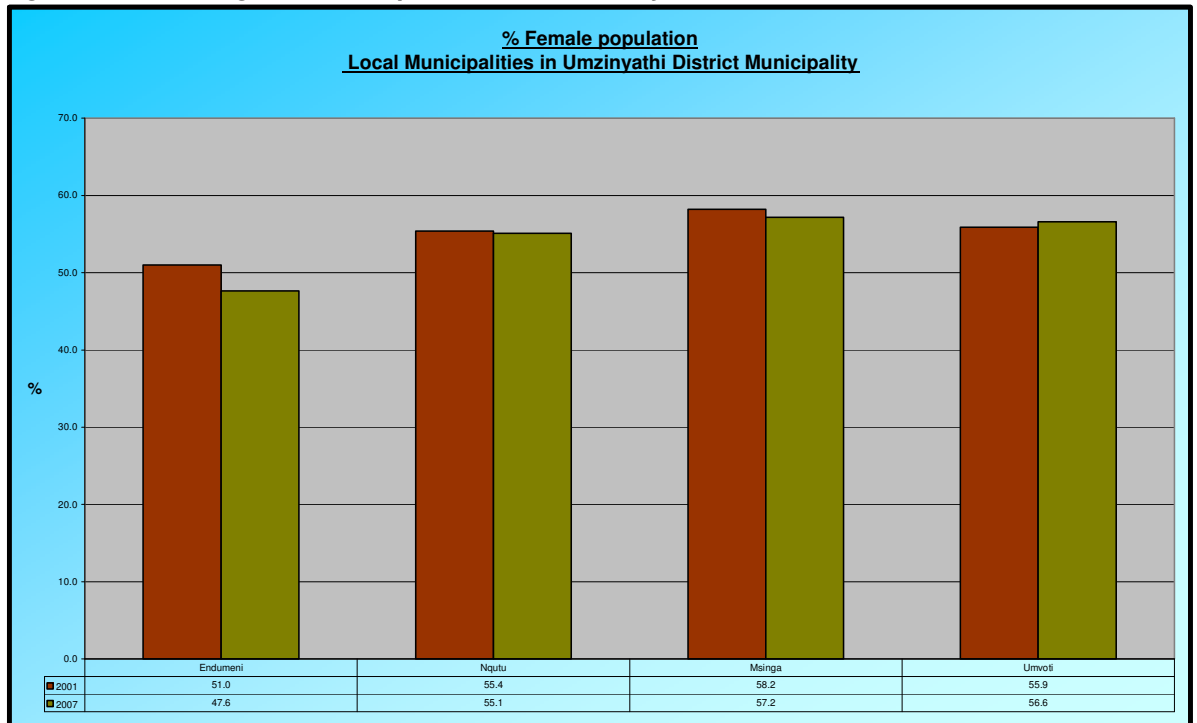
Source: Stats SA; Census 2001

Figure 13: Age Profile eNdumeni LM 2007



Source: Stats SA; Community Survey 2007

Figure 14: Percentage Female Population in the Umzinyathi DM

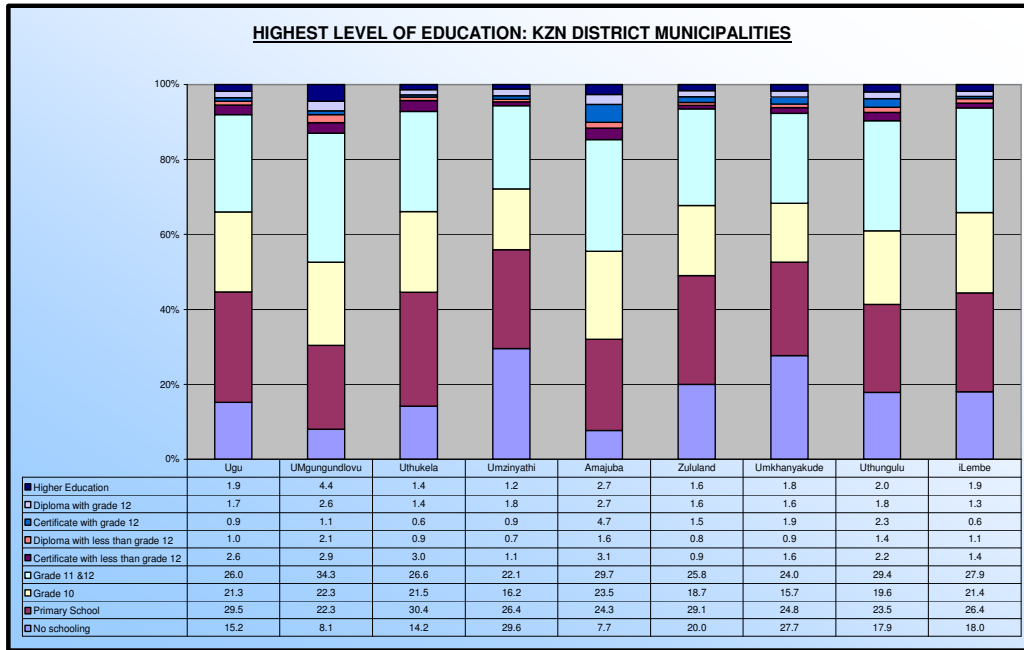


*Source: Stats SA; Census 2001
Stats SA; Community Survey 2007*

3.4 Education Profile

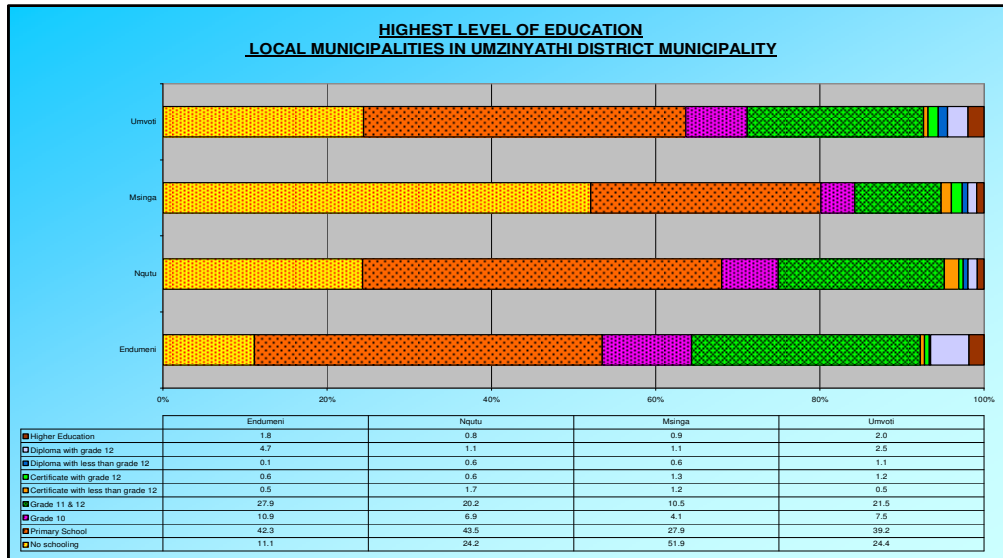
The challenge of low skills levels within the Umzinyathi DM is clearly depicted in Figure 15. These statistics indicate that the Umzinyathi DM has the highest level of illiteracy amongst these adult populations (29.6%) amongst all districts in KwaZulu-Natal. In addition, as much as 26.4% of the adult population has only completed primary school education. Moreover, the Umzinyathi DM is also the area in KwaZulu-Natal with the lowest proportion of its adult population who have completed some form of higher education (1.2%).

Figure 15: Highest level of Education in the KwaZulu-Natal District Municipalities



Source: Stats SA, Community Survey 2007

Figure 16: Highest level of Education in Local Municipalities in the Umzinyathi District



Source: Stats SA, Community Survey 2007

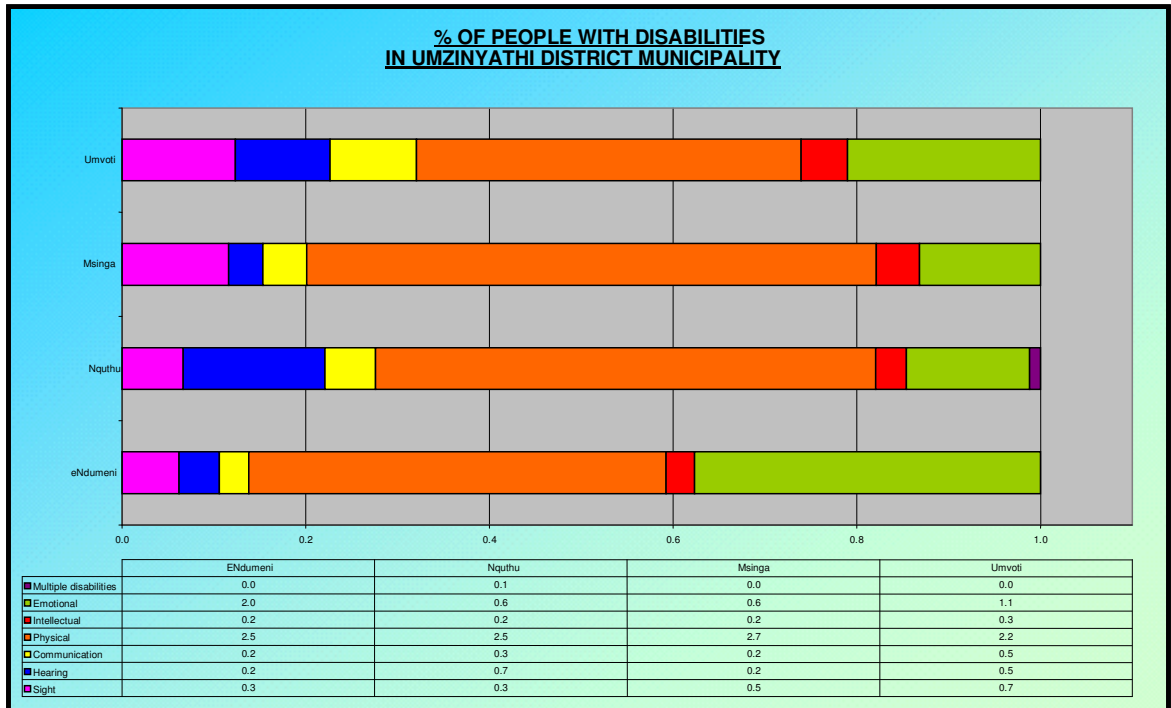
These trends are also prevalent at local municipality level as depicted in Figure 16 which indicates the following:

- The levels of adult illiteracy in the Msinga LM are extraordinary high at approximately 51.9%. The comparative figures in the Nquthu and Umvoti Local Municipalities are around 24%, and the figure for eNdumeni LM significantly lower at 11.1%.
- The proportion of adult population in the Nquthu and Msinga Local Municipalities who have completed Grade 12 and with some form of tertiary education is very low at less than 2%. The comparative figure in the Umvoti LM is somewhat higher at 4.5%, and 6.5% for the eNdumeni LM at 6.5%.
- The significant concentration of adult population without any form of education in the central parts of the district (specifically around Keates Drift, Tugela Ferry and Pomeroy) is clearly illustrated on the attached thematic map.

3.5 Disabilities

A total of approximately 4.8% of the population of Umzinyathi are affected by some form of disability. The largest proportion of these individuals is affected by physical disabilities (2.5%). The information Figure 17 further also clearly illustrates that there are no significant differences in the extent of population affected by various types of disabilities in the four local municipalities in the district.

Figure 17: Percentage of people with disabilities in Umzinyathi District Municipality

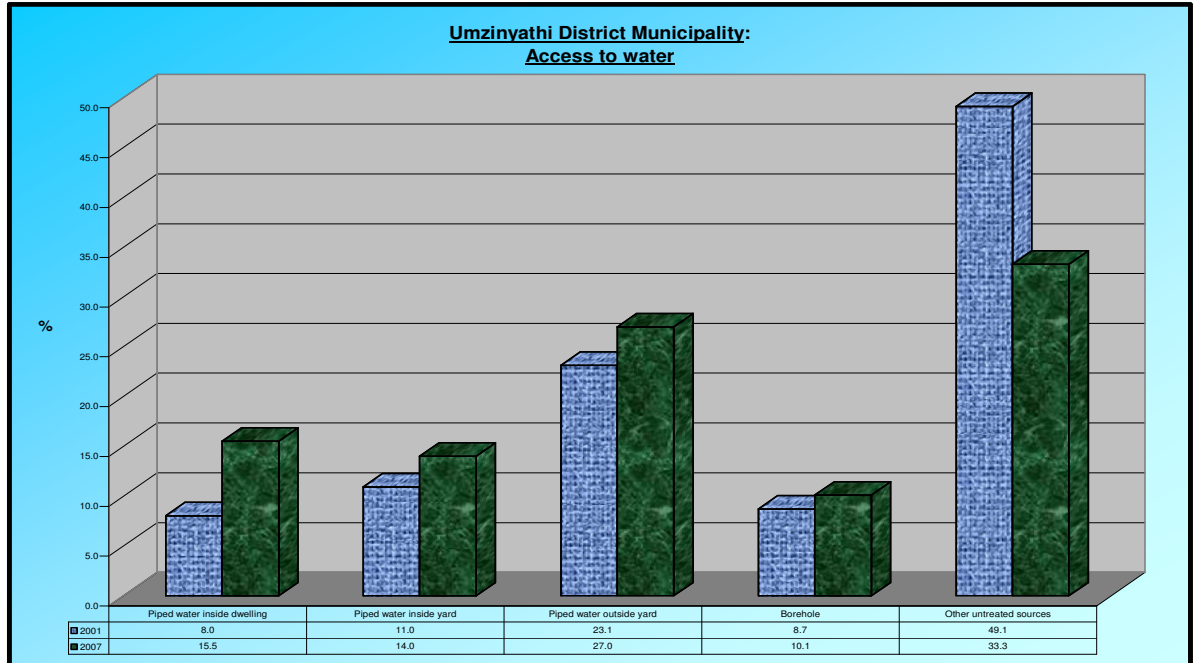


Source: Statistics SA, Community Survey 2007

3.6 Access to Water

The provision of basic water infrastructure within the Umzinyathi DM has shown significant improvements over the period 2001 to 2007. The proportion of households receiving piped water inside their dwellings nearly doubled from 8% in 2001 to 15.5% in 2007. The proportion of households with piped water inside their yards increased from 11% to 14%, and those with access to piped water outside their yards from 23.1% to 27%. Moreover, over the same period, the proportion of households reliant on other untreated sources of water decreased from 49.1% to 33.3% in 2007. Despite these significant improvements, it also implies that approximately one third of households are still reliant on untreated sources of water.

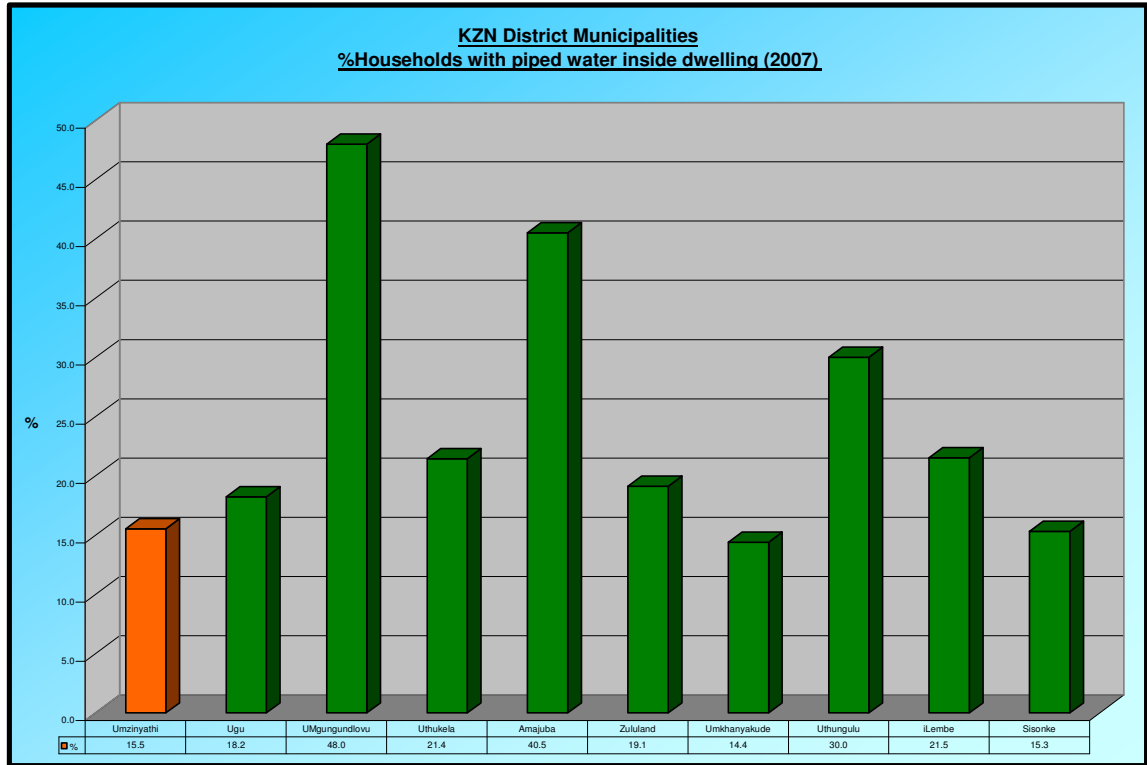
Figure 18: Access to water infrastructure in the Umzinyathi District Municipality



*Source: Stats SA: Census 2001
Stats SA; Community Survey 2007*

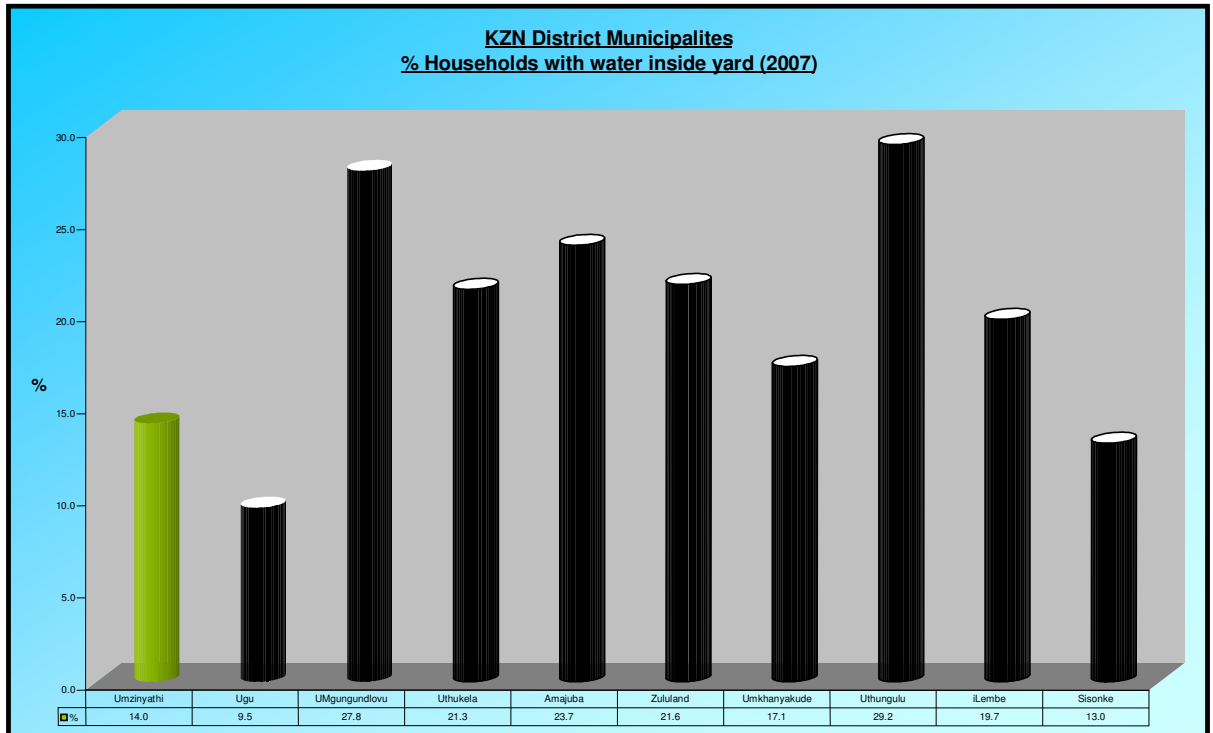
Despite the significant improvements in the delivery of basic water infrastructure in the Umzinyathi DM, the extent of the remaining challenges within a provincial context are clearly depicted in Figures 19 to 21. This information indicates that the 15.5% of households with piped water inside their dwellings in the Umzinyathi DM rates amongst the three lowest figures of the ten districts within the province. At the other end of the scale, the 33% of households in Umzinyathi DM which are still reliant on other untreated sources of water is the third highest figure in Kwazulu-Natal after the Zululand DM (41.8%) and the Sisonke DM (45.5%).

Figure 19: Percentage households with piped water inside their dwellings (2007)



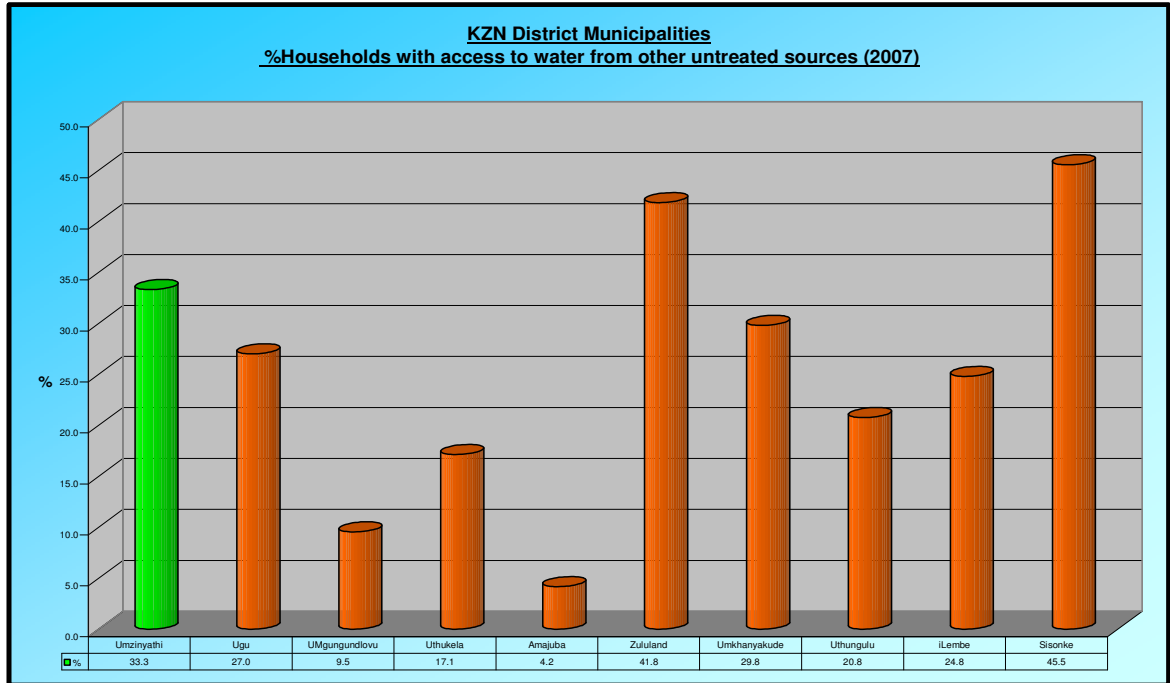
Source: Stats SA; Community Survey 2007

Figure 20: Percentage households with water inside their yards (2007)



Source: Stats SA; Community Survey 2007

Figure 21: Percentage households reliant on other untreated water sources (2007)



Source: Stats SA; Community Survey 2007

The significant differences in the level of basic water infrastructure in the various local municipalities across the district is clearly depicted on Figure 22 which shows the proportion of households reliant on untreated sources of water. This figure range from as low as 5.7% of households in the eNdumeni LM, to between 23% and 26% in the Nquthu and Umvoti LM's, and a very high figure of 60.8% in the Msinga LM.

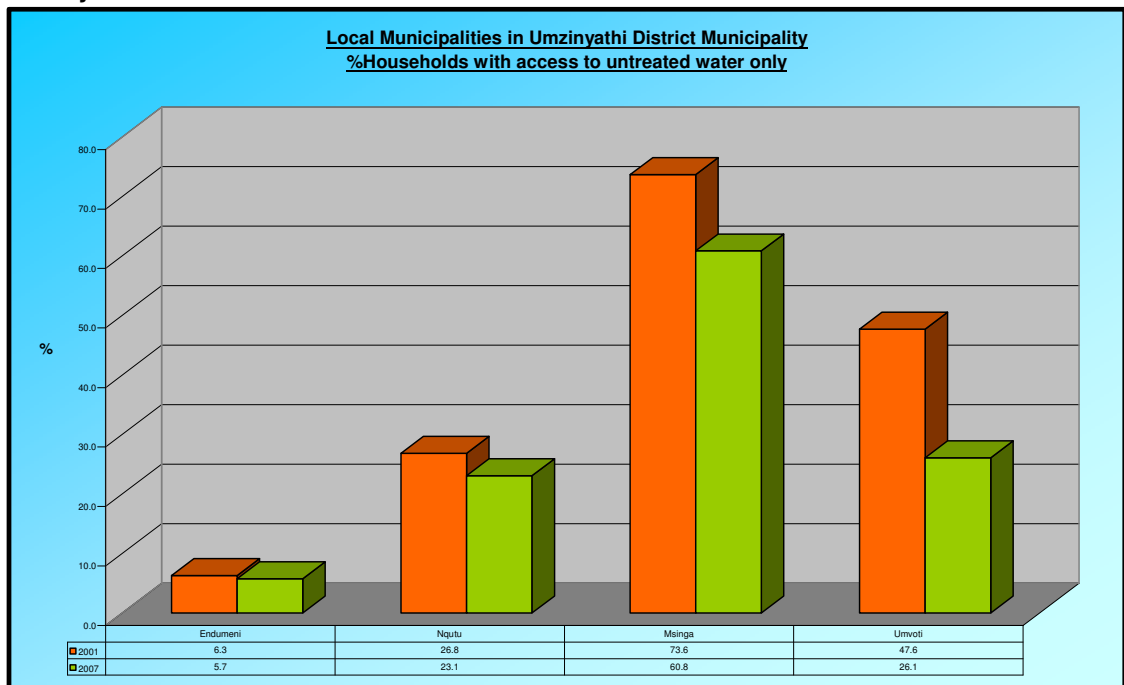
The situation in the various Local Municipalities can be summarized as follows:

- The proportion of households in the eNdumeni LM with piped water inside their dwellings increased from 37.2% to 57.4% between 2001 and 2007.
- Only 3.7% and 12.6% of the households in Nquthu LM had access to piped water inside their dwellings and inside their yards respectively in 2007. However, as much as 51.3% of households did have access to piped water outside their yards. A high proportion of 23.1% still only had access to other untreated water sources.
- A total of 26.6% of households in the Umvoti LM have access to pipe water inside their dwellings and 24.7% to pipe water inside their yards. The proportion of households reliant on other untreated sources of water decreased from 47.6% in 2001 to 26.1% by 2007.
- Less than 1% of households in the Msinga LM had access to piped water

inside their dwellings and only 1.5% to pipe water inside their yards by 2007. Conversely, as much as 60.8% of households were still reliant on other untreated sources of water (despite decreasing from 73.6% in 2001).

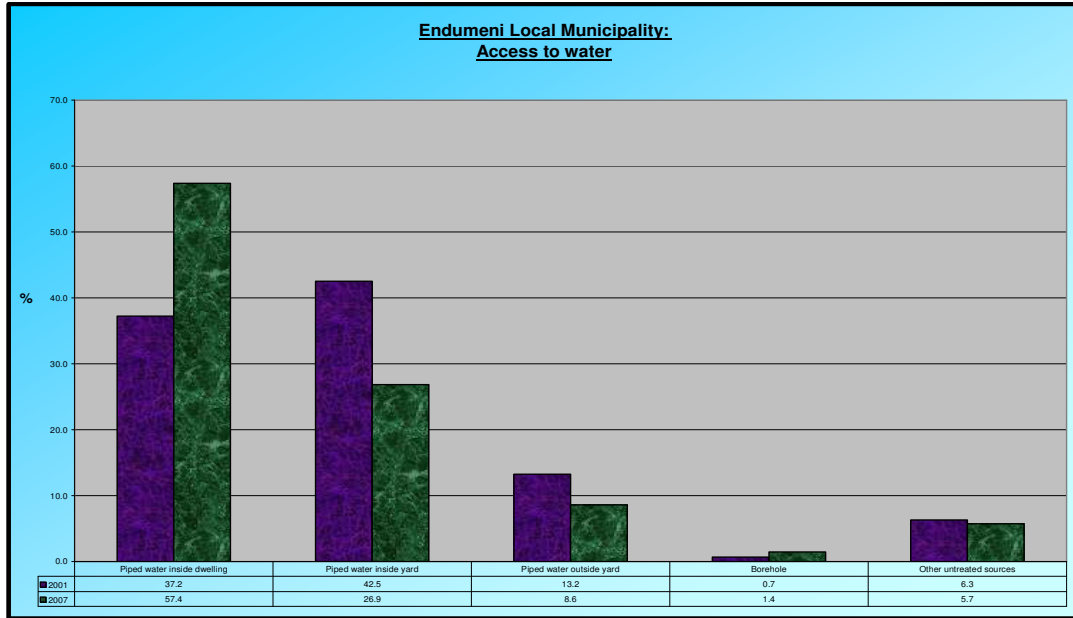
- The spatial distribution of different levels of access to water infrastructure is depicted on the attached thematic map. The very high concentration of households below the minimum level of water infrastructure provision in the Msinga and Nquthu Local municipalities is clearly evident.

Figure 22: Percentage of household with access to untreated water only in the Umzinyathi DM



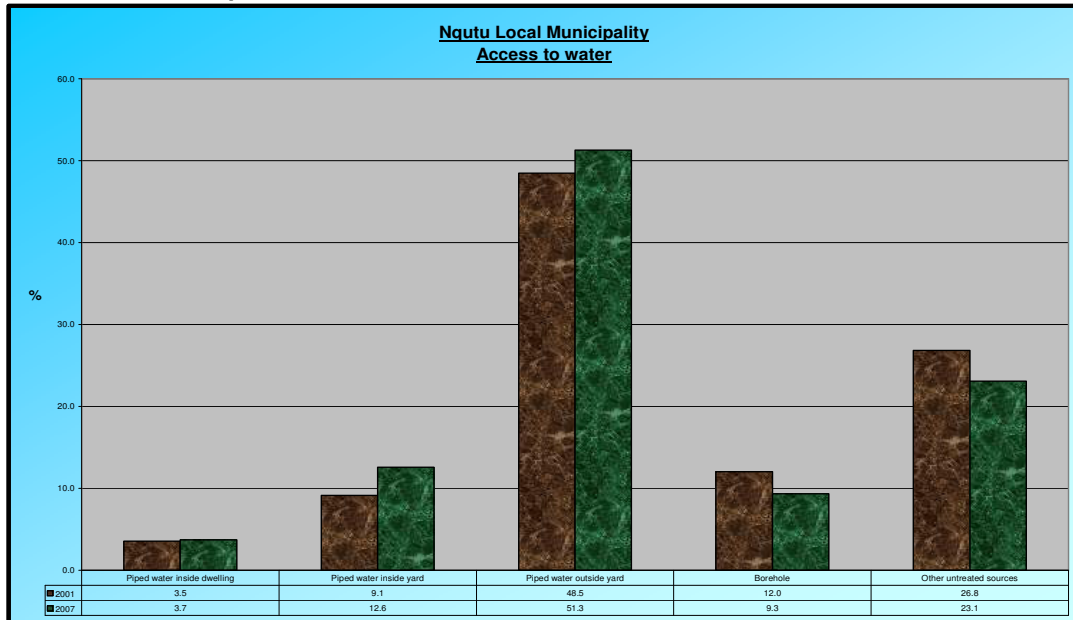
*Source: Stats SA: Census 2001
Stats SA; Community Survey 2007*

Figure 23: Percentage people with access to different levels of water infrastructure in the eNdumeni LM



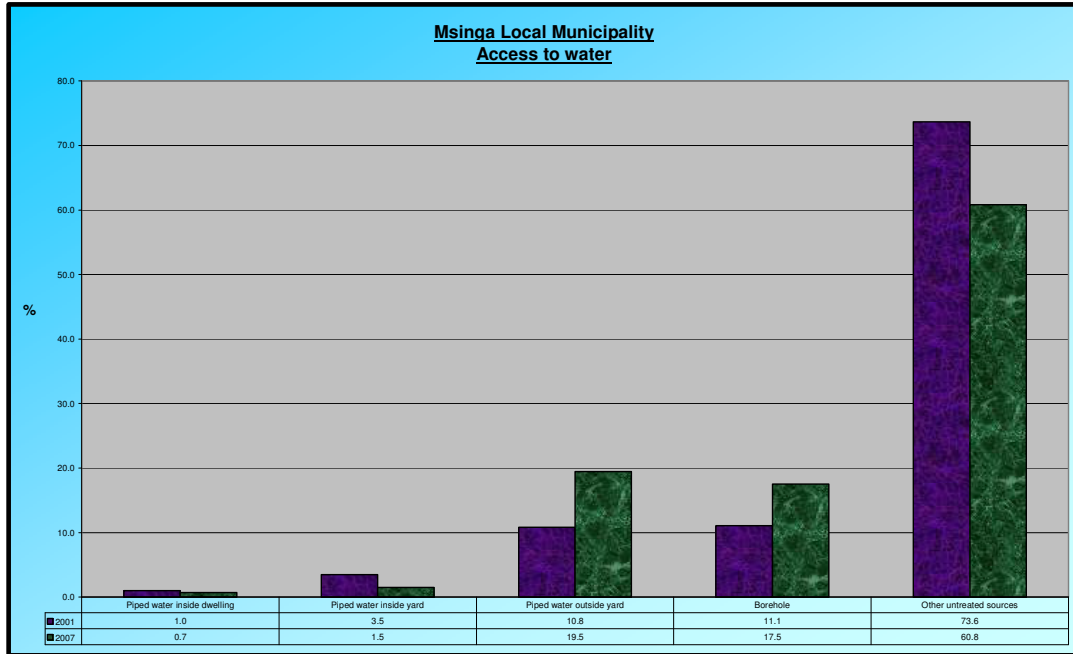
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 24: Percentage of population with access to different levels of water infrastructure in Nguthu LM



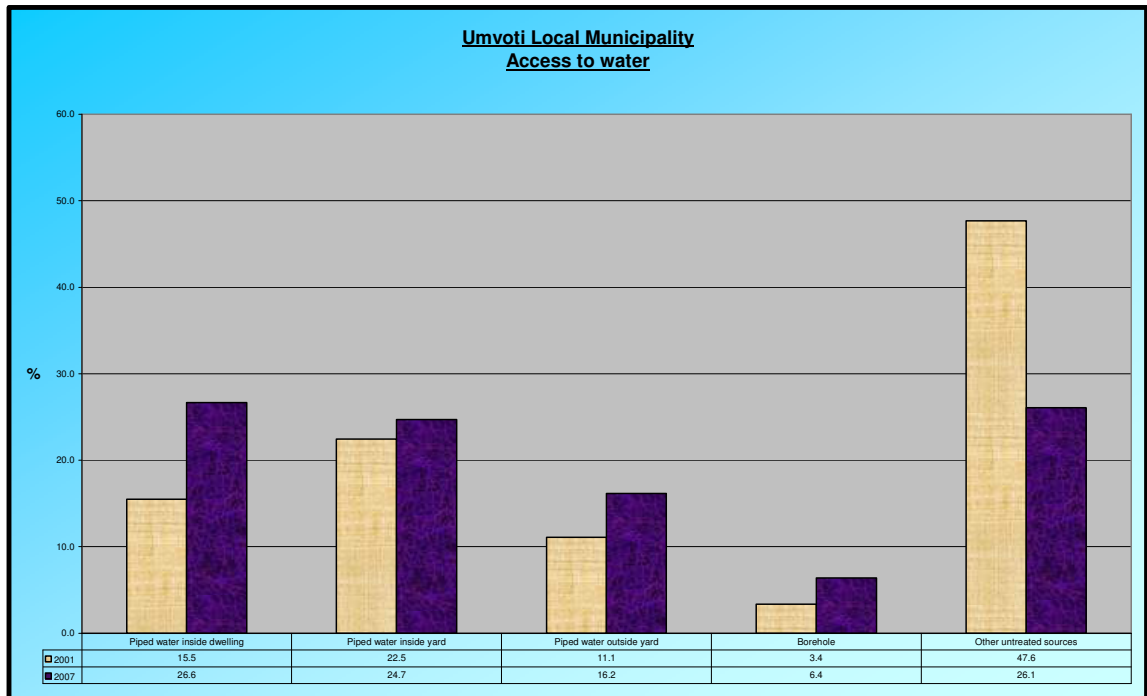
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 25: Percentage of population with access to different levels of water infrastructure in Msinga LM



*Source: Stats SA: Census 2001
Stats SA; Community Survey 2007*

Figure 26: Percentage of population with access to different levels of water infrastructure in Umvoti LM

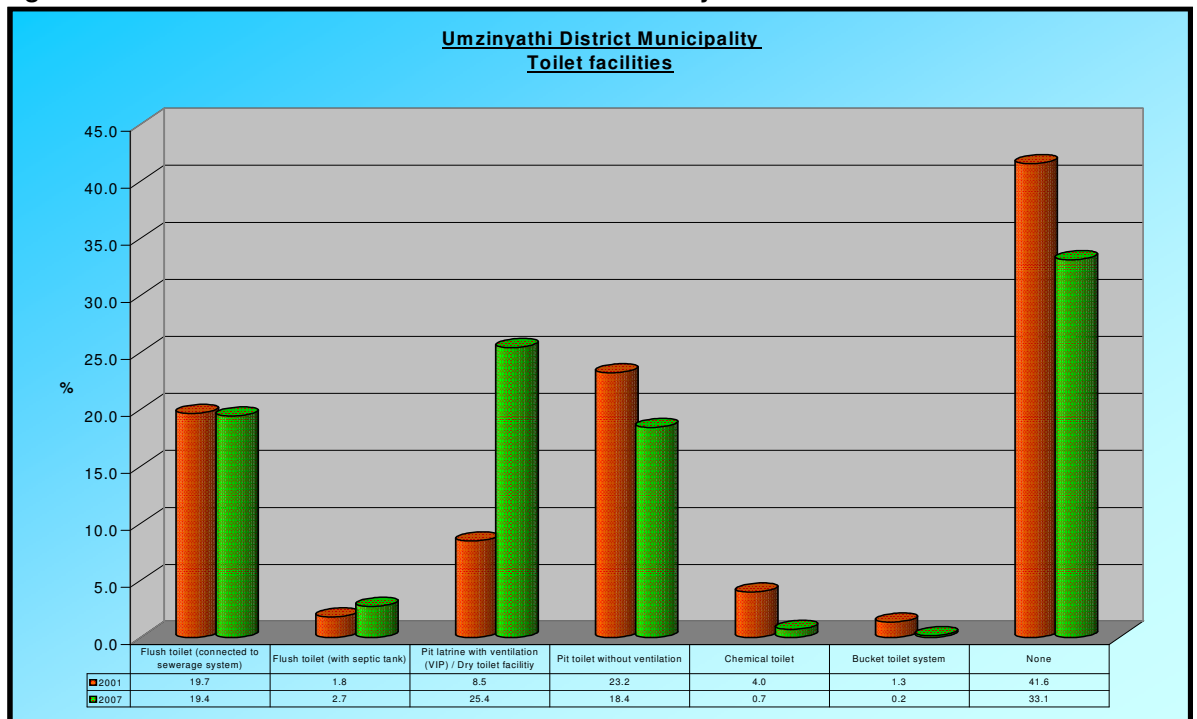


*Source: Stats SA: Census 2001
Stats SA; Community Survey 2007*

3.7 Sanitation

A comparative overview of the availability of sanitation infrastructure in the Umzinyathi DM is outlined in Figure 27. This information indicates that the proportion of households with flush toilets (either connected to a water borne sewerage system or septic tank) is approximately 22.3%. This figure remained relatively unchanged between 2001 and 2007. A notable feature is the significant progress which has been made with the provision of basic sanitation facilities such as ventilated improved pit latrines (VIP's) and other dry toilet facilities. The proportion of households with access to these types of facilities increased from 8.5% to 25.4% between 2001 and 2007. Over the same period, the proportion of households with access to unimproved pit latrines decreased from 23.2% to 18.4% and those without access to any form of sanitation infrastructure form 41.6% to 33.1%. These figures also imply that as much 52% of all households in the district municipality still did not have access to sanitation facilities meeting the minimum required standards by 2007.

Figure 27: Access to sanitation infrastructure in the Umzinyathi DM

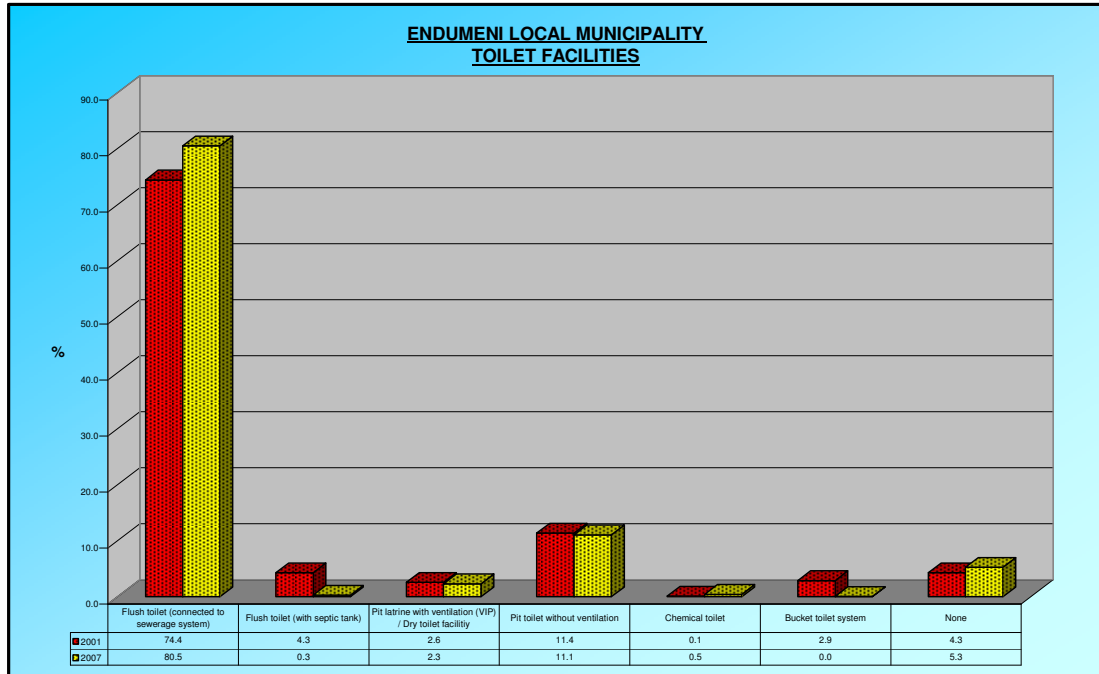


Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

The availability of basic sanitation infrastructure in the various local municipalities within the Umzinyathi DM is summarized in Figures 28 to 31. This information indicates a number of important characteristics:

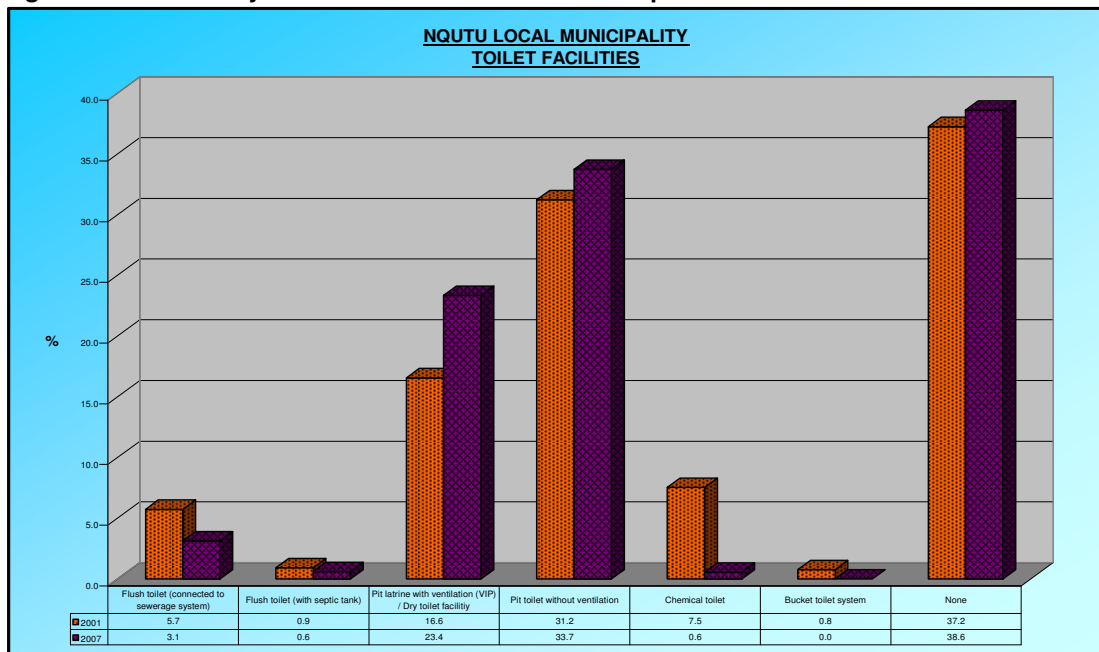
- More than 80% of households in the eNdumeni LM had access to a water borne sanitation system by 2007. Only 11% of households were reliant on unimproved pit latrines and a further 5% were without any form of sanitation facilities.
- The vast majority of households in the Nquthu LM did not have access to sanitation facilities at the minimum required standards by 2007. A total of 38.6% of households did not have any form of sanitation facilities, and a further 33.7% were utilizing unimproved pit latrines. A further notable trend has been the proportional increase in the number of households falling within these two categories. Only 23.4% of all households had access to a Ventilated Improved Pit latrine or other dry toilet facility.
- Significant progress has been made with the provision of basic sanitation infrastructure in the Msinga LM. The proportion of households provided with Ventilated Improved Pit latrines or dry toilet facilities increased from 5.1% to 38% between 2001 and 2007. Over the same period, the proportion of households without any form of sanitation facilities decreased substantially from 70% to 48.9%.
- Substantial progress has also been made in the Umvoti LM with the provision of basic sanitation facilities between 2001 and 2007. The proportion of households with access to water a borne sanitation system increased from 30.8% to 40.3% over this six year period. The proportion of households with access to Ventilated Improved Pit latrines or other dry toilet facilities also increased markedly from 7.8% to 24.4%. Conversely, the proportion of households reliant on unimproved pit latrines decreased from 29.1% to 12.9%, and those without any form of sanitation from 26.3% to 21.3%.

Figure 28: Availability of sanitation infrastructure in eNdumeni LM



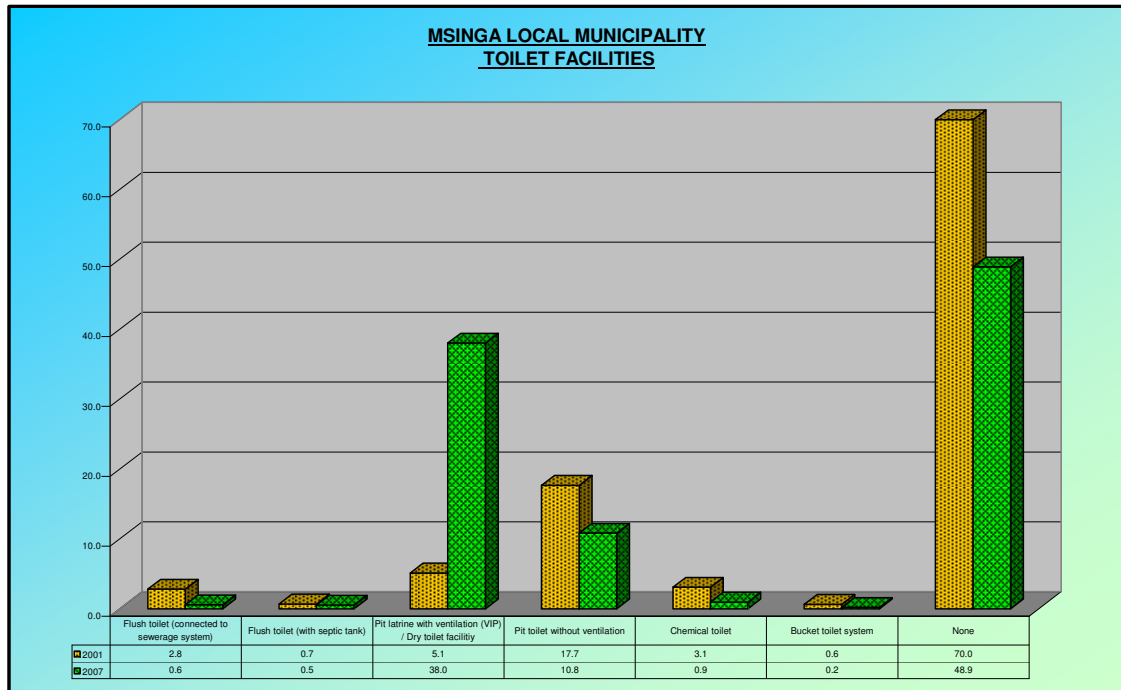
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 29: Availability of sanitation infrastructure in Nquthu LM



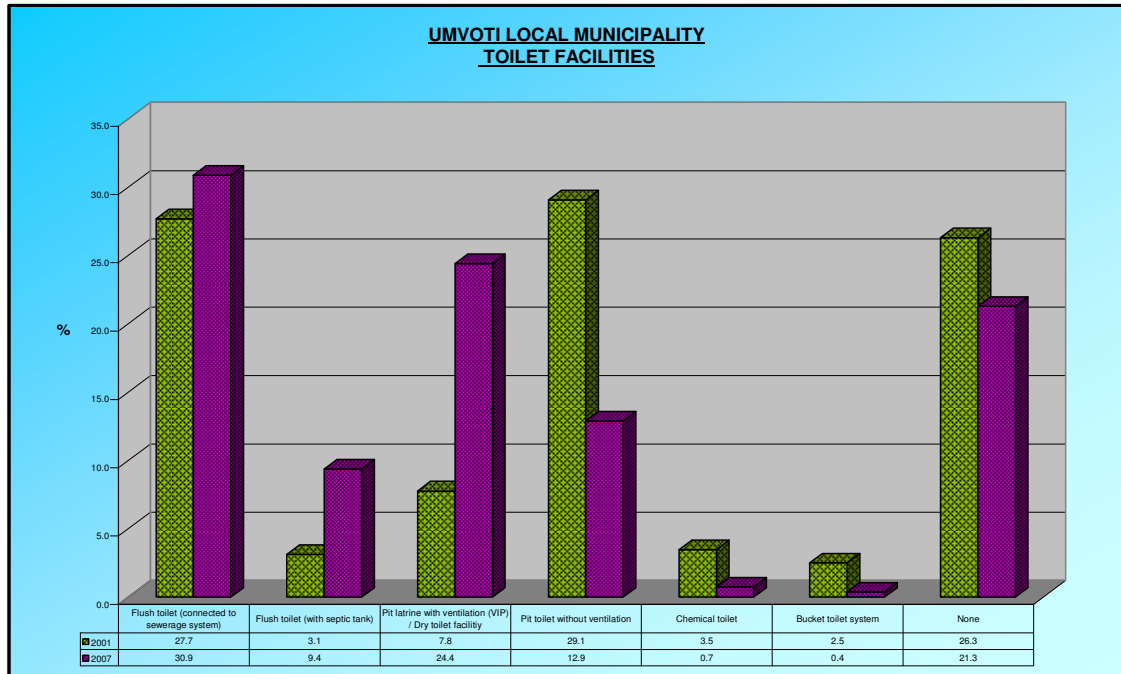
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 30: Availability of sanitation infrastructure in Msinga LM



*Source: Stats SA; Census 2001
Stats SA; Community Survey 2007*

Figure 31: Availability of sanitation infrastructure in Umvoti LM



*Source: Stats SA; Census 2001
Stats SA; Community Survey 2007*

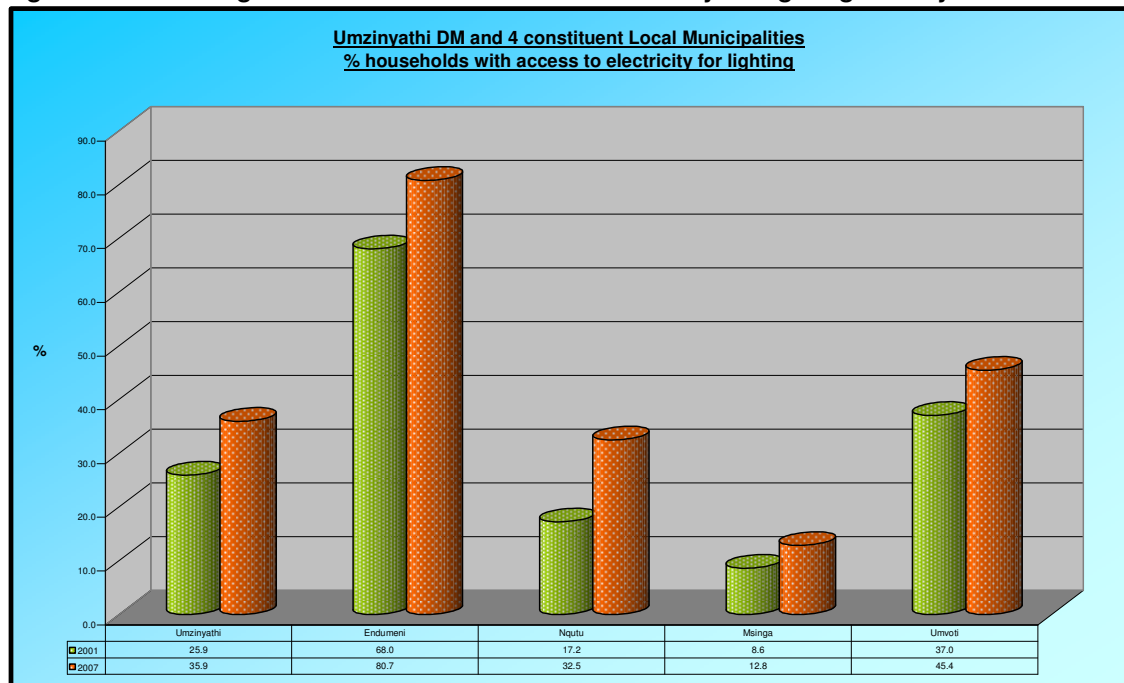
3.8 Electricity

The information depicted in the figure below indicates that significant progress has been made with electrification of the Umzinyathi district between 2001 and 2007. The percentage of households with access to electricity for lighting purposes, have increased from 25.9% to 35.9%. Despite this significant improvement, it still implies that nearly two thirds of the total population of the district does not have access to electricity.

Overall, the levels of electrification in Umzinyathi DM are very low compared to the other districts within KwaZulu-Natal (see Figure 32). This information indicates that the percentage of households electrified in Umzinyathi is the second lowest in the province after the 33.6% of Umkanyakude DM. In most other districts, in excess of 60% of households do have access to electricity for lighting purposes. Significant differences are also prevalent amongst the four local municipalities within the district. The municipal level characteristics can be summarized as follows:

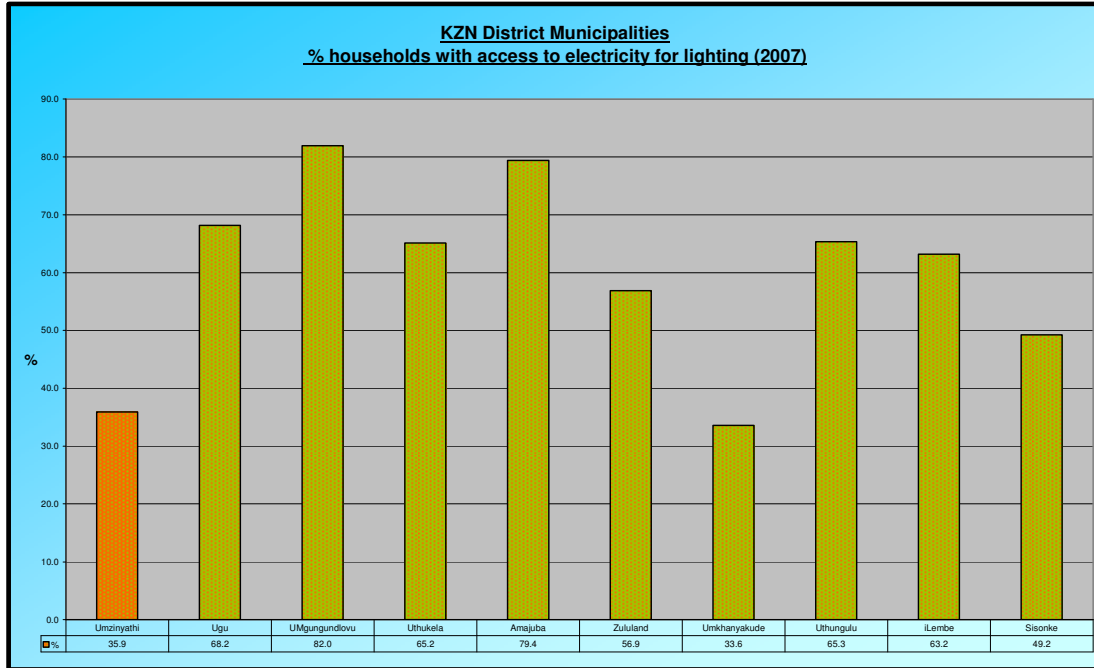
- As much as 80% of households in the eNdumeni LM have access to electricity;
- Although significant progress has been made in both the Nquthu and Msinga LM's, only 32.5% and 12.8% of households did have access to electricity in 2007; and
- Approximately 45% of households in the Umvoti LM had access to electricity for lighting purposes.

Figure 32: Percentage households with access to electricity for lighting Umzinyathi DM



Source: Stats SA; Census 2001
 Stats SA; Community Survey 2007

Figure 33: Percentage households with access to electricity for lighting KZN District Municipalities (2007)

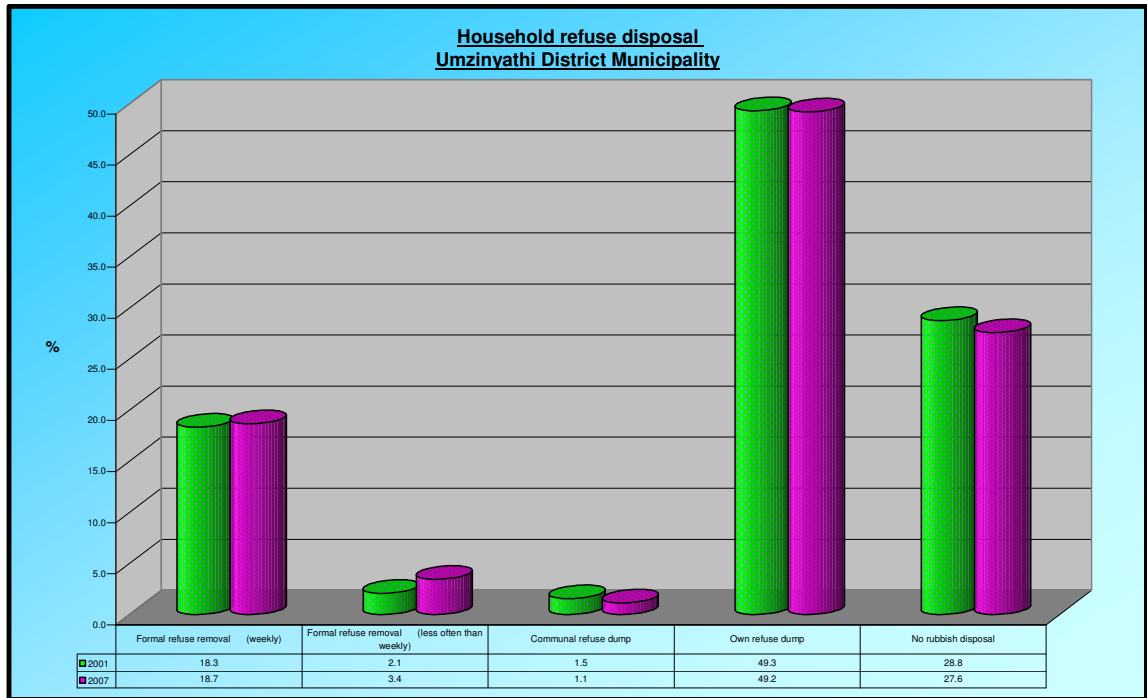


Source: Stats SA; Community Survey 2007

3.9 Waste Disposal

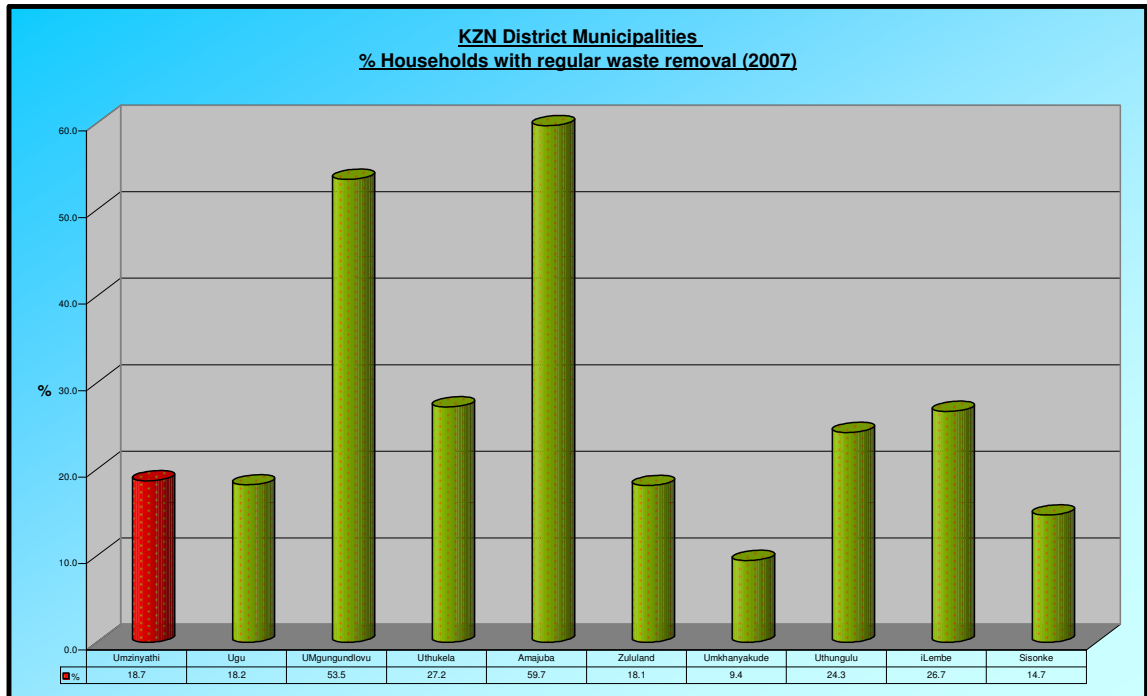
The provision of refuse removal services in Umzinyathi DM is very limited. According to the information in Figure 34 less than 20% of all households in the district receive a regular formal refuse removal service. As much as 49.2% of households make use of their own refuse dumps, and a further 27.6% does not have access to any form of waste disposal service. A further aspect of concern is that the availability of refuse removal services have not improved over the period 2001 to 2007. These low levels of services provision with regards to waste removal services in Umzinyathi DM are not unlike the situation in most other district municipalities within the province (see Figure 34), with figures very similar to those of Ugu, Zululand and Sisonke DM's. These statistics clearly highlights the challenges of providing an effective waste removal services in vast rural communities.

Figure 34: Household refuse disposal Umzinyathi DM



*Source: Stats SA; Census 2001
Stats SA; Community Survey 2007*

Figure 35: Percentage households with regular waste removal (2007)

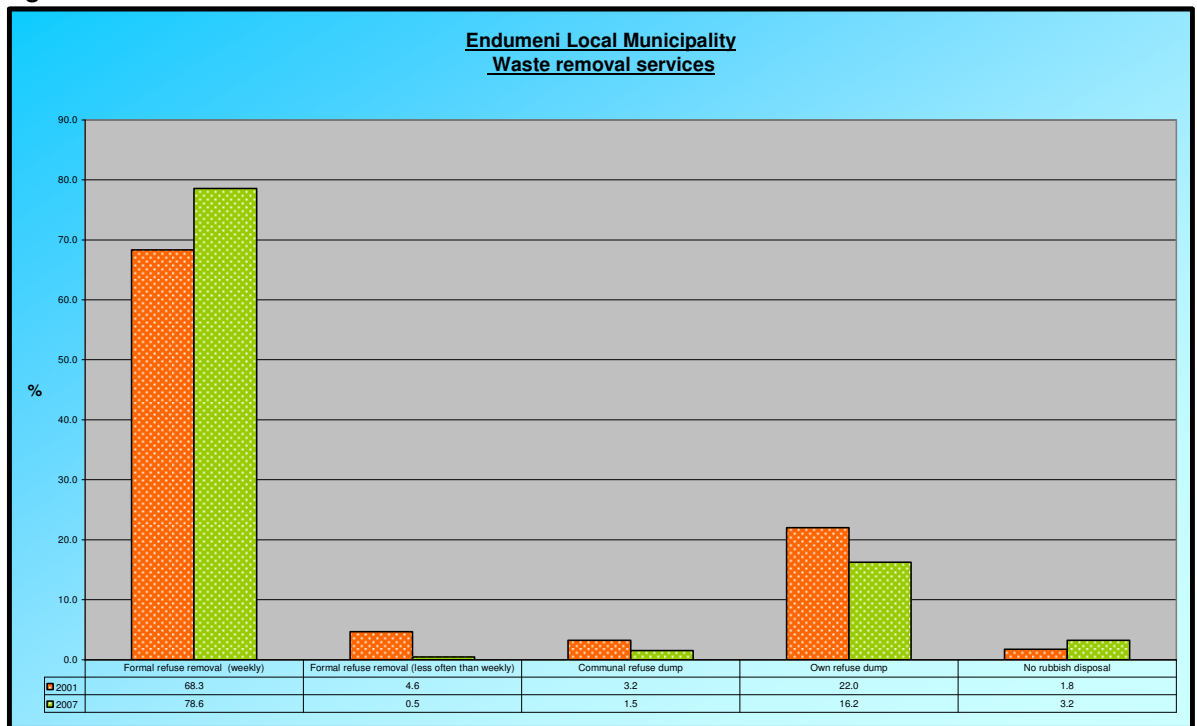


Source: Stats SA; Community Survey 2007

An overview of waste removal services at local municipality level is summarized in the subsequent graphs. This information indicates the following trends:

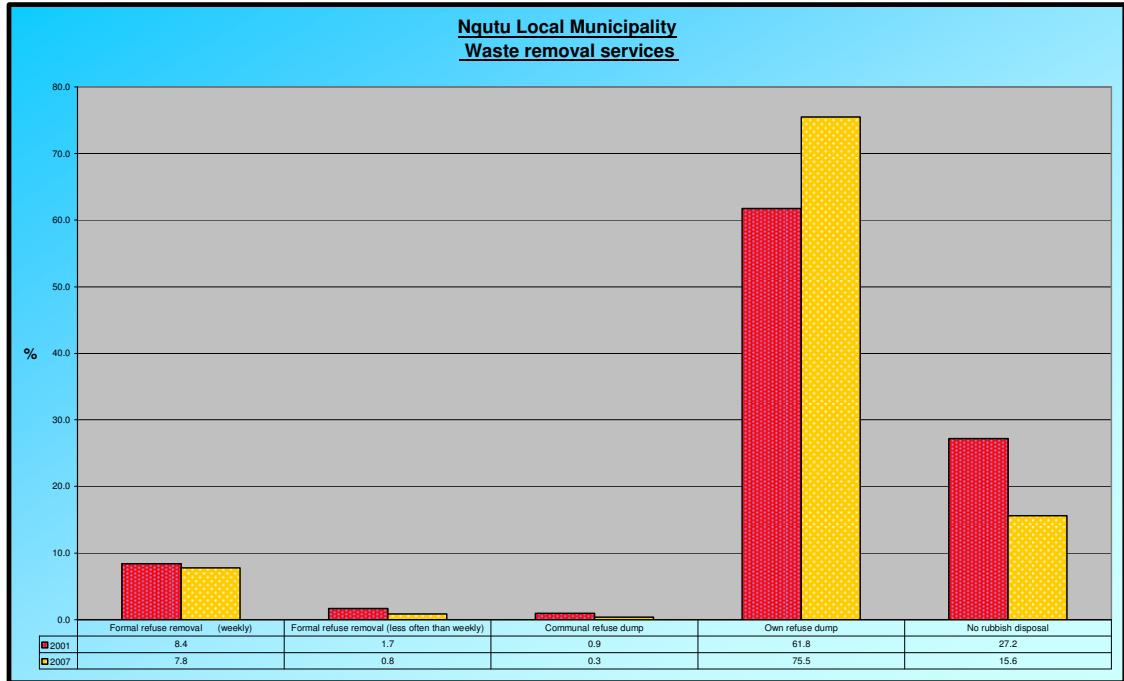
- The majority of households in the eNdumeni LM (78.6%) are provided with a regular formal refuse removal service. Only a small proportion of households makes use of their own refuse dumps or does not have access to any form of disposal.
- The provision of formal waste removal services in the Nquthu LM is very limited and as much as 75.5% of households make use of own refuse dumps, and a further 15.6% does not have access to any form of disposal.
- No formal refuse removal service is rendered in the Msinga LM. As much as 61.4% of households do not have access to any form of waste disposal, with a further 37% utilizing own refuse dumps.
- A total of 23% of households in the Umvoti LM receive a weekly formal refuse removal service. A further 12.3% has indicated a less frequent service. More than 62% of households utilize own refuse dumps or does not have access to any form of waste disposal service.
- The spatial distribution of the availability of municipal refuse removal services is depicted on the attached thematic map.

Figure 36: Waste removal services in eNdumeni LM



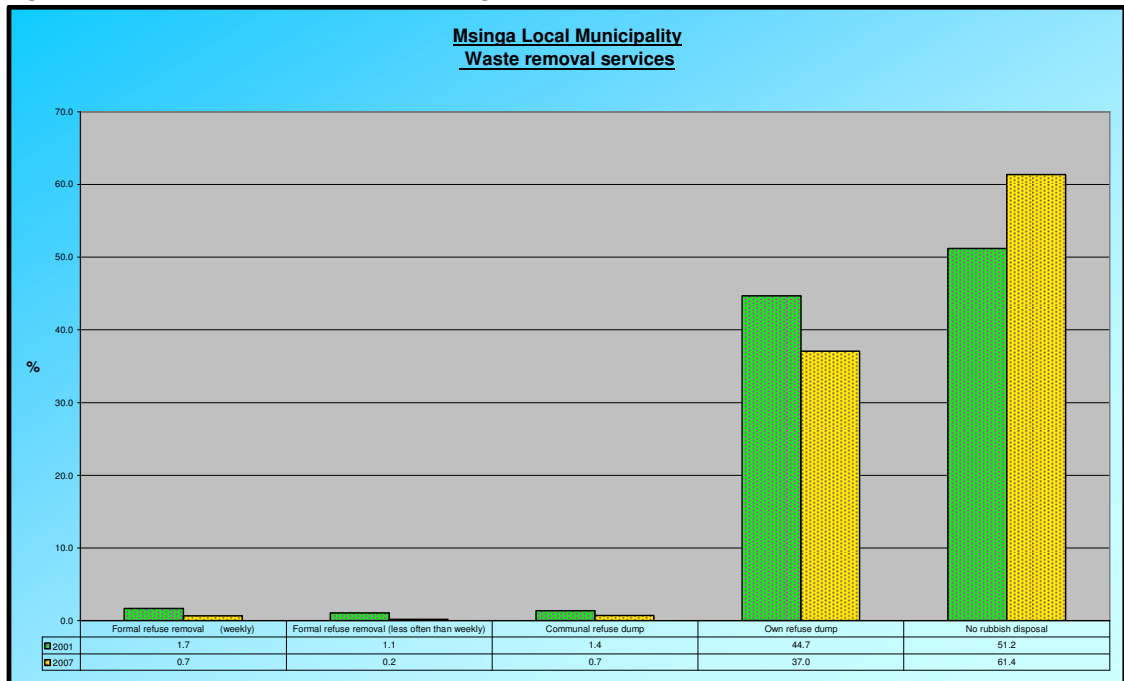
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 37: Waste removal services Nquthu LM



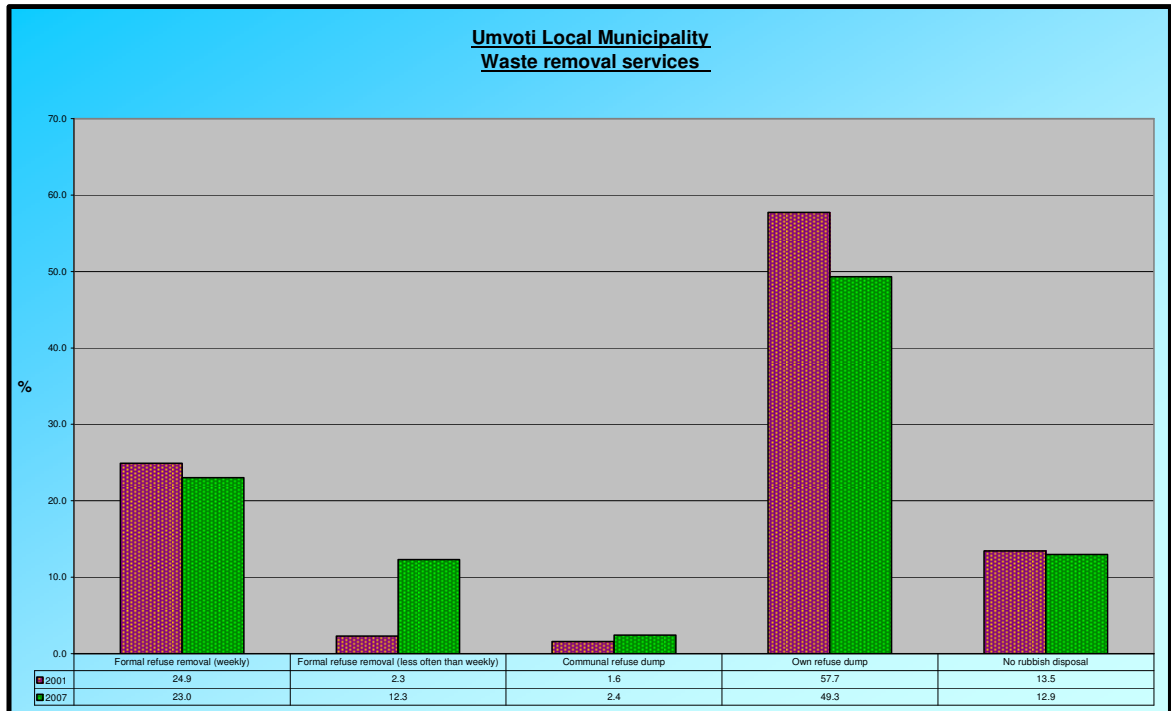
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 38: Waste removal services Msinga LM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 39: Waste removal services Umvoti LM

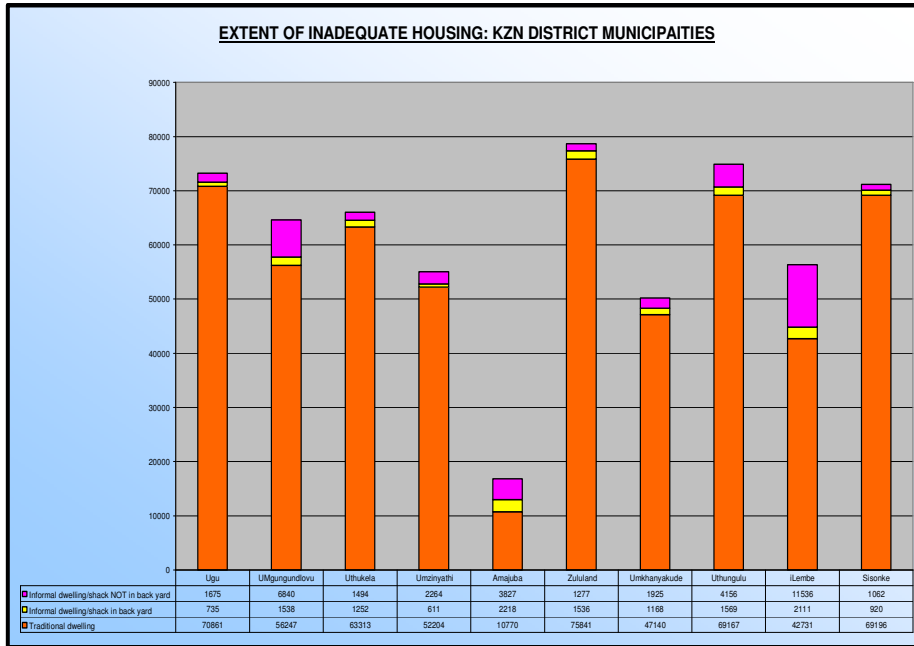


Source: Stats SA: Census 2001
Stats SA: Community Survey 2007

3.10 Housing

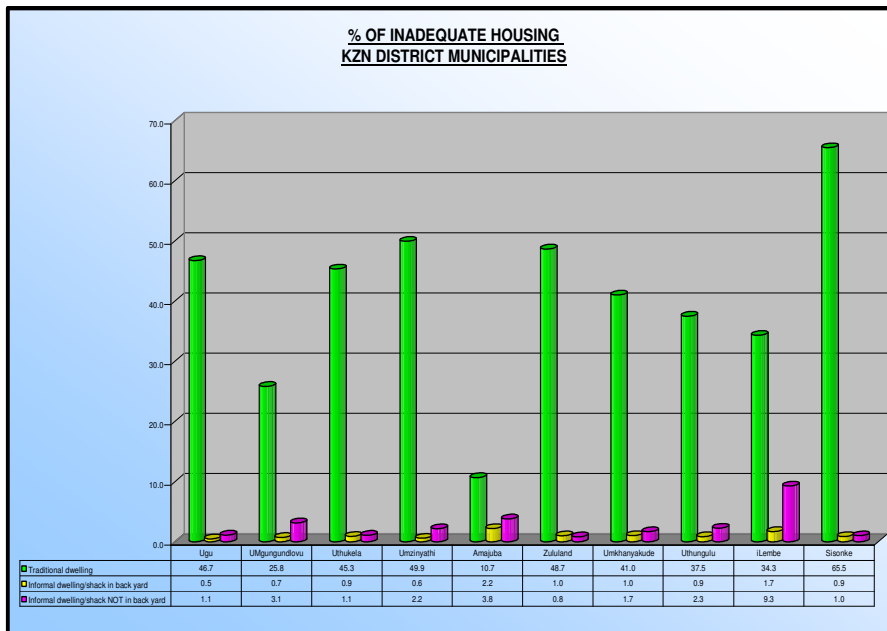
The extent of inadequate housing in Umzinyathi DM is approximately 55 000 units. This figure consists of around 52 000 households residing in houses constructed of traditional materials, approximately 2 200 housing in informal dwellings, and a further 600 in informal dwellings in backyards. There is thus a substantial need for appropriate housing provision across the entire district. The comparative analysis of the proportion of inadequate housing amongst the various districts in KwaZulu-Natal as depicted in Figure 40 indicates that the Umzinyathi DM has the second highest proportion of households residing in traditional dwellings (49.9%) in the province after the Sisonke DM.

Figure 40: Extent of inadequate housing



Source: Stats SA, Community Survey 2007

Figure 41: Percentage of inadequate housing in KZN DM's

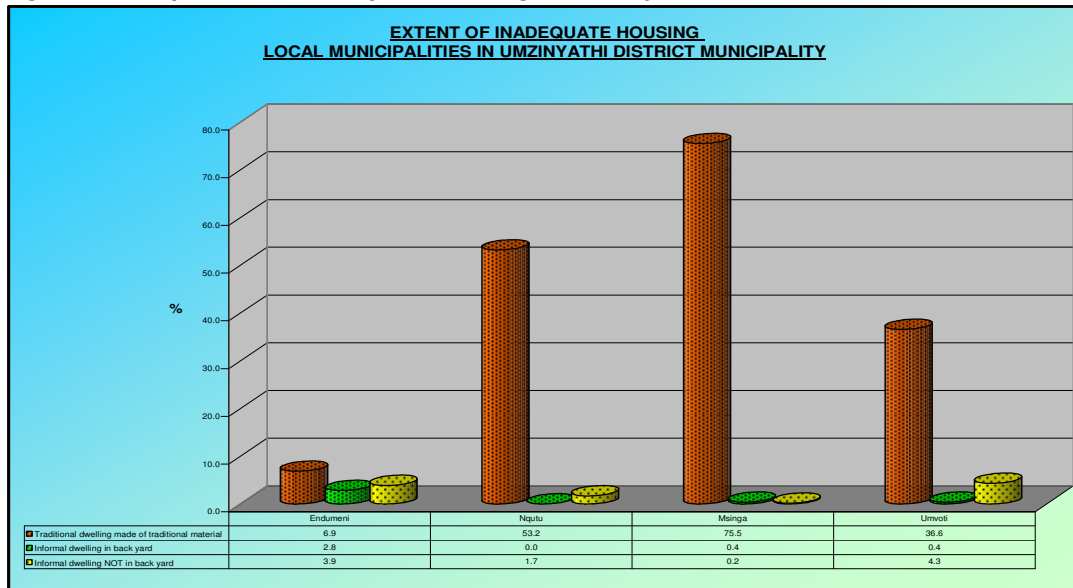


Source: Stats SA, Community Survey 2007

A comparative analysis of the extent of inadequate housing at local municipality level is depicted in Figures 42. This information clearly indicates that the largest proportional housing needs are in the Msinga LM where more than 75% of households are residing in traditional dwellings constructed of traditional materials. The detailed analysis at LM level identified the following key characteristics:

- The majority of households in the eNdumeni LM (68.2%) are residing in formal structures on separate stands. Only 6.9% of households are residing in traditional dwellings, 2.8% in informal dwellings in backyards, and 3.9% in informal settlements.
- As much as 53.2% of households in the Nquthu LM are residing in traditional dwellings constructed of traditional materials. No substantial occurrence of informal settlements or informal dwellings in backyards is prevalent in this area.
- The rural nature of the Msinga LM clearly depicted by the fact that more than 75% of households are residing in traditional dwellings constructed of traditional materials. No substantial occurrence of informal settlements or dwellings in backyards is prevalent in this municipality.
- A total of 36% of households in Umvoti are residing in traditional dwellings, and approximately 4.3% in informal settlements. A substantial proportion of 19.1% are classified in “other” housing categories which may also comprise part of the housing backlog in this area.

Figure 42: Proportion of inadequate housing in Umzinyathi DM

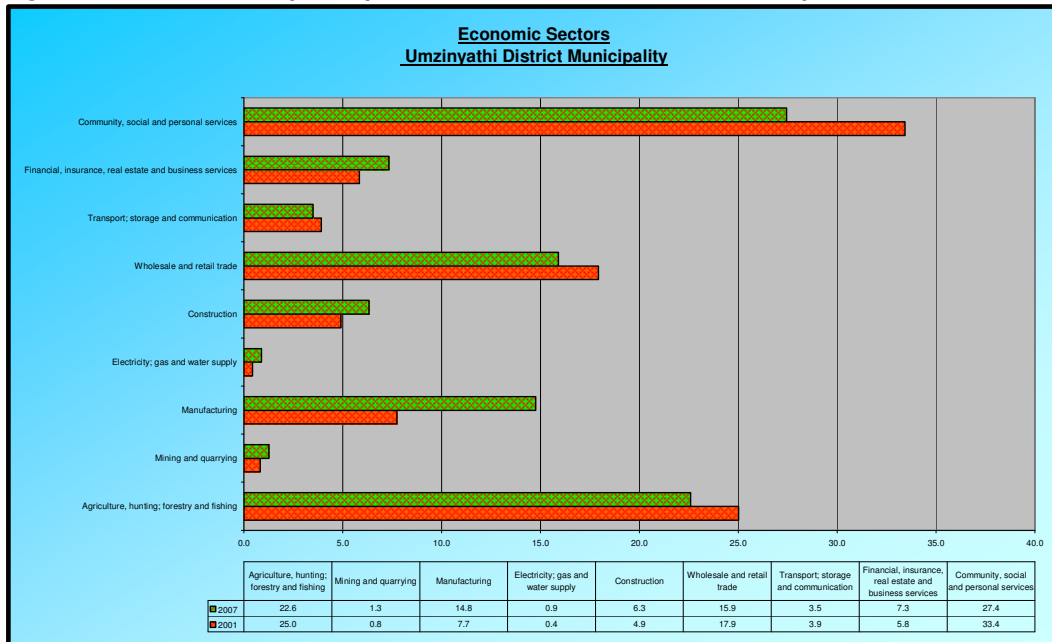


Source: Stats SA; Community Survey 2007

3.11 Economic Structure

The participation of the labour force in various economic sectors in the Umzinyathi DM is depicted in Figure 43. This information indicates that the main sources of employment in the district are the Community, Social and Personal Services Sector (33.4%); the Agricultural Sector (25%); and the Wholesale and Retail Trade Sector (17.9%). The contribution of the Community, Social and Personal Services Sector decreased somewhat from 33.4% to 27.4% between 2001 and 2007, and that of Agriculture from 25% to 22.6%. The contribution of the Manufacturing Sector as source of employment has increased notably from 7.7% to 14.8% over the same period.

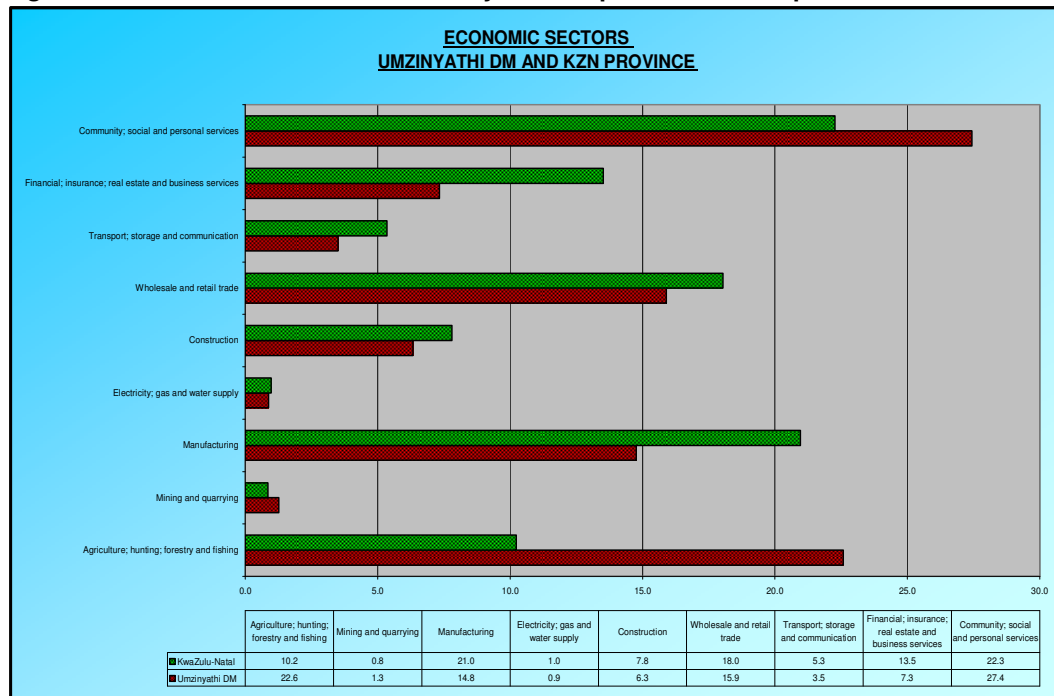
Figure 43: Labour force participation in economic sectors in Umzinyathi DM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

The economic structure of the Umzinyathi DM compared to the overall provincial structure is reflected in Figure 44. The importance of the Agricultural Sector as source of employment in the district is clearly illustrated by the fact that 22.6% of the employed population in Umzinyathi DM is involved in the Agricultural Sector, compared to only 10.2% at provincial level. In view of the rural nature of the Umzinyathi DM it is clear that the role of the secondary and tertiary sectors is much less significant in Umzinyathi compared to the overall provincial figures. The importance of general governance services as source of employment in the district is also evident.

Figure 44: Economic Structure of Umzinyathi compared to overall provincial structure



Source: Stats SA; Community Survey 2007

The economic characteristics at local municipality level can be summarized as follows:

- The main sources of employment in the eNdameni LM in 2007 was the Community, Social and Personal Services Sector (25.8%); the Agricultural Sector (17.6%); and Manufacturing Sector (14.7%). The largest proportional changes took place in the Community, Social and Personal Services Sector which decreased from 35.2% to 25.8% between 2001 and 2007, whereas the contribution of the Construction Sector increased from 5.3% to 11.6% and that of the Manufacturing Sector from 8.1% to 14.7% over the same period.
- The major contributors of the employment in the Nquthu LM in the Community, Social and Personal Services Sector (31.2%); the Agricultural Sector (21.2%); and the Wholesale and Retail Trade Sectors (19.1%). The largest proportional changes occurred in the Community, Social and Personal Services Sector where the contribution decreased from 36.1% to 31.2%. Over the same period the contribution of the Agricultural Sector improved significantly from 3.7% to 21.2%.
- The main contributors of employment in the Msinga LM are the Community,

Social and Personal Services Sector (42.9%); and the Agricultural Sector (12.5%). The largest proportional changes between 2001 and 2007 occurred in the Wholesale and Retail Trade Sectors (decreasing from 20.9% to 11.2%) and the Manufacturing Sector which increased from 3.9% to 9.7%;

- The importance of the Agricultural Sector in the economy of the Umvoti LM indicates that this sector accounted for more than 29% of employment in 2007. The other notable sectors in this local municipality include the Community, Social and Personal Services Sector; and the Wholesale and Retail Trade Sectors.

A comparative overview of the sectoral contribution to both Gross Domestic Product and employment in the district is summarized in Table 2 below. These figures indicate that the proportional contribution to the various sectors in terms of GDP and employment are very similar in most sectors. Most notable differences are in the agricultural sector which accounts for 22.6% of employment, but only 17% of GDP; as well as in the Construction Sector which accounted for 6.3% of employment and only 2.9% of GDP.

Table No 2: Sectoral Contribution to GDP and employment

ECONOMIC SECTOR	GDP % (2004)1	EMPLOYMENT % (2007)2
Community, social and other personal and general government services	26.5	27.4
Agriculture, forestry and fishing	17.0	22.6
Wholesale & Retail trade Catering & Accommodation	17.5	15.9
Manufacturing	13.0	14.8
Finance & insurance and Business services	10.9	7.3
Transport & Communication	6.7	3.5
Construction	2.9	6.3
Electricity & water	3.3	0.9
Mining	2.1	1.3
TOTAL	100	100

Source: 1. Quantec: Monitor Analysis (2004, Constant 2000 prices) as used in Umzinyathi LED strategy
2. Statistics SA, Community Survey 2007

3.12 Tourism

Tourism development in Umzinyathi is focussed on the Battlefields route, heritage and cultural tours as well as scenery and biodiversity of the area. There are a number of major tourism attractions (resources) that have potential, namely:

Battlefields

- Bambatha Rebellion
- Fort Bengough
- Battle of Rorkes Drift

- Battle of Isandlwana
- Fugitives Drift
- Battle of Blood River

Zulu Heritage, Culture and History

- Ambush Rock
- Arts and craft centres
- Talana Museum

Scenery and biodiversity

- R 33 between Umvoti and eNdumeni
- Uthukela, Mooi, Umvoti and Umzinyathi River valleys
- Kwashushu and Lilani Hot Springs
- Ntumjambili view site
- Ngome Community Game Reserve

3.13 Agricultural Potential

The cultivation in the Endumeni LM is mainly characterized by relatively large areas of commercial dry land activities and dispersed areas of irrigated agriculture. The Nquthu and Msinga Local Municipalities is virtually exclusively used for subsistence dry land type farming activities. The Umvoti LM is characterized by a mix of extensive forest plantations, commercial dry land farming and irrigation farming. There are also significant areas under sugarcane cultivation in the Umvoti area.

The most productive land occurs around Glencoe, while areas with high to moderately high productivity occur in the north western and southern parts of the district. Large areas of moderately high potential are afforested (plantations) and therefore unavailable for agriculture. A large proportion of subsistence farming activities is located on areas with very low agricultural potential due to steep slope and shallow soil profile. This place considerable pressure on the livelihood of these subsistence farmers, and greatly contributes to accelerated environmental degradation due to over-utilisation.

The area has very good grazing potential. This is mainly due to relative high rainfall, relative long growing season (mainly due to relative high temperatures during the rainy season) and favourable soil conditions. It is however important that livestock density should not exceed its limit in terms of carrying capacity. The following map indicate potential maize yield as an indication of crop production potential. Although most of the area has excellent crop production potential, intensive crop production are seldom practiced at a large commercial scale. This is because the area's main competitive advantage is with cattle production.

4. CHALLENGES

Umzinyathi District Municipality is divided spatially and economically between North and south, which are quite distinct with their respective nodes (Dundee and Greytown) separated by a distance of 180 kilometres. The District does not fall within a primary economic corridor or node, it is thus not a priority investment destination for public or private sector in terms of KZN Spatial Economic Development Strategy (2005). It is however an Integrated Sustainable Rural Development node (ISRDP), priority secondary corridors which are economic activity corridors, and they are as follows:

- Greytown – Msinga – Madadeni (SC 12)
- Nkandla – Nquthu – Vryheid (SC 13)

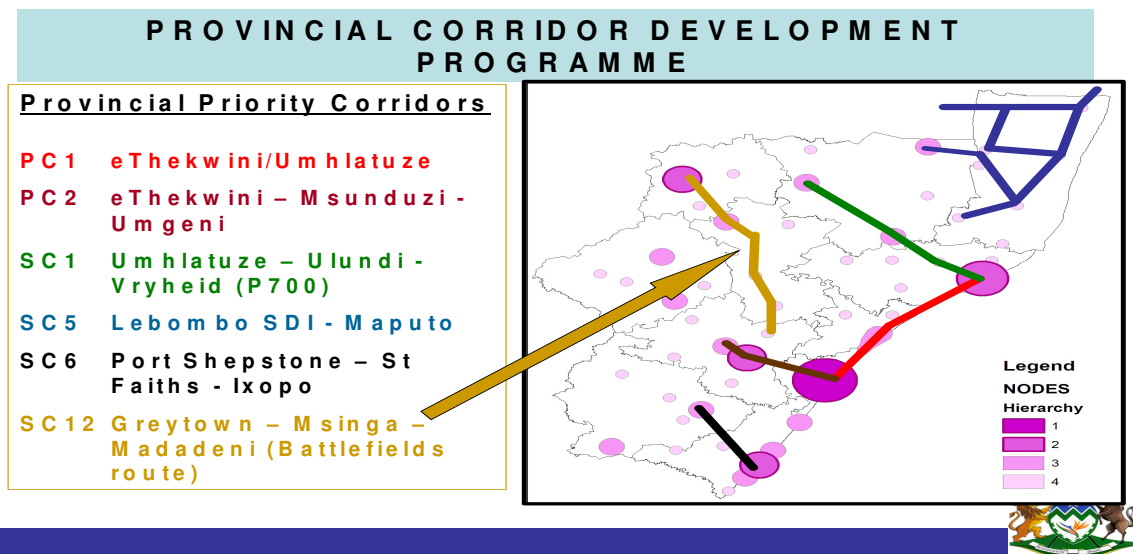
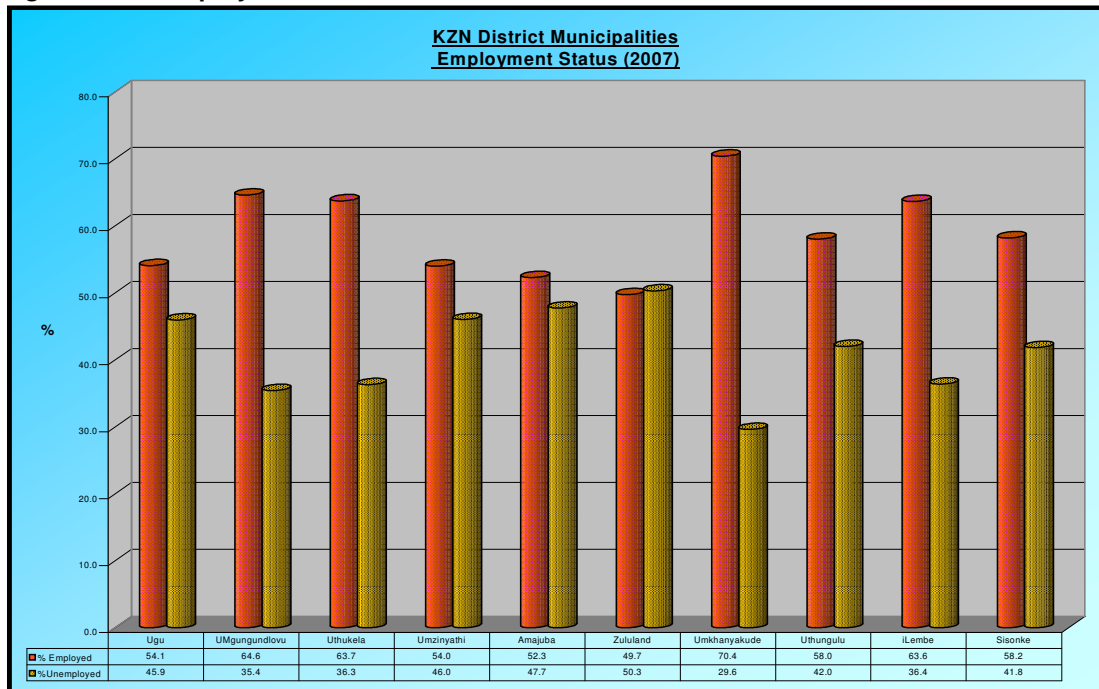


Figure No 45: Provincial Spatial Economic Development Strategy (2005)

4.1 Unemployment

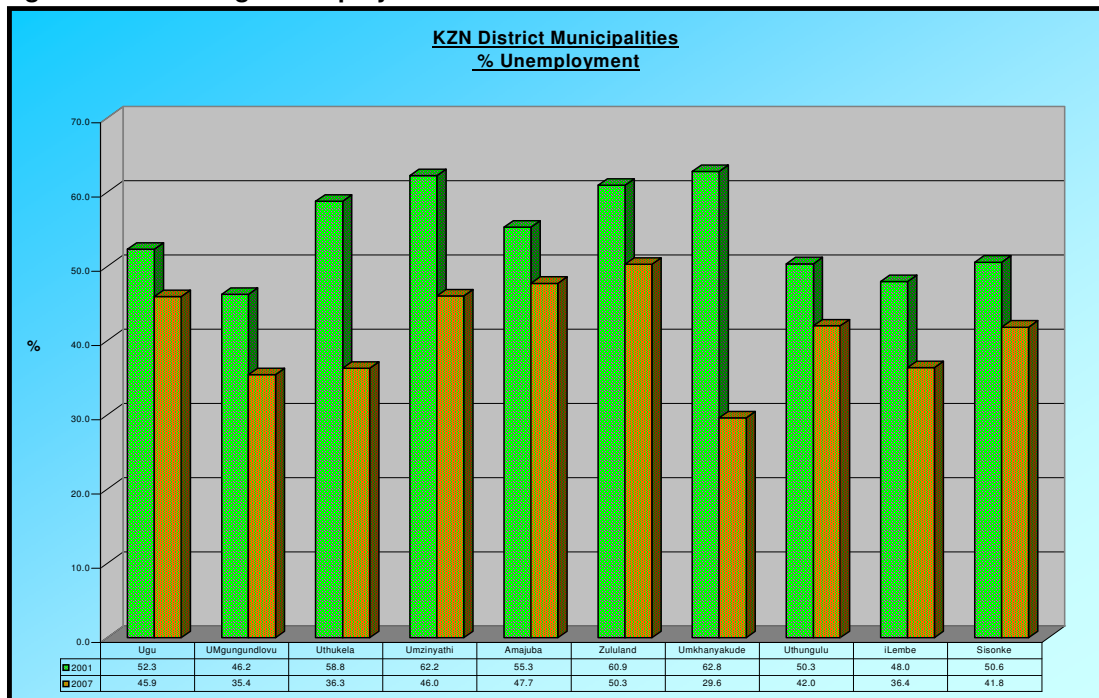
The unemployment challenge in the Umzinyathi DM is significant, with an estimated unemployment rate of around 46% in 2007. This figure rates amongst the highest unemployment rates of the district across KwaZulu-Natal. There are however also positive indications. As reflected on Figure 46, the unemployment rate in Umzinyathi has decreased from 62.2% in 2001 to the (still high) figure of 46% in 2007.

Figure 46: Unemployment rate in KwaZulu-Natal DM



Source: Stats SA, Community Survey 2007

Figure 47: Percentage unemployment in the KwaZulu-Natal DM's

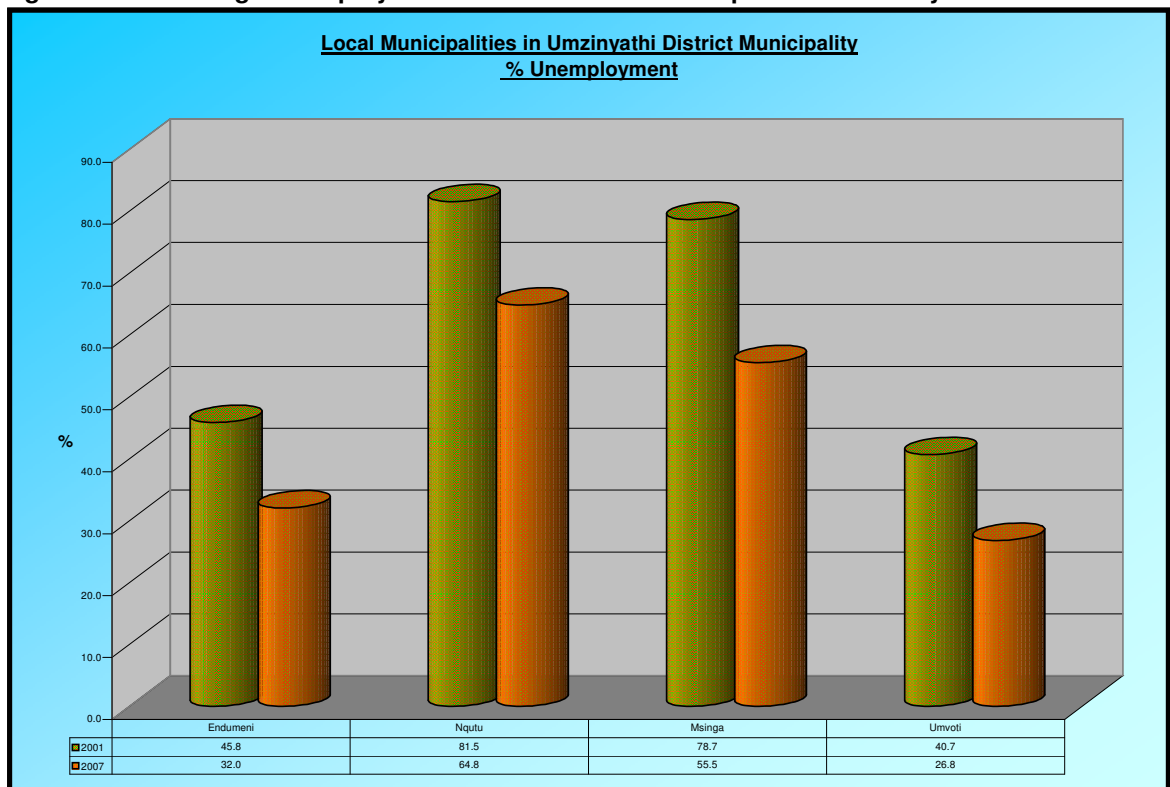


Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

The comparative figures for the various local municipalities are outlined in Figure 48. These statistics clearly indicate that the unemployment figures have improved notably between 2001 and 2007. There are however significant differences across the various local municipalities which can be summarized as follows:

- The unemployment rate in 2007 in the Umvoti and the eNdumeni LM's have been relatively low compared to the other local municipalities with rates of 26.8% and 32.2% respectively. In both these areas, the unemployment rate has decreased by approximately 14% between 2001 and 2007.
- The unemployment rate in the Msinga LM decreased substantially from a very high 78.7% in 2001 to 55% in 2007.
- The unemployment rate the Nquthu LM remains extraordinary high at 68.4% in 2007.

Figure 48: Percentage unemployment in the four local municipalities in Umzinyathi DM



*Source: Stats SA; Census 2001
Stats SA; Community Survey 2007*

The dependency ratios (Number of dependents per employed person) for the district and its local municipalities 2001 and 2007 respectively are outlined in Table No 3. These figures indicate that the dependency ratios in the district have improved significantly between 2001 and 2007. The average dependency ratio for the district decreased from 13.4 to 7.5. The most notable improvements are apparent in the Nquthu DM where the dependency ratio decreased from an extraordinary 34.7 to 13.0, and in the Msinga LM where it decreased from 33.4 to 12.2 between 2001 and 2007. These decreases in dependency ratio can be contributed to two factors:

- An increase in the number of employed persons.
- A decrease in the number of dependants.

The information depicted in the figures outlined above clearly illustrated that the unemployment rates decreased significantly in all local municipalities between 2001 and 2007. The analysis of the age structure of the population also indicated that it is apparent that a substantial proportion of the younger economically active age category (between 25 and 35 years of age) may have left the district in search of better economic opportunities elsewhere.

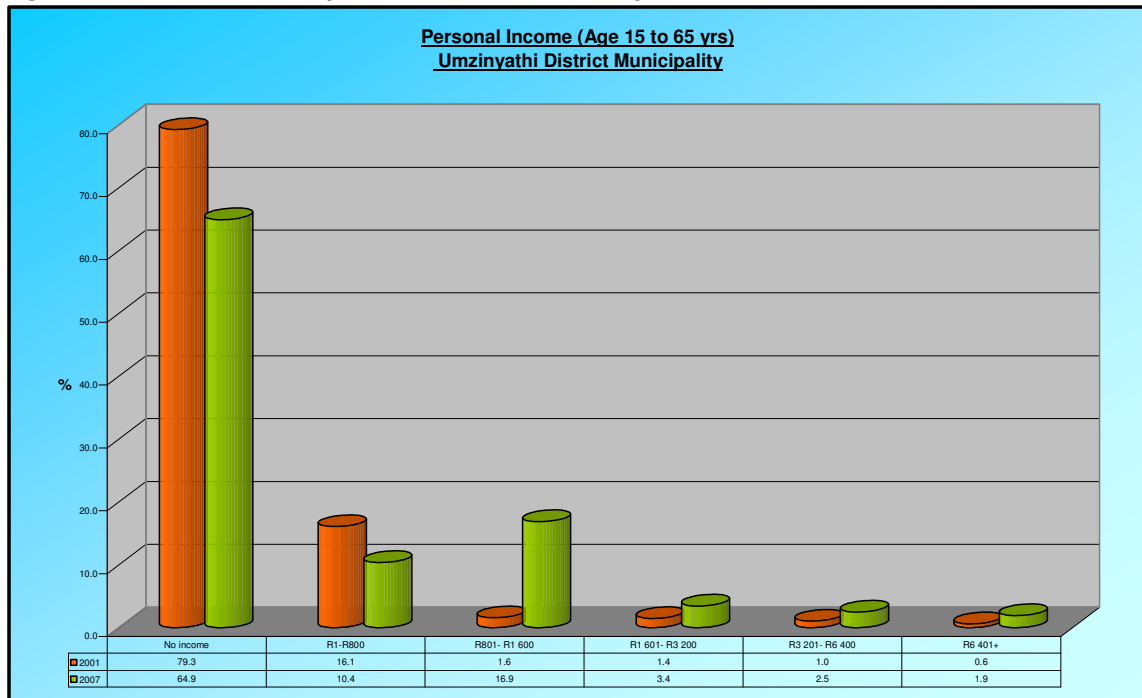
Table No 3: Dependency Ratio

Municipality	Year	Dependents per Person Employed
eNdumeni	2001	4.5
	2007	3.7
Nquthu	2001	34.7
	2007	13.0
Msinga	2001	33.4
	2007	12.2
uMvoti	2001	6.3
	2007	4.6
Umzinyathi	2001	13.4
	2007	7.5

4.2 Income and Affordability

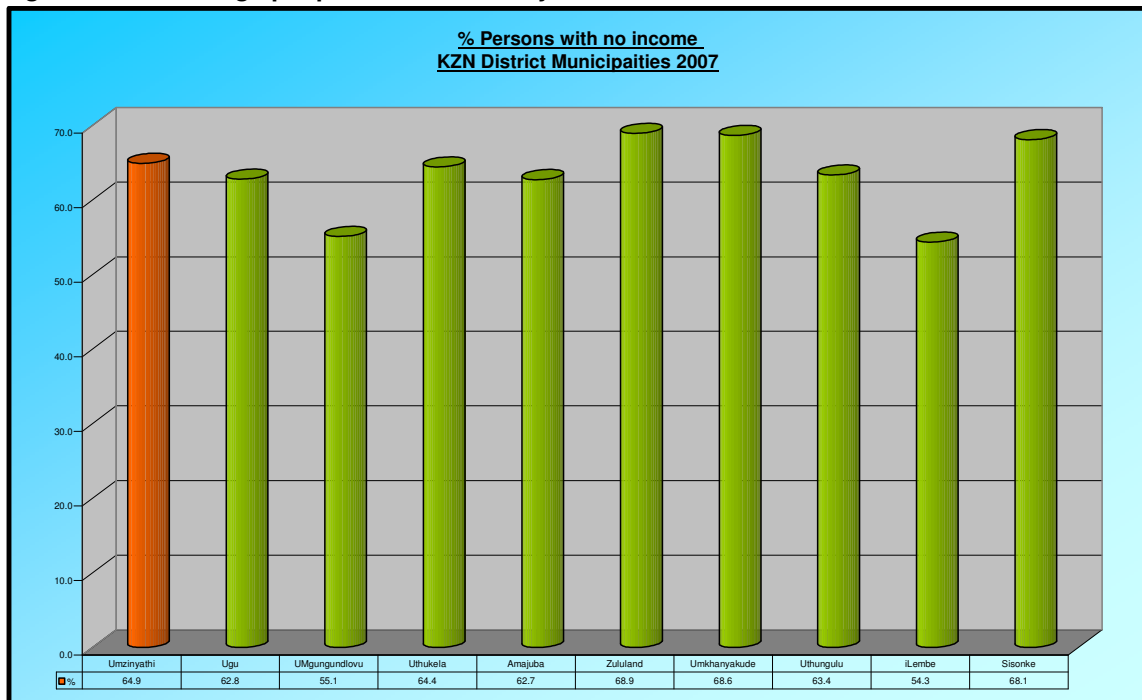
The low affordability levels in the Umzinyathi DM is clearly depicted on Figure 49 which indicates that nearly 65% of the population age between 15 - 65 years does not have any form of income. In addition, a further 10.4% earn less than R800.00 per month. Although these statistics reflect on a situation of extreme poverty, there have been signs of improvement, with the number of individuals without any income decreasing from 79.3% in 2001 to the 2007 figure of 64.9%. This high proportion of economically active individuals without any formal income is also not dissimilar to the pattern found across all districts within KwaZulu-Natal. .

Figure 49: Personal monthly income levels for Umzinyathi DM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 50: Percentage people with no monthly income



Source: Stats SA, Community Survey 2007

The individual income levels of the population between 15 and 65 years of age across the four Local Municipalities within the district are compared. The most prevalent characteristics include the following:

- The affordability levels in eNdameni LM (although also characterized by high levels of poverty) are significantly higher compared to the other three local municipalities. The proportion of individuals earning no income is lower than the comparative figures in the other three municipalities, whereas the proportion earning in excess of R3200.00 per month is also comparatively much higher. In addition, the proportion of the population without any form of income decreased from 68.2% in 2001 to just over 50% by 2007. Conversely, the proportion of individuals earning more than R6400.00 per month increased from 1.9% to 3.9% over the same period.
- The extraordinary low affordability levels in the Nquthu LM is clearly depicted in Figure 5.14, which indicates that by 2007, nearly 73% of individuals still had no form of income (compared to as much as 87.4% in 2001). Moreover, less than 5% of the population in this municipality earned more than R1600.00 per month. The very low affordability levels of Nquthu LM are nearly mirrored in the Msinga LM with very similar figures across all income categories in this area.
- The Umvoti LM shows the large proportional improvement in affordability levels between 2001 and 2007. The proportion of the adult population without any form of income decreased from 73.7% in 2001 to 52.5% in 2007. Conversely, the proportion earning between R800.00 and R1600.00 per month increased from 2.8% to 23% and the percentage of individuals earning R1600.00 and the high income categories more than doubled in the same period.

4.3 HIV/AIDS, Poverty and Inequality

In Umzinyathi District Municipality, the HIV/AIDS infection rate for 2005 was 23% (Monitor Group, 2006) which is lower than the national average of 27.9% and significantly lower than the 37.5% average for the province of Kwazulu Natal. The province has the highest HIV prevalence rate in South Africa.

4.4 Education and Skills Levels

The challenge of low skills levels within the Umzinyathi DM is eminent. The 2007 STATS Community Survey indicates that the Umzinyathi DM has the highest level of illiteracy amongst these adult populations (29.6%) amongst all districts in KwaZulu-Natal. In addition, as much as 26.4% of the adult population has only completed primary school education. Moreover, the Umzinyathi DM is also the area in KwaZulu-Natal with the lowest proportion of its adult population who have completed some form of higher education (1.2%).

These trends are also prevalent at local municipality level as follows:

- The levels of adult illiteracy in the Msinga LM are extraordinary high at approximately 51.9%. The comparative figures in the Nquthu and Umvoti Local Municipalities are around 24%, and the figure for eNdumeni LM significantly lower at 11.1%.
- The proportion of adult population in the Nquthu and Msinga Local Municipalities who have completed Grade 12 and with some form of tertiary education is very low at less than 2%. The comparative figure in the Umvoti LM is somewhat higher at 4.5%, and 6.5% for the eNdumeni LM at 6.5%.
- The significant concentration of adult population without any form of education in the central parts of the district (specifically around Keates Drift, Tugela Ferry and Pomeroy) is clearly illustrated on the attached thematic map.

4.5 Levels of Poverty and Inequality

An economic Base study of the ten District Municipalities in the Province undertaken in 2006 on behalf of the Department of Economic Development provided analysis on Human Development Index (HDI) for each of the ten Districts. The HDI is a summary indicator of human development developed by the United Nations Development Programme (UNDP). The HDI measures life expectancy, education and per capita income. Against these measures, the study revealed that Umzinyathi has the second lowest HDI in the province behind Umkhanyakude District Municipality

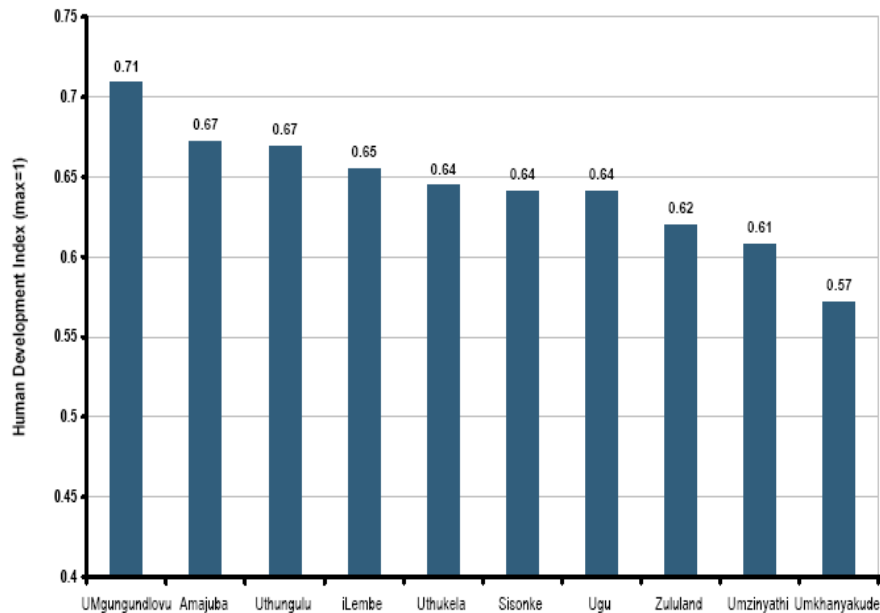


Figure 51: Sub-provincial Human Development Index (HDI) Estimates, 2004
 Source: Economic Baseline Study for Ten Nominated Districts in KZN – 2006 (Graham Muller and Associates)

4.6 Economic Status

The Umzinyathi District Municipality economy is the third smallest district economy in the province of KwaZulu-Natal with a Gross Domestic Product (GDP) of R 2,6 billion (Monitor Group 2006) and GDP per capita of about R 6600. (Urban-Econ Study 2004)

This is well below the Gross Domestic Product (GDP) average for the Province. When the Gross Domestic Product (GDP) of the District is compared to other District Municipalities, the GDP per capita for Umzinyathi District Municipality was the second lowest in the province and GDP basic value the was the third lowest in 2004. In terms of economic performance over the period 1996-2004 the Umzinyathi District Municipality together with Zululand and Umkhanyakude were the poorest performers in the province in terms of growth. Gijima KZN, ROP Umzinyathi District Report Global Insight, 2005) The district economy has grown at an average rate of 3,1% per annum since 1995 (Quantec 2007).

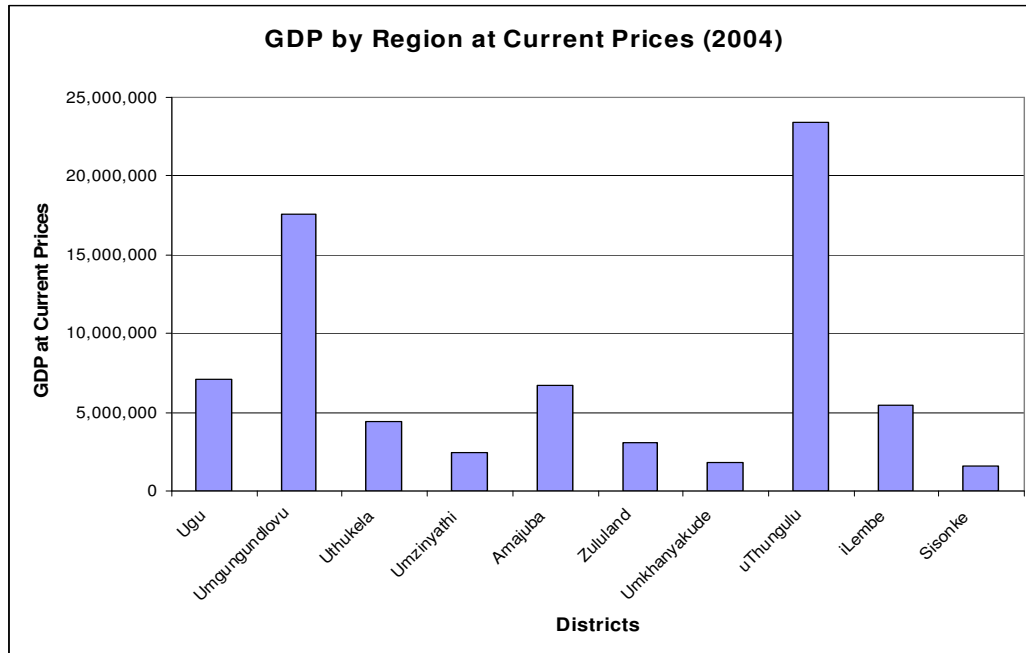


Figure No 52: GDP by Region at Current Prices (2004)
Source: (Urban-Econ Study 2004)

4.7 Service Backlogs

Umzinyathi DM is the Water Services Authority (WSA) for the entire district in terms of Section 1 of the Water Services Act, 1997. In order to efficiently plan the development of water services in the DM's jurisdictional area. During the current financial year, Umzinyathi DM undertook the enhancement of the existing 2006 Water Services Development Plan. The Water Services Development Plan assists the municipality to align the projects set out by the Water Services Authority and that of the IDP in terms of providing water and sanitation services to the entire district. It also helps with understanding the water services requirements and to effectively plan and manage the projects.

As such Umzinyathi DM has a duty to all consumers or potential consumers in its area of jurisdiction to progressively ensure efficient, affordable, economical, and sustainable access to water services. This is achieved through the WSA functions of governing, regulating, planning and developing of water services.

The backlogs in terms of water, sanitation, electricity and refuse backlogs particularly in the rural areas are of concern. Based on the analysis of backlogs, herewith below is the table indicating district perspective on backlogs:

Table No 4: Water, Sanitation, Electricity and Refuse Removal – Current backlogs	
Backlogs	Percentage
Water	36%
Sanitation	21%
Electricity	64%
Refuse	80%

Source: Stats SA, Community Survey 2007

4.7.1 Sources of capital income: water

The total estimated funding required to remove the water services backlog is approximately R350 million based on a cost of R6,000 per household.

The main source of capital income, or funding, for water projects in uMzinyathi DM is from the Municipal Infrastructure Grant (MIG). The projected and allocated funding over the next 3 years is about R 126 Million. At this funding level it will take about 8 years (till 2014) to alleviate the current water services backlog to within the national standards. The plan is therefore to utilise the capital income to the best advantage of the majority of the population, and to incrementally improve the quality of life.

4.7.2 Sources of capital income: Sanitation

Funding for sanitation projects in the uMzinyathi DM is derived from the MIG. The projected and allocated funding over the next three years is about R 95 Million. At this funding level it will take about 8 years to alleviate the current sanitation services backlog to within the national standards. Umzinyathi DM requires approximately R 270 Million to provide sanitation services to the needy communities based on a cost of R4,000 per household. At the average annual funding rate this will take approximately 34 years (2041).

It follows that within uMzinyathi DM, the sanitation services backlog will not be addressed by 2010 based on the current funding allocation. In order to achieve this objective, funding levels need to be tripled for the next three years. However, implementing at this high rate would not be feasible with current engineering resources. The plan is therefore to utilise the capital income to the best advantage of the majority of the population, and to incrementally improve the quality of life.

4.7.3 Sources of capital income: Electricity and Refuse Removal

In terms of addressing the electricity and refuse removal backlogs, the report compiled by Jeffares and Green (Pty Ltd in 2007, indicates that the municipality will need the budget indicated in Table No 5 below to deal with the concerned backlogs:

TABLE NO 5: COST OF ADDRESSING Electricity and Refuse Removal	
Electricity	R 320,462,750.00
Refuse Removal	R 73,824,435.00

4.7.4 Operation and Maintenance

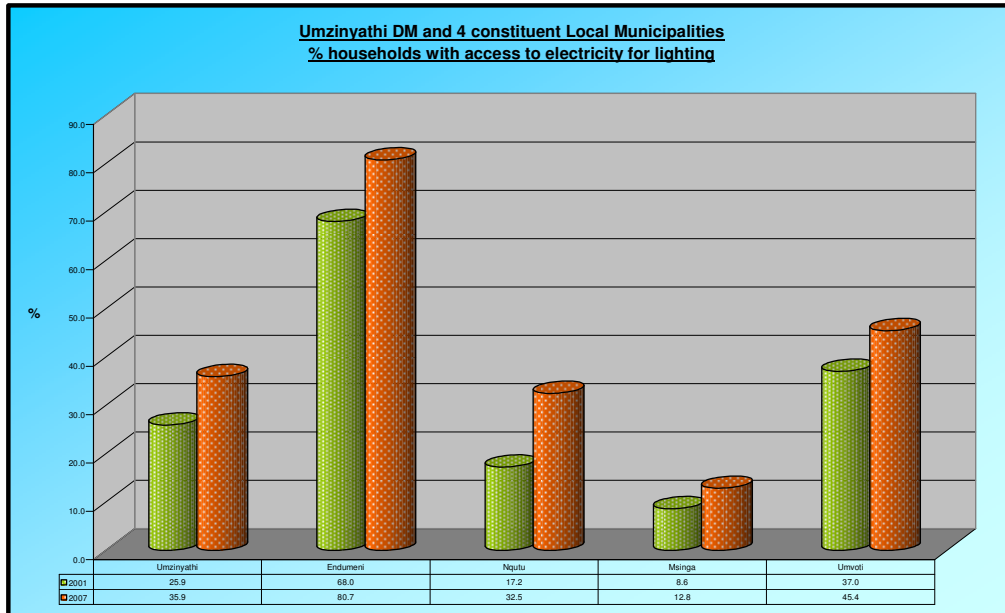
Of critical importance is the funding of Operation and Maintenance (O&M) of existing and future schemes as they are commissioned. Correct O&M of physical infrastructure is arguably more important than infrastructure construction because unless successful preventative maintenance procedures are instituted schemes will become inoperative. As a large proportion of expenditure relates to staff, competent personnel are required to ensure that the large investments in water services are not negated through dysfunction or dereliction. The municipality allocated about R 56,198,016 during the year under review for Operation and Maintenance, and budget provision will also be made available for this service during 2010/11 financial year.

4.7.5 Energy

The percentage of households with access to electricity for lighting purposes, have increased from 25.9% to 35.9%. Despite this significant improvement, it still implies that nearly two thirds of the total population of the district does not have access to electricity. Overall, the levels of electrification in Umzinyathi DM are very low compared to the other districts within KwaZulu-Natal (see Figure 53). This information indicates that the percentage of households electrified in Umzinyathi is the second lowest in the province after the 33.6% of Umkhanyakude DM. In most other districts, in excess of 60% of households do have access to electricity for lighting purposes. Significant differences are also prevalent amongst the four local municipalities within the district. The municipal level characteristics can be summarized as follows:

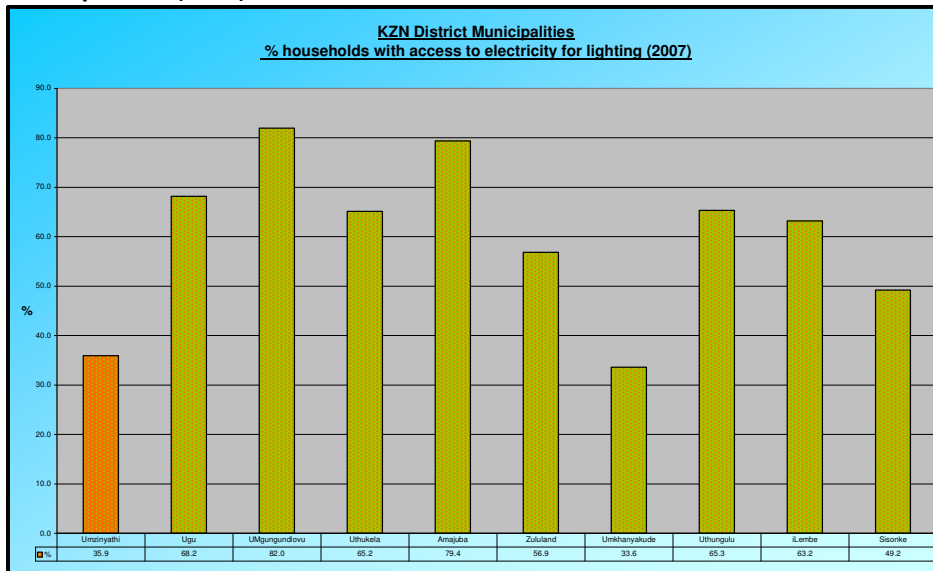
- As much as 80% of households in the eNdumeni LM have access to electricity;
- Although significant progress has been made in both the Nquthu and Msinga LM's, only 32.5% and 12.8% of households did have access to electricity in 2007; and
- Approximately 45% of households in the Umvoti LM had access to electricity for lighting purposes.

Figure 53: Percentage households with access to electricity for lighting Umzinyathi DM



Source: Stats SA: Census 2001
 Stats SA; Community Survey 2007

Figure 54: Percentage households with access to electricity for lighting KZN District Municipalities (2007)



Source: Stats SA; Community Survey 2007
 Stats SA; Community Survey 2007

4.7.6 The integrated waste management plan

The provision of refuse removal services in Umzinyathi DM is very limited. According to the 2007 STATSSA Community Survey, less than 20% of all households in the district receive a regular formal refuse removal service. As much as 49.2% of households make use of their own refuse dumps, and a further 27.6% does not have access to any form of waste disposal service

In addressing the issue around waste management, the municipality is in the process of developing two regional waste sites, each waste site will service two local municipalities. Potential landfill sites have been identified in both the south and northern region of the district through the undertaking of the feasibility studies. Environmental Impact Assessments are being undertaken in all the potential sites identified. The municipality is also finalising processes with the Department of Agriculture and Environmental Affairs regarding the review of the Integrated Waste Management Plan, which will provide an integrated and holistic approach in dealing with waste management.

4.7.7 Housing & Land Reform – and alignment of services

The extent of inadequate housing in Umzinyathi DM is approximately 55 000 units. This figure consists of around 52 000 households residing in houses constructed of traditional materials, approximately 2 200 housing in informal dwellings, and a further 600 in informal dwellings in backyards. There is thus a substantial need for appropriate housing provision across the entire district. The comparative analysis of the proportion of inadequate housing amongst the various districts in KwaZulu-Natal in terms of the 2007 STATSSA Community Survey indicates that the Umzinyathi DM has the second highest proportion of households residing in traditional dwellings (49.9%) in the province after the Sisonke DM.

The District Municipality is working closely with the Department of Housing in order to ensure that housing planning is properly addressed so that the infrastructure elements of such planning can be aligned at the correct time and not after the plans have been completed as was the case with the previous three plans.

4.7.8 Public Transportation

Umzinyathi District Municipality is in the process of finalizing the preparation of the Integrated Public Transport Plan as required in terms of the National Land Transport Transition Act (Act 20 of 2000), and then approved by Council. The plan will assist the district family of municipalities in making informed planning decisions regarding public transport. The plan is currently being circulated to relevant authorities for comments and inputs. It is being anticipated that it will be completed by the end of June 2010.

5. COMMUNICATION POLICY

Umzinyathi District Municipality has a communication policy in place which has been adopted by Council, the purpose of the policy is to promote the objectives of Section 32 of the Constitution. The promotion of access to information Act (No 2 of 2000) provides that the public has the right to information held by the organs of state or a private body. It is therefore upon the premise that this Communication Policy is developed.

It also serves to safeguard the processes of communication, proper systems need to be in place hence ensuring that procedures as per the Municipal System Act (32 of 2000) are adhered to.

For Umzinyathi District Municipality to be accountable in terms of communication, it needs to have thorough understanding of its mandate. The policy is also crucial in communicating municipal plans like the IDP, Budget, PMS etc. The target groups for the policy are as follows:

- Internal Audience
 - Mayor, Speaker, ExCo, Council, Top management, Management, Staff
- External audience
 - Political parties, business people, NGO's, Media, Faith based organisations, general public, the local municipalities, government departments etc.

Some of the tools which are being utilised by the municipality in communicating the IDP / Budget are as follows:

- 5 Public engagements – one in each of the four local municipalities;
- 6 Quarterly external newsletter;
- 7 Monthly radio talk show by the Mayor on Ukhozi FM;

- 8 Umzinyathi Website;
- 9 Annual Report – planned for March of each year
- 10 IDP Rep Forum meetings;
- 11 Planning and Development Forum;
- 12 Municipal Managers Forum;
- 13 District Mayors Forum; and
- 14 Audit Committee.

6. IDP REVIEW DEVELOPMENT PROCESS, PHASES AND KEY TIME FRAMES

The following phases in terms of the 2010/11 IDP review were adhered to:

- 15 Preparation Phase;
- 16 Analysis;
- 17 Strategies;
- 18 Projects;
- 19 Integration; and
- 20 Approval.

The 2010/11 IDP Review Process Plan was presented and approved by ExCo on the 06 July 2009 and submitted to the Department of Co-operative Governance and Traditional Affairs. The details of the activities for the process plan are as follows:

ACTIONS	RESPONSIBLE PERSON	TARGET DATE
Assist the Mayor in the preparation of time schedule for the Budget and related policies and community consultation	CFO	August 2009
Meeting with the IDP Managers of the local municipalities for the alignment of the process plan	IDP Manager	02 July 2009
Finalize Performance agreements for Section 57 Managers	PMS Manager	09 July 2009
Finalize the Organisational scorecard	PMS Manager	30 June 2009
Council adopts the IDP, Budget and PMS Process Plan	CFO / IDP Manager	09 July 2009
UDM to provide the notice to the public of the process to be followed for the IDP, Budget and PMS	IDP Manager	August 2009
Review and Update of the IDP Status, Identify Key Issues and address the MEC comments	IDP Manager / CFO	September 2009
Planning Indaba / MEC Panel Feedback	IDP Manager	16 September 2009
UDM Planning and Development Forum (Evaluating changed circumstances and address MEC comments)	IDP Manager	12 August 2009
1 st UDM IDP Representative Forum – inter-sphere alignment session (integration / alignment issues and also key municipal priorities which require funding for 2010/11fy)	IDP Manager	29 October 2009

ACTIONS	RESPONSIBLE PERSON	TARGET DATE
Review budget related policies	CFO / Council	November 2009
Determine guidelines for 2010/11 Budget	CFO	November 2009
Mid year Budget review for 2009/10 and 2010/11 and obtain Council's Approval	CFO	December 2009
IDP Best practise feedback	IDP Manager	02 December 2009
Submission of the audit committee report on the mid-year performance to Council	PMS Manager	January 2010
Presentation on the progress of the 2010/11 Review Budget / IDP	MANCO / EXCO	January 2010
Receive entity Budget from Uthukela water	Municipal Manager	January 2010
1 st and 2 nd Quarterly performance assessment of Section 57 as required by Section 28(1) of the Performance Regulations	PMS Manager	07 and 12 February 2010
UDM Planning and Development Forum (Alignment & integration of project lists, sector plans, finalizing implementation programmes & Spatial Dev Frameworks)	IDP Manager	16 February 2010
Provincial IDP Stakeholders meeting	IDP Manager	11 February 2010
Meeting with HOD's to align programmes and projects	IDP Manager	08 March 2010
Alignment and integration of the Budget and IDP	MANCO	08 March 2010
2 nd UDM IDP Representative Forum – presentation of the draft IDP for comments and also to obtain feedback on key municipal projects submitted to Sector Departments	IDP Manager	16 – 17 March 2010
Council to consider the first draft of municipal 2010/11 IDP and Budget and resolve to submit it to the Department of Co-operative Governance and Traditional Affairs and Treasury for assessment	Council	25 March 2010
Third Quarterly performance assessment of Section 57 as required by Section 28(1) of the Performance Regulations	PMS Manager	06 May 2010
Advertisement of the IDP and Budget for a period of 21 days as required by the Municipal Systems Act	IDP Manager / CFO	April 2010
Public Consultation of the IDP and Budget in terms of Section 17 and 18 of Chapter 4 of the Municipal Systems Act, 2000 and Section 22 (a) (i) of the Municipal Finance Management Act, 2003	CFO / IDP Manager	22 April 2010 – Endumeni LM 11 May 2010 – Nquthu LM 04 May 2010 – Msinga LM 21 April 2010 – Umvoti LM
Finalise KPI and Targets	MANCO	May 2010
Assess & incorporate comments - Adjust the draft municipal IDP and Budget as per the comments	MANCO	May 2010

ACTIONS	RESPONSIBLE PERSON	TARGET DATE
Adoption of the final IDP and Budget by Council	Council	31 May 2010
Submission of Budget and IDP to Provincial and National Treasury and DLGTA (within 10 days)	CFO / IDP Manager	June 2010
Fourth (annual) performance assessment of Section 57 as required by Section 28(1) of the Performance Regulations	PMS Manager	30 June 2010
Submission of the annual performance assessment report to the audit committee and Council	PMS Manager	July 2010
Commence with the implementation of the Budget and IDP.	CFO / IDP Manager	01 July 2010

7. 2009/10 IDP REVIEW COMMENTS

The final 2009/10 IDP Review was submitted to the Department of Co-operative Governance and Traditional Affairs for commenting purposes as required by Chapter 5, Section 25 of the Municipal Systems Act. The Department of Co-operative Governance and Traditional Affairs has submitted the comments on the 2009/10 IDP Review to the municipality for improvement measures of the 2010/11 IDP Review, the following comments pertaining to the municipal IDP were received, and the municipality has provided improvement responses:

Key Performance Areas	Comments on the 2009/10 IDP Review	Municipal Responses
Municipal Institutional Development and Transformation	It is noted that your municipality has indicated the municipal powers and functions. However, the document does not reflect whether it has the capacity to implement the IDP projects.	The capacity of the municipality in relation to the powers and functions has been indicated in the 2010/11 IDP Review.
	Your municipality has attached an organogram and indicated vacancies. You are encouraged to clearly indicate the function for each department therein.	The functions of each department are indicated as per the attached organogram included in the 2010/11 IDP Review.

	<p>The municipality IDP need to indicate whether the municipality has developed an Organizational Performance Management System and also if there are any other policies that are in place for instance Employment Equity Plan, Recruitment policy, Skills Development plan, etc. You will note that this issue was raised previously. Additionally, the DLGTA Guideline on OPMS development should be consulted.</p>	<p>Organizational and departmental Performance Management System has been included in the 2010/11 IDP Review; and</p> <p>The list of policies which are in place to assist the municipality to operate effectively has been indicated in the 2010/11 IDP Review.</p>
	<p>It is encouraged that your HR Strategies are aligned to the long-term development plans of the municipality. This is important to achieve your objectives during implementation.</p>	<p>A list of policies including HR have been put in place and also indicated in the 2010/11 IDP Review.</p>
	<p>Your municipality is also encouraged to align the KPAs and implementation plans to the OPMS.</p>	<p>Noted,</p>
	<p>Preparation of the Annual Report including the Performance Report based on DLGTA template.</p>	<p>The 2008/09 Annual Report has been prepared, approved by Council on the 25 March 2010, and submitted to DLGTA, National and Provincial Treasury and also AG for comments.</p>
Key Performance Areas	Comments on the 2009/10 IDP Review	Municipal Response
Local Economic Development	<p>It is recommended that your LED plan to be adopted and implemented.</p>	<p>The LED plan was adopted by Council in January 2009, currently lobbying for funding to implement the plan.</p>
	<p>Your municipality is encouraged to ensure that the IDP is aligned to the PGDS.</p>	<p>Noted</p>
	<p>A more detailed review of the institutional framework is recommended with particular focus on LED.</p>	<p>Noted</p>
	<p>It is encouraging to note that your municipal IDP has detailed information on national and provincial policies. It is recommended that the LED be aligned to PGDS and IDP.</p>	<p>Noted</p>
	<p>It is recommended that issues of improved governance relating to investment and job creation be considered.</p>	<p>Noted</p>

	<p>Your municipality is being encouraged to give detailed strategies for SMME support. Your municipality is encouraged to provide detailed information on what is currently being done with regards to the second economy investment.</p>	<p>The municipality has completed the preparation of a study to enhance the operational levels of SMME's and also integrate them into the economy, and funding has been received to implement the incubator programme.</p> <p>It has been integrated into the 2010/11 IDP Review</p>
<p>Basic Service Delivery and Infrastructure Investment</p>	<p>It is noted that your municipality has based its statistics and backlog for water, sanitation, refuse removal on the latest information of the study that was done for Umzinyathi, in March 2007. You are, however, encouraged to also utilize the Stats SA Community Survey 2007 backlog data for insightful information and statistics on your communities' households needs.</p>	<p>Noted, the 2007 Community survey figures have been utilised to a certain extent.</p>
	<p>It is noted with encouragement that your municipality to a certain extent has managed to develop service delivery targets, for water and sanitation, but this is only evident under key performance area. You are further encouraged to improve on your service delivery targets and ensure that there is a plan and budget for it.</p>	<p>Noted</p>
<p>Key Performance Area</p>	<p>Comments on the 2009/10 IDP Review</p>	<p>Municipal Responses</p>
<p>Basic Service Delivery and Infrastructure Investment</p>	<p>It is noted that the municipality has included the MTEF's of some of the sector departments, with regards to the planned and committed project funding, as contained in the IDP. However, your municipality is encouraged to align the sector departments' MTEF with the development priorities that are expressed in the IDP.</p>	<p>The municipality has been facing challenges with obtaining the departments MTEF's to ensure proper alignment, though the participation of departments in the IDP process has been unsatisfactory.</p> <p>Department of Co-operative Governance and Traditional Affairs assistance is required in this regard,</p>

	It is noted with regret that your IDP is silent on the Operational and Maintenance Plan, Indigent Policy and Free Basic Service. Your municipality is encouraged to address the above in your next IDP.	Monthly budget allocation being provided to Uthukela Water also includes Operational and Maintenance The municipality has prepared the indigent policy which regulates the provision of free basic services.
	Your municipality is encouraged to develop an electrification plan.	The municipality will be developing the Energy Master Plan during 2010/11 financial year, to address electricity issues.
	Encouraged to identify EPWP projects that would provide job opportunities and training and include clear budget and plan with timeframes.	It's being undertaken as part of the MIG projects, as 25% of the MIG projects are EPWP compliant
Municipal Financial Viability and Management	It is encouraging to note that your municipality has attached a detailed Service Delivery Budget Implementation Plan.	Noted
	It is acknowledged that your municipality is to formulating implementable costs recovery and revenue collection strategies. You are thus encouraged to finalize and implement strategies with urgency.	Noted
Municipal Financial Viability and Management	It is not evident that your capital budget is aligned with the IDP objectives. Your municipality is thus encouraged to align the capital budget with the objectives, strategies and programmes of the IDP. This should be clearly reflected in the IDP.	Noted,
	Your municipality is encouraged to formulate a detailed financial strategy with their implications and timeframes and a clear detailed budget for spatial development to be considered.	Financial plan and credit control policy are in place, and integrated into the 2010/11 IDP Review
Key Performance Area	Comments on the 2009/10 IDP Review	Municipal Responses
Good Governance and Public Participation	It is noted that your municipality has Ward Committees. However, it does not indicate whether they have the relevant capacity to do their work.	The district has successfully capacitated the ward committees on Roles and Responsibilities, Municipal Legislation and Local Area Planning. The details have been included in the 2010/11 IDP Review. The functionality of ward committees is relevant to the local municipalities.

	It is encouraging to note that the Local municipalities were engaged during IDP development. However not much has been indicated with regards to the sector department involvement.	Noted
	It is noted with regret that your IDP is silent with regard to communication strategy.	Communication policy in place and it has been integrated into the 2010/11 IDP Review.
	There is an indication that your municipality has to a certain degree involved the communities during the IDP process. You are encouraged to fully involve the community during IDP process and you are advised to prepare a clear community participation strategy and plan.	It will be undertaken for the 2010/11 IDP and Budget Review
	The municipality is encouraged to form an internal audit committee, roles and functions to be highlighted.	Noted and integrated into the 2010/11 IDP Review including the Audit Committee
Spatial and Environmental Planning	The IDP of your municipality has attached a number of MAPS, but the interpretation of these maps is not indicated. The spatial analysis is well documented on the IDP. However, the District analysis needs to be aligned to the spatial realities of the Local municipalities. The SDF needs to be revised to give direction/provide broad guideline for the preparation of LUMS	The municipal Spatial Development Framework has been completed and adopted by Council in March 2010, and has been integrated into the 2010/11 IDP Review.
	The Department of Agriculture and Environmental Affairs has compiled the Environmental Sustainability Toolkit for Integrated Development Plans to assist municipalities to integrate environmental sustainability issues into the IDP. Your municipality is urged to make use of this toolkit in the compilation of the IDP's to ensure that environmental –related delays on municipal projects are avoided and sustainable development is promoted.	The toolkit has been received, and the municipality has sufficiently addressed the environmental issues through the Strategic Environmental Assessment which has been completed and integrated into the 2010/11 IDP Review.
	Your municipality is encouraged to evaluate the environmental issues as well as action plans in respect of environmental and waste management. Your municipality is encouraged to use Environmental Sustainability Toolkit for Integrated Development Plans to assist you to integrate environmental sustainability issues into your IDP.	The environmental issues have been sufficiently addressed through the Strategic Environmental Assessment which has been completed and integrated into the 2010/11 IDP Review. Waste management issues are to be addressed by the Integrated Waste Management Plan which is in the process of being reviewed.

SECTION B: SITUATIONAL ANALYSIS

1. STATUS QUO ANALYSIS OF THE MUNICIPAL AREA

1.1 POWERS AND FUNCTIONS

In order to develop a functional capacity of the municipality, it is necessary to be aware of the powers and functions as they were Gazetted. The functional responsibilities applicable to uMzinyathi District Municipality in relation to the local municipal functions, which have a bearing on district responsibilities, are shown in the table below.

The District functional responsibilities are shown in light blue and the related local municipality responsibilities for that particular function are shown in orange. The yellow coloured areas represent shared functions. Local jurisdiction is shown with an L.

TABLE NO 6: DISTRICT MUNICIPALITY FUNCTIONS AND RESPONSIBILITIES		241	242	244	245
1	Water and sanitation				
2	Integrated Development Planning at District Level, Framework Plans & the support of local municipalities	L	L	L	L
3	Passenger transport regulation				
4	Tourism promotion at District level				
5	Local tourism	L	L	L	L
6	Solid waste disposal sites - strategy relating to regulation of waste disposal and establishing operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one local municipality				
7	Municipal roads which form an integrated part of a road transport system for the area of the district	L	L	L	L
8	Municipal airports serving the area of the District Municipality as a whole				
9	Municipal environmental health serving the area of the District Municipality as a whole				
10	Fire fighting services for district municipality including planning, co-ordination and regulation, specialised services as mountain, veld & chemical fires services; co-ordination of standards of infrastructure, vehicles, equipment and procedures. Training of fire officers	L	L	L	L
11	Fresh produce markets and (abattoirs) serving the area of the District Municipality as a whole				
12	Cemeteries and crematoria	L	L	L	L
13	Municipal public works relating to any of the above functions and/ or other functions assigned to the District Municipality				
15	The receipt, allocation and, if applicable ,distribution of grants made to the District Municipality				

TABLE NO 6: DISTRICT MUNICIPALITY FUNCTIONS AND RESPONSIBILITIES		241	242	244	245
16	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.				
17	Air Pollution				
18	Building regulations	L	L	L	L

Fulfilled functions are indicated as the shaded blocks

1.2 INSTITUTIONAL ANALYSIS

At present, the Municipality has a staff complement of 70 employees as opposed to 62 employees during 2008/09 financial year. The approved structure of the Municipality has 78 posts of which 8 of them are currently vacant but processes of getting the vacant posts filled are underway.

An analysis of the staff by gender, race and occupation has been undertaken. The analysis applies to the staff distribution excluding the new posts to be filled since gender and employment equity would need to be considered in relation to the potential candidates for the new positions. The distribution of staff by occupation, group and gender is shown below:

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management	04								4
Middle Management	09				01	01		01	12
Supervisor and Skilled Technical	20			01	09		01		31
Semi skilled	01				12		01	03	17
Elementary Occupation	02				04				6
Grand Total	36			01	26	01	02	04	70

Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Umzinyathi District Municipality is currently in the process of filling in the vacant critical posts and employment equity through the employment equity plan would apply. As part of ongoing training for the employees, the municipality is currently reviewing the workplace skills development plan which will assist the employees with capacity development. The municipality is confident that with the current capacity, that it will be able to fulfil its developmental mandate in terms of performing the powers and functions, though processes of filling vacant posts are underway

1.2.1 Administrative Structure

For the municipality to be able to perform the above mentioned powers and functions it has well organised administrative structure, which has four departments and the Office of the Municipal Manager:

- Department: Technical Services;
- Department: Financial Services;
- Department: Planning and Social Development; and
- Department: Corporate Services.

The breakdown of the Departments in terms of the functions which are being performed is as follows:

1.2.1.1 Office of the Municipal Manager

It is the responsibility of the Municipal Manager as “Accounting Officer” to:

- Promote sound financial management throughout the municipality;
- Be responsible for all income and expenditure, all assets and the discharge of all liabilities;
- Ensure compliance with the Municipal Finance Management Act (MFMA) No. 56 of 2003;
- Prevent fruitless and wasteful expenditure;
- Disclose all information on debts
- Integrated Development Plan / Performance Management System

1.2.1.2 Department: Financial Services

The Department: Financial Services consists of four sections:

- Income and Expenditure,
- Procurement;

- Budgeting;
- Financial Reporting; and
- Internal Auditing.

1.2.1.3 Department: Technical Services

The Department: Technical Services consists of four sections:

- Municipal Infrastructure Implementation;
- Municipal Infrastructure Operations and Maintenance;
- Water Service Authority; and
- Community Facilitation

1.2.1.4 Department: Planning and Social Development

The Department: Planning and Social Development consists of the following sections:

- Local Economic Development / Tourism;
- GIS
- Planning related issues; and
- Disaster Management / Environmental Health
- Supporting unit through Independent Development Trust and Department of Environment Affairs and Tourism.

1.2.1.5 Department: Corporate Services

The Department: Corporate Services consists of the following sections:

- Public Relations;
- Human Resources;
- Legal Services;
- Administrative Services;
- Information Technology;
- Fleet Management; and
- Security for the building

1.2.2 Policies

The municipality has prepared policies which will enable the municipality to perform its powers and functions effectively; the policies which are in place are as follows:

No	Name of the Policy
1	Budget Policy
2	Transfer and Budget funds
3	Banking and Investment
4	Asset and Management
5	Fleet Management
6	Supply Chain Management
7	Grants and Donations
8	Indigent and Support
9	Land and Asset Disposal
10	Petty Cash
11	Tariffs
12	Credit card
13	Treatment and Valuation of Inventory
14	Risk Management
15	Financial Regulations
16	Information Technology and Security
17	Information Technology Strategy
18	Information Technology Disaster Recovery Plan
19	Credit control
20	Cell phone
21	Bursary
22	PMS Policy
23	Employment Practise
24	Succession Planning
25	Sexual Harassment
26	Relocation
27	Intoxicating and Substance Abuse
28	Incapacity due to poor performance
29	Incapacity due to ill health
30	Housing

31	Attendance and Punctuality
32	Retention
33	Leave
34	Free basic Sanitation
35	Free Basic water
36	Service level

1.2.3 Employment Equity Plan

In accordance with the Employment Equity Act (No 55 of 1998), the municipality has reviewed and implemented the 2009/10 Employment Equity Plan as required by the Employment Equity Act, the plans seeks to address the numerical goals in the terms of demographics within the municipality. The plan indicates significant progress made thus far by the municipality in addressing challenges relating to enhanced demographics. The 2010/11 Employment Equity Plan is in the process of being developed and then submitted to the Department of Labour on or before the 01 October 2010

1.2.4 Workplace Skills Development Plan

In accordance with the Skills Development Act and skills Levy Act, municipalities have to prepare and review the Workplace Skills Development Plan. The municipality is also in the process of reviewing the Workplace Skills Development Plan as required by the said Act, and implemented during 2010/11 financial year. The plan will seek to address employee's skills development, scarce skills and also skills audit of the municipality.

The municipality is a registered with the Local Government Sector Education and Training Authority (LGSETA), and skills development relating to all levels of employees functions have been undertaken and integrated into the plan.

1.2.5 Retention Strategy

Municipalities located in rural areas are unable to retain skilled staff in their posts due to financial constraints, and they can't compete with well resourced municipalities. In order to address this challenge, the municipality needs to develop a retention strategy which will assist the municipality in retaining staff thereby ensuring effective in service delivery. The retention policy has been developed and approved by Council, and it will serve as good base for the preparation of the strategy.

1.2.6 The Intergovernmental Relations Structures

Relations Framework Act (No 13 of 2005) stipulates that there must be a district Intergovernmental forum to promote and facilitate intergovernmental relations between the district and local municipalities within the district. Section 25 (1) of the legislation further indicates that:

A district intergovernmental forum consists of:

- a) the mayor of the district municipality;
- b) the mayors of the local municipalities in the district or, if a local municipality does not have a mayor, a councillor designated by the municipality; and
- c) the administrator of any of those municipalities if the municipality is subject to an interventions in terms of section 139 of the constitution.

In terms of Section 26 (1), the functions to be performed by the forum as stipulated in the legislation are as follows:

- a) draft national and provincial legislation relating to matters affecting local government interests in the district;
- b) the implementation of national and provincial policy and legislation with respect to such matters in the district;
- c) matters arising in the Premier's intergovernmental forum affecting the district;
- d) mutual support in terms of section 88 of the Municipal Structures Act (No 177 of 1998);
- e) the provision of services in the district;
- f) coherent planning and development in the district;
- g) the co-ordinations and alignment of the strategic and performance plans and priorities, objectives, strategies of the municipalities in the district;
- h) any other matters of strategic importance which affect the interests of the municipalities in the district.

(1) Umzinyathi District Coordinating Forum

Umzinyathi District Municipality has established the intergovernmental forum as required by the said act, and it's called Umzinyathi District Coordinating Forum. On the 30 November 2007, the district family of municipalities signed the intergovernmental relations protocol, rules and procedures. The objective of the forum is to promote and facilitate intergovernmental relations and cooperative government between the district and local municipalities, the forum meets on quarterly basis and is functioning properly.

A technical support structure has also been established which serves as a technical support to the District Coordinating Forum and implement their resolutions. The members of the technical support structure are the Municipal Managers of the district family of municipalities, or officials designated by them, and it also meets on quarterly basis and is functioning properly.

(2) Other IGR Structures

i. IDP Representative Forum

Umzinyathi District Municipality also established the IDP Representatives Forum. The purpose of the forum is that it serves as a platform where the district family of municipalities meet with the sector departments, private organisations, business, NGO's and CBO's to discuss developmental issues that affect the district family.

ii. Planning and Development Forum

Umzinyathi District Municipality also established the Planning and Development Forum, the purpose of the forum is to co-ordinate planning and development within Umzinyathi District by ensuring improved and continued communication amongst the various planning sectors, and also to ensure that planning and development within the District is undertaken a holistic way and that it takes place within the framework of all Municipalities' Integrated Development Plans.

The membership of the forum comprises of officials from the District and local municipalities under following components;

- IDP Managers
- Town Planners
- GIS Officers, and,

Representatives from the Department of Local Government and Traditional Affairs are also members but other government departments attend on invitation.

iii. Disaster Advisory Forum

Umzinyathi District Municipality established the Disaster Advisory Forum. The purpose of the forum is to implement, monitor and co-ordinate all disaster management related issues within Umzinyathi District by ensuring improved and continued communication. The forum consists of representatives from the district and local municipalities, SAPS, Traffic, emergency services etc.

iv. District Communicators Forum

Umzinyathi District Municipality also established the District Communicators Forum. The functions of the forum include but are not limited to the following:

- To coordinate the sharing of information pertaining to all spheres of government;
- To coordinate and organise a calendar of events for the district to ensure that these activities are streamlined across the district to avoid duplication and waste of resources;
- To provide support to local municipalities with regard to development of communication strategies.

The District Communicators Forum consist of the District head of communications and communicators of the local municipalities, as well as representatives from the sector departments

v. Cross border alignment meetings

Umzinyathi District Municipality will also be arranging meetings with cross border district municipalities to align and integrate issues of functional areas on the IDP and Spatial development framework. It will also assist the municipalities to align development issues in an efficient, effective and sustainable manner especially where there are shared and interdependent functional areas across the district.

1.3 AUDIT COMMITTEE

During the financial year under review, the Municipality was also able to establish the Audit Committee as required in terms of section 166(6)(a) of the Municipal Finance Management Act 56 of 2003 for the entire District subject to each Local Municipality taking a resolution to that effect.

The broad objectives of the committee are as follows: -

- Maintaining oversight responsibilities of all financial and performance reporting;
- Seeking reasonable assurance that the operations of the Municipality are conducted efficiently and effectively;
- Seeking reasonable assurance that the Council has developed and complies with its policies, plans, procedures and internal controls.
- Seeking assurance that the Council complies with relevant legislation, regulations and professional pronouncements;

1.4 INTERNAL AUDITORS

In order for the Audit Committee to meet the broad objectives, the Municipality appointed the Internal Auditors to assist in attending to internal audit matters prior to submission to the Audit committee. The responsibilities of the Internal Auditors, amongst others are as follows:

- Review the Internal Audit Charter;
- Review the annual risk based plan and the internal audit program; and
- Ensure that all identified risk areas are prioritized and incorporated in the annual internal audit plan.

1.5 PUBLIC CONSULTATION – WARD COMMITTEES

Umzinyathi District Municipality in partnership with the Independent Development Trust have been undertaking the preparation of Local Area Plans in the local municipalities which serve as a good base for the IDP's at a local and district level.

Local Area Planning is the process of facilitation where communities are assisted in developing community development plans. The Local Area Planning serves to enhance the public participation in the IDP process, hence the plans get to be articulated in the IDPs of the municipalities.

The preparation of Local Area Plans in Nquthu and Endumeni Local Municipalities have been completed, information obtained was utilised during the analysis phase of the IDP to assist the municipalities in making well informed planning and budget decisions. Processes of rolling out the preparation of Local Area Plans in Msinga and Endumeni are underway.

1.6 CUSTOMER SATISFACTION SURVEY

Effective and efficient service delivery to communities features high on the agenda of the South African government. Local government (municipalities) is one of the major delivery channels in the South African three-tiered governmental system that can impact positively on the daily lives of South Africans. Basic services and facilities such as water, electricity, a clean environment and secure living conditions are some of the basic needs provided by municipalities to their communities.

Since the establishment of district family of municipalities in December 2000, the customer satisfaction surveys have not been conducted to assess local perception about the municipalities. Nevertheless, municipalities have tried to engage communities through community consultative forums, with the hope of gaining knowledge of prevalent concerns about service delivery. Thus, the municipality has opted for a customer satisfaction survey in order to allow communities to register their levels of excitement or frustrations about rendered services. The municipality anticipated that the results will be of use in shaping all future programmes of the district and local municipalities.

During 2008/09 financial year, the District undertook to prepare the customer satisfaction survey for the first time ever. The aim of the study was to conduct a survey among a sample of households and businesses located in the jurisdiction of the UMzinyathi to generate information to assess the perceptions of residents and businesses about service delivery, governance, development priorities and communication preferences

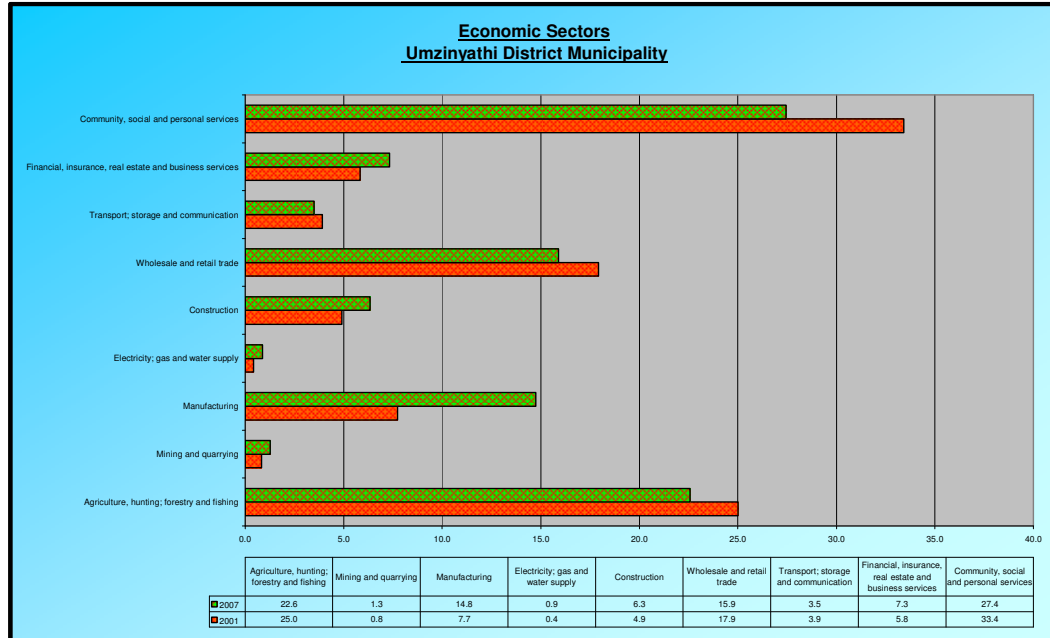
The primary concern of the survey was to establish the level of satisfaction of UMzinyathi community about the services rendered within the district. Hence, relevant questions were designed to solicit this information. Consequently, it emerged from the study that at 31% of the household perceive service level as poor, while 22% is of the view that it is neither good nor bad. On the positive side of the satisfaction scale at least 39% of the surveyed households appreciated the current level of service. Furthermore, 51% of respondent registered that, the level of service has not improved during the past twelve months. Approximately 19% were convinced that, there has been an element of improvement in service provision within UMzinyathi district. Thus, the above recorded perceptions have adversely affected the level of confidence people have at their municipalities (including the district). To this end, 42% indicated the lack of confidence to the district and its family of municipalities. However, this did not deter the 19% of the household to register their strong confidence to the local government structures in UMzinyathi being able to provide a good quality of life to their inhabitant

In the light of the survey findings, UMzinyathi District Municipality took a decision to formulate its own strategy that will seek to address community concerns thereby invest strongly in community confidence and trust towards council and its capacity to deliver necessary services, this strategy has been aligned and integrated with the Local Government Turn Around strategy to form one plan.

1.7 SECTOR ANALYSIS PERFORMANCE

The district economy remains heavily dependent on general government services, the 2007 STATS SA community survey indicates that the most prominent sector in the district is Community, Social and Personal Services Sector (33.4%); the Agricultural Sector (25%); and the Wholesale and Retail Trade Sector (17.9%). The contribution of the Community, Social and Personal Services Sector decreased somewhat from 33.4% to 27.4% between 2001 and 2007, and that of Agriculture from 25% to 22.6%. The contribution of the Manufacturing Sector as source of employment has increased notably from 7.7% to 14.8% over the same period as indicated in table 55 below:

Figure 55: Labour force participation in economic sectors in Umzinyathi DM



*Source: Stats SA: Census 2001
Stats SA; Community Survey 2007*

A comparative overview of the sectoral contribution to both Gross Domestic Product and employment in the district is summarized in Table 56 below. These figures indicate that the proportional contribution to the various sectors in terms of GDP and employment are very similar in most sectors. Most notable differences are in the agricultural sector which accounts for 22.6% of employment, but only 17% of GDP; as well as in the Construction Sector which accounted for 6.3% of employment and only 2.9% of GDP.

Table 56: Sectoral Contribution to GDP and employment

ECONOMIC SECTOR	GDP % (2004)1	EMPLOYMENT % (2007)2
Community, social and other personal and general government services	26.5	27.4
Agriculture, forestry and fishing	17.0	22.6
Wholesale & Retail trade Catering & Accommodation	17.5	15.9
Manufacturing	13.0	14.8
Finance & insurance and Business services	10.9	7.3
Transport & Communication	6.7	3.5
Construction	2.9	6.3
Electricity & water	3.3	0.9
Mining	2.1	1.3
TOTAL	100	100

*Source: 1. Quantec: Monitor Analysis (2004, Constant 2000 prices) as used in Umzinyathi LED strategy
2. Statistics SA, Community Survey 2007*

1.7.1 Agriculture Sector Analysis

The importance of the Agricultural Sector as source of employment in the district is clearly illustrated by the fact that 22.6% of the employed population in Umzinyathi DM is involved in the Agricultural Sector, compared to only 10.2% at provincial level. In view of the rural nature of the Umzinyathi DM it is clear that the role of the secondary and tertiary sectors is much less significant in Umzinyathi compared to the overall provincial figures. The importance of general governance services as source of employment in the district is also evident.

The cultivation in the Endumeni LM is mainly characterized by relatively large areas of commercial dry land activities and dispersed areas of irrigated agriculture. The Nquthu and Msinga Local Municipalities is virtually exclusively used for subsistence dry land type farming activities. The Umvoti LM is characterized by a mix of extensive forest plantations, commercial dry land farming and irrigation farming. There are also significant areas under sugarcane cultivation in the Umvoti area.

1.7.2 Tourism Sector Analysis

The District's current marketable advantage is its Battlefields Tourism, but its unique selling point (USP) is the presence of six seminal historical battlefield sites of both national and international significance in close proximity to each other. The district can also gain a potential unique competitive advantage in linking this Battlefields Heritage and Zulu Cultural tourism.

The district's key (potential) competitive tourism strengths are: the uniqueness of the current battlefields and Heritage products in the area, the potential provided by strong Zulu Cultural assets particularly along the R33 between Greytown and Dundee through Msinga and along the R68 to Nquthu, the natural scenery and river bush valleys that provide potential for nature-based and adventure tourism.

The district must diversify its tourism product mix and increase representivity to become more competitive. The two are interlinked. In terms of market opportunity, local tourism role players reported in 2006 a growing demand from domestic tourism, but that the market required more product diversification which included adventure products (quad biking, rafting etc), craft and culture and other activities that could complement or supplement the battlefields product.

1.7.3 Manufacturing (including Agro-processing) Sector Analysis

Total manufacturing accounted for 13,0% of the districts GDP in 2004, and has grown 14,8% in 2007. A key competitive element of the manufacturing sector in Umzinyathi is its agro-processing activities where there are backward linkages into the local agricultural sector. These include maize milling, dairy beef feedlot linked meat processing (abattoirs and tanneries).

The key strengths of manufacturing relate to an existing local competence in Endumeni in milling and dairy processing. The key weaknesses and constraints to the manufacturing sector relate to the distance from major supplier industries and markets and the logistics costs of getting goods to market, the difficulty of attracting technical staff given the shortage of housing and opportunities for the youth in the locality. For these reasons the district is never likely to be a destination for major industrial investment.

The areas of potential market expansion and opportunity in the district are:

- Beef processing, and tannery (hides) linked to the strong local presence of the feedlot industry in Endumeni.
- Forestry and forestry-waste products in Umvoti.
- Dairy processing and distribution into Gauteng with Orange Grove as key champion.
- Maize, milling and marketing.
- Increased activity in the construction industry in Northern KwaZulu-Natal has increased local demand for bricks, blocks and steel structures.

1.7.4 Mining Sector Analysis

Coal Mining has undergone a major contraction and now only accounts for 2.5% of the district GDP, and 1.5% of employment. Opportunities still exist in remnant mine reserves in Wesselbank, and Nkunzi for low technology manual mining which could create a significant number of jobs.

1.8 STRATEGIC ENVIRONMENTAL ANALYSIS

During August 2009, Umzinyathi District Municipality identified the need to prepare a Strategic Environmental Assessment to ensure that these unique environmental features are appropriately considered within the context of sustainable development in its area of jurisdiction. The process is primarily aimed at ensuring that environmental sustainability aspects are considered in the Integrated Development Plan and the Spatial Development Framework of the municipality. The overall objectives of the Umzinyathi SEA are to:

- Pro-actively inform development plans and programmes of the UDM, specifically the SDF as the spatial expression of the District IDP;
- Identify opportunities and constraints which the environment places on development;
- Provide information on sustainability of envisaged development as described in the District IDP and SDF
- To maintain and/or enhance the level of environmental quality of the area

Strategic Environmental Assessment (SEA) is becoming an accepted and widely used instrument for integrating environmental issues into the formulation of plans and programmes. It is generally referred to as a *process to assess the environmental implications of a proposed strategic decision, policy, plan, and programme, piece of legislation or major plan*. SEA aims to integrate environmental (biophysical, social and economic) considerations into the earliest stages of policy, plan and programme development.

1.8.1 Relationship between Strategic Environmental Assessment and Spatial Development Framework

Table 57 below describes some of the main steps in the SEA process that can be integrated into the SDFs, or be used to develop and refine these spatial frameworks in order to strengthen sustainability considerations.

Table 57. The relationship between SEA and SDF

MAIN STEPS IN THE SDF PROCESS	TYPICAL ACTIVITIES	KEY ELEMENTS IN THE SEA PROCESS TO BE INTEGRATED
Development perspective	<ul style="list-style-type: none"> ▪ Defining the scope and purpose of the study ▪ Defining the spatial boundaries of the study ▪ Considering the broader policy and planning context ▪ Collecting, analyzing and evaluating relevant information 	<ul style="list-style-type: none"> ▪ Define objectives and purpose of SEA ▪ Stakeholder engagement ▪ Define scope, time and space boundaries ▪ Determine policy and planning context and check consistency with laws, policies, plans, strategies ▪ Gather and synthesis of existing information, and determine environmental <i>status quo</i> and trends ▪ Identify environmental resource opportunities and constraints ▪ Identify key strategic issues and effects ▪ Consider future scenarios
Development strategy	<ul style="list-style-type: none"> ▪ Deciding on a vision, goals and objectives for development; ▪ Determining optimum spatial development and management zones ▪ Formulating policies and strategies through which the goals and objectives can be realized 	<ul style="list-style-type: none"> ▪ Ensure that the vision reflects the principles of sustainability ▪ Ensure sustainability objectives are included ▪ Determine sustainability criteria and associated indicators ▪ Decide on levels of environmental quality ▪ Ensure that the alternative strategies developed are consistent with the principles of sustainability and the sustainability objectives and criteria identified as part of the SEA process.
Implementation plan	<ul style="list-style-type: none"> ▪ Considering spatial implications ▪ Considering institutional and financial implications ▪ Prioritizing actions, linked to budgets ▪ Recommending monitoring and feedback to allow re-evaluation of priorities 	<ul style="list-style-type: none"> ▪ Determine alternatives that best meet sustainability objectives ▪ Develop a SEMP, including monitoring and management requirements ▪ Define clear framework and criteria for 'downstream' impact assessment, guidelines, environmental control zones, mechanisms, parameters etc. (as appropriate)

Source: Adapted from DEAT, 2007

1.8.2 Relationship between the Integrated Development Plan and Environmental Sustainability

The concept of environmental sustainability is not only relevant to the Environmental Management Plan and Spatial Development Framework of the municipality but also in terms of its overall contribution to the municipal **Integrated Development Plan**. Table 58 below summarizes the link between the required IDP sections and environmental sustainability.

Table 58: Link between IDP requirements and environmental sustainability

IDP Requirement	Link to environmental sustainability
Assessment of existing levels of development	Assessment of environmental assets upon which this development depends or will depend
	Assessment of environmental opportunities and constraints in terms of service provision and development
	Identification of causal factors of environmental degradation and environmental risks linked to current development
Development priorities and objectives, including local economic development aims	Major environmental problems and threats must be reflected in the objectives
Development strategies, which must be aligned with national and provincial plans and planning requirements	Specific strategies should be closely aligned with the goals of environmental strategies and guidelines and should meet the requirements of environmental legislation and policy

Spatial development framework, including basic guidelines for land use management	An environmental sensitivity map which includes all environmental assets, problems and areas of environmental sensitivity should inform the SDF. The 'value' of various environmental assets should also inform the SDF
Operational Strategies	Certain operational strategies will require detailed environmental assessment, mitigation measures and even environmental management plans. Operational strategies to achieve the aims of environmental policies will also need to be developed and should be linked to environmental strategies, environmental policies and environmental management plans
Disaster Management Plans	Should include environmental risks and hazards
Financial Plan	Budget should be made available for specialist environmental studies and the use of environmental management tools and implementation environmental management plans. Budgets should reflect the real costs and value of environmental resources where possible.

Source: Identification of Local Level Responsibilities for the Environment, DEAT, 2004

1.8.3 Strategic Management Recommendations

The Strategic Environmental Assessment provides the sustainable development framework for the Environmental Management Plan and consists of objectives and management for each of the identified significant issues. These objectives and management recommendations are provided for each of the identified significant issues under the biophysical, social and economic components.

AGE AND GENDER STRUCTURE		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
The high unemployment rate resulting from a lack of economic activities and the limited economic base of the district results in many male household members leaving the district in search of employment and income generating activities in other areas.	<ul style="list-style-type: none"> • Ensure sensitivity to gender issues in spatial and environmental planning • Ensure recognition of the role of women in environmental management and development processes 	<ul style="list-style-type: none"> • Ensure that gender equity is recognised in the IDP process. • Ensure that local spatial and environmental policy frameworks are gender sensitive. • Define the impact of the IDP strategies and capital investment on women.
The extent of the population in the school going age (more than 40%) implies a significant need for educational facilities and ensuring improved access to these facilities.	<ul style="list-style-type: none"> • Ensure sufficient and strategically located educational facilities across the district • Upgrade the basic infrastructure at existing education facilities 	<ul style="list-style-type: none"> • Implementation of the Spatial Development Framework must improve access of the population to education facilities
The erosion of the population in the economically active age categories (specifically between 25 and 35 years of age) implies that the district is losing part of its population which is normally regarded as the segment of the population making a significant contribution to the local economy	<ul style="list-style-type: none"> • Prioritise the implementation of the local economic development strategy to contribute to the retention of the economically active population of the district 	<ul style="list-style-type: none"> • Prioritise programmes that will ensure the use of local labour for the implementation of capital projects, especially those identified in the IDP • Maximise involvement of the district in poverty alleviation and employment creation projects of the Expanded Public Works Programme • Identify opportunities for employment creation in environmental projects (eg working for water, land care projects, etc)

Impact of HIV/AIDS on population structure	<ul style="list-style-type: none"> • Intensify HIV/AIDS awareness and prevention campaigns in the district. • Ensure sufficient and appropriately located cemeteries 	<ul style="list-style-type: none"> • Institute programme to monitor the level of community awareness. • Develop integrated programme for the provision of health facilities, including clinics, mobile clinics and HIV/Aids support centres • Undertake an audit of the capacity and status of cemeteries in the district
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EDUCATION PROFILE		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
The very large proportion of adult illiterate population in the district limits the economic development potential and successful implementation of LED strategies in the district.	<ul style="list-style-type: none"> ○ To intensify the implementation of ABET initiatives in the district 	<ul style="list-style-type: none"> • Ensure sufficient access to basic services to enhance the educational opportunities of all individuals. • Ensure sufficient investment in ABET infrastructure
Low illiteracy levels and limited proportion of population with tertiary education imply that the transfer of knowledge and skills relating to more environmental sustainable livelihood practices and technologies may be compromised	<ul style="list-style-type: none"> • To identify sustainable basic infrastructure technologies, appropriate to rural areas that can be implemented in the district • To increase the general awareness of environmental issues and sustainable development concepts amongst the general population in the district, especially the youth 	<ul style="list-style-type: none"> • Undertake a study of all possible sustainable development technologies that could be considered for implementation in the district, specifically in the implementation of the IDP capital projects • Liaise with Department of Education and DAEA & RD to introduce basic environmental awareness and sustainable development programs in schools

ACCESS TO WATER AND SANITATION INFRASTRUCTURE		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
High number and proportion of households without access to basic water and sanitation infrastructure	<ul style="list-style-type: none"> To provide all households with basic water infrastructure at the minimum required level of service To formulate a phased upgrading program for sanitation infrastructure based on the recommendations of the Spatial Framework and the IDP priorities 	<ul style="list-style-type: none"> Provide basic water and sanitation infrastructure according to the proposals of the district SDF and the capital investment programme outlined in the IDP Determine the impact on total water demand of improved sanitation systems Institute a ground water quality monitoring system in areas with high density of unimproved pit latrines and borehole utilization Quantify the potential additional sewage volume if the existing sanitation infrastructure is to be upgraded and the ability of the existing treatment works to accommodate this additional flow
Limited availability of bulk water infrastructure in many parts of the district, and impact of topography in the district on the development of water and sanitation infrastructure networks	<ul style="list-style-type: none"> To quantify the expected future demand for water over a 10 year period for the entire municipal area and associated water requirements from existing bulk water sources 	<ul style="list-style-type: none"> Water upgrading and supply must not have any detrimental impact on the local environment and therefore uncontrolled utilization of boreholes and over utilization of ground water will be detrimental to the environment in terms of sustainable utilization To identify potential alternative sources for the long term water supply to cater for potential future developments in the municipality

Availability of water resources (both surface and ground water) to ensure provision of sufficient volume and quality of water at minimum level of basic services to all households.	<ul style="list-style-type: none"> To protect surface and groundwater resources and implement catchment management strategies 	<ul style="list-style-type: none"> Quantify the expected future demand for water over a 10 year period for the entire municipal area and associated water requirements Determine capacity of existing water resources to provide required volume of water
Socio-economic and health impacts of large proportion of households without access to basic sanitation infrastructure.	<ul style="list-style-type: none"> To reduce the occurrence of water borne disease 	<ul style="list-style-type: none"> Consider the implementation of alternative environmentally friendly infrastructure options such as the "Lilliput " Enviro Loo system.

ACCESS TO ELECTRICITY		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
Impact on ambient air quality resulting from the extensive use of fossil fuels for heating and cooking purposes.	<ul style="list-style-type: none"> To institute a municipal wide electrification program to ensure all households have access to electricity for basic lighting, cooking and heating purposes 	<ul style="list-style-type: none"> All settlements and areas currently without electricity should be clearly identified and targeted to form part of the electrification program as soon as possible Provide information on alternate cooking and food preservation methods (solar ovens, storing food below ground, dehydrating food for e.g.).

<p>Environmental impact on natural vegetation resulting from the use of wood for heating and cooking purposes.</p>	<ul style="list-style-type: none"> • To implement a phased implementation program to ensure that all households are provided with access to basic electricity for lighting and cooking purposes. • To implement the free basic electricity policy of the municipality • To develop and implement an information and capacity building campaign amongst local communities regarding the protection of indigenous trees and vegetation. 	<ul style="list-style-type: none"> • All settlements and areas currently without electricity should be clearly identified and targeted to form part of the electrification program as soon as possible. • Training and capacity building programs should be undertaken, specifically in those communities without electricity, regarding the protection of indigenous trees and vegetation • Ensure that woodlots are located in close proximity to areas in which firewood and building materials are required. • Provide alternatives to wood as a fuel source – wind, solar, biogas, electricity, compacted newspaper. • Provide information on alternate cooking and food preservation methods (solar ovens, storing food below ground, dehydrating food for e.g.).
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ACCESS TO WASTE DISPOSAL		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
Limited capacity of municipalities to provide refuse removal services in extensive populated rural areas.	<ul style="list-style-type: none"> To investigate the viability and feasibility of a community based municipal waste collection program and introduction of community waste management centres Implement an awareness campaign to encourage efficiencies in resource use and waste reduction through education, recycling, reuse, waste recovering, and responsible disposal. To quantify the exact human resource and equipment requirements of the municipality to deal with the total waste volume within the area To prepare a business plan for acquiring and maintaining the necessary equipment and resources in line with the recommendations of the Integrated Waste Management plan 	<ul style="list-style-type: none"> Plan and implement a pilot community based waste collection and management program in a pilot area within the municipal currently not provided with waste collection services Replicate this concept if the feasibility and viability thereof can be confirmed Investigate the possibility of outsourcing the service by involving local entrepreneurs and residents in order to create business opportunities. Development of partnerships with Community based Organisations and Non Government Organisations involved in environmental programmes. Prepare a detailed business plan for waste collection and management within the municipality which details equipment and human resource requirements

<p>Limited formalized and registered landfill sites in the district.</p>	<ul style="list-style-type: none"> • To institute a process for identifying a potential new municipal landfill site or alternatively consider the viability of a district wide landfill site • To upgrade the facilities at existing landfill sites (e.g. fencing, access control etc.) to satisfy all legal requirements regarding the operation of municipal landfill sites • To initiate the necessary processes to permit informal waste disposal sites within the municipality where feasible 	<ul style="list-style-type: none"> • Develop and implement a basic waste information system within municipality to keep record of the volumes of waste collected and disposed of by the municipality at municipal landfill sites. • Keep a register of all waste related complaints received by the municipality. • Undertake a full audit of all formal and informal waste disposal sites within the municipality in terms of the various criteria required in terms of the legislative requirements for landfill sites. • Prepare an action program for the formalization of informal land fill sites or alternatively for the closure and rehabilitation thereof • Initiate a process to identify a new municipal land fill site for the municipal area • Formalise or close existing waste disposal sites that are not permitted • Develop a waste minimisation and recycling plan for the district • Provide recycling facilities for paper, glass, plastic, and tin at all major public institutions and commercial facilities. .
<p>Negative impacts on ambient air quality resulting from burning of waste in informal waste dumps</p>	<ul style="list-style-type: none"> • To strictly enforce all municipal bylaws relating to illegal dumping of waste within the municipality 	<ul style="list-style-type: none"> • Assist and evaluate existing municipal by-laws to determine whether waste management and illegal dumping is dealt with. • Amend, or alternatively prepare, necessary by-laws and approve by council.

Visual impact of informal disposal of waste.	<ul style="list-style-type: none"> To implement a litter control programme. To strictly enforce all municipal bylaws relating to illegal dumping of waste within the municipality 	<ul style="list-style-type: none"> Assist and evaluate existing municipal by-laws to determine whether waste management and illegal dumping is dealt with. Amend, or alternatively prepare, necessary by-laws and approve by council.
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HOUSING		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
Extent of housing structures in settlements located on steep slopes and within potential flood areas.	<ul style="list-style-type: none"> To ensure appropriate location of housing development in terms of floodlines and topography 	<ul style="list-style-type: none"> The location of wetlands and endangered species will be considered during the planning and design of housing developments. The quality of houses provided in housing will ensure environmentally and socially acceptable living conditions.
Potential extent of land required for housing provision purposes.	<ul style="list-style-type: none"> Inappropriately located developments will not be permitted. 	<ul style="list-style-type: none"> Identify appropriately located land for housing purposes taking due cognisance of environmentally sensitive features and the housing needs identified in the IDP
Relatively low residential development density and dispersed spatial structure resulting in larger development footprint area.	<ul style="list-style-type: none"> Promote compact settlement patters and increased housing densities within the ambit of local circumstances 	<ul style="list-style-type: none"> Ensure that SDF's promote compact settlement patterns

CULTURAL & HERITAGE RESOURCES		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
Impacts of uncontrolled development on cultural and heritage resources of the district	<ul style="list-style-type: none"> • Protect heritage resources and incorporate into management plans • To determine the restoration and protection/management requirements of each known cultural or heritage sites within the district • To prepare and enforce the necessary municipal bylaws for protection and management of known cultural or heritage sites • Liaise with Amafa and prepare the necessary agreements for the conservation, improvement and management of clearly defined heritage resources in the municipal area • To initiate a community liaison program to assist the local municipality with the identification of any further Class III heritage resources in the municipal area 	<ul style="list-style-type: none"> • Undertake a detailed study and assessment of all cultural and heritage resources in the district and the upgrading, restoration and management requirements of these. • Evaluate existing municipal by-laws and determine whether provision is made for the protection of cultural and heritage sites within existing by-laws. If not, prepare the necessary municipal by-laws and adopt by council • Municipalities should initiate a ward based community interaction program whereby further sites of cultural and heritage importance which could be classified as category 3 heritage resource within the municipality area can be identified • Explore opportunities in both cultural and ecological tourism in the region.

LANDSCAPE & TOPOGRAPHY		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
A complex topography (rolling hills and mountains) across large sections of the district has an aesthetic appeal and holds considerable tourism development potential.	<ul style="list-style-type: none"> To introduce appropriate stormwater management and planning practices To adhere to all flood line areas to ensure that residential and other development are located outside flood areas The flood lines of water bodies must not only be respected from a flood precaution perspective, but these areas also contain sensitive species. 	<ul style="list-style-type: none"> Ridges and high lying areas should be regarded as sensitive area. Where possible, development should be limited. Development on slopes greater than 8° should be avoided. Developments on slopes and steep areas to be avoided where possible and to follow suitable mitigation measures as identified for high lying areas. Tourism and agricultural activities in the mountainous areas must respect the limitations brought about by the topography. This aspect must be emphasized during the EIA process as the destabilization of slopes will be detrimental to the environment in terms of erosion and slope failure.

<p>Steep topography, in combination with unsustainable farming practices causes accelerated erosion, especially in the central and southern parts of Msinga LM, and the central and northern parts of Nquthu LM. Gully formation (due to soil erosion) progressed to an advanced state across the district</p>		<ul style="list-style-type: none"> • Erosion control measures should be implemented in the targeted areas by means of agricultural interventions (including agricultural extension programs and facilitation of transformation to sustainable agriculture). • Areas susceptible to erosion (such as slopes and steep areas) should be regarded as sensitive and development limited in these areas. • All developments in areas susceptible to erosion must consider appropriate stormwater runoff control measures. • Implement measures to control soil erosion from developments, particularly during the construction phase
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GEOLOGY AND SOILS		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
The presence of coal led to a variety of coal mining related impacts, including a variety of socio-economic problems, acid mine drainage, dust, silt pollution, and change of surface water flow patterns.	<ul style="list-style-type: none"> • Ensure that all appropriate environmental legislation are adhered to in prospecting and mining activities • Identify all known existing mineral deposits located within the high priority habitats and high biodiversity areas and recommend appropriate management measures • No mining activities will be allowed without the required permits and an environmental management plan • Compliance with specified regulations and EMP requirements will be enforced. • To identify and monitor all waste and by-products generated by existing mining operations to determine the impact thereof on soil, water and air quality within the municipality 	<ul style="list-style-type: none"> • Identification and prosecution of illegal mining and quarrying operations. • Ensure compliance with EMP requirements by establishing an effective monitoring body. • Strict monitoring of water quality downstream of operations (eg. dissolved oxygen, suspended sediment loads). • Monitor the rehabilitation of mining sites once operations are terminated • Monitor compliance with terms and conditions of mining permits and EMP's • The waste quantities must be specified and concurrent rehabilitation on impacted environment must be enforced and regulated. • EMPR's of mines must be pro-actively managed and updated and public input must be encouraged. • Representatives of the Umzinyathi LM must attend annual public meetings.
Loss of soil structure due to trampling and compaction caused mainly by agriculture and human activities	<ul style="list-style-type: none"> • To implement education and awareness programs regarding preventative measures that can be employed to prevent soil erosion. 	<ul style="list-style-type: none"> • Environmental awareness could be extended to farmers of the region. There is a large database of land quality and soil type for the different bioregions. • Identify more sustainable farming practices and thus possibly improve yield.

<p>Loss of topsoil (erosion) and soil leaching.</p>	<ul style="list-style-type: none"> • Rehabilitation of damaged and degraded areas. • Reduction and ultimately prevention of soil erosion in the district 	<ul style="list-style-type: none"> • Protection and rehabilitation of soil resources (to support the range of agricultural activities in the area, and consequently food resources). • Areas susceptible to erosion (such as slopes and steep areas) should be regarded as sensitive and development limited in these areas. • All developments in areas susceptible to erosion must consider appropriate stormwater runoff control measures. • Implement measures to control soil erosion from developments, particularly during the construction phase
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SURFACE WATER		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
<p>Reduced runoff from forestry plantations occurs as a result of the high rainwater retention capability of large timber trees, as well as the ability of forest trees to abstract upper aquifer groundwater. Flow reduction is also caused by alien invasive plants in riparian areas.</p>	<ul style="list-style-type: none"> • Limit development or change in land use within a reasonable buffer zone of a water resource, including wetlands and drainage lines. • Reduce alien vegetation in riparian zones 	<ul style="list-style-type: none"> • Ensure implementation of sustainable forestry principles • Integrate the 'Working for Water Program' as part of the alien and invasive vegetation control management programs. • Include the local community in eradication programs as an economic empowerment project.

<p>Reduced water quality resulting from inadequate sanitation infrastructure</p>	<ul style="list-style-type: none"> • To implement an ongoing water quality monitoring system of all sewage effluent discharged by all treatment works • To formulate a phased upgrading program for sanitation infrastructure based on the recommendations of the Spatial Framework and the IDP priorities 	<ul style="list-style-type: none"> • Determine all the source points contributing to declining water quality and set target objectives to minimize the impact on the health of this system. • Bioaccumulation studies should be conducted on sediments, fish and birds hosted by the dam to derive benchmark values for contamination. • Support the implementation of basic sanitation infrastructure projects
<p>Increased runoff from urban and agricultural areas is caused by the absence of water retaining vegetation. The result is an increase in storm water peak flow intensity as well as increase in total annual stormwater runoff.</p>	<ul style="list-style-type: none"> • To monitor the potential impact of commercial agriculture activities in the river catchment areas • To manage all wetlands and riparian zones along the river system in the district, specifically relating to erosion and cutting of vegetation and trampling caused by cattle and goats 	<ul style="list-style-type: none"> • Implementation of best practice environmentally sensitive storm water management systems. • Water utilization training initiative should be initiated to train the local communities on water utilization.
<p>Impacts on wetlands resulting from various forms of development</p>	<ul style="list-style-type: none"> • To develop appropriate guidelines for the management and development around all wetland areas • Develop a research and information management program for wetland areas in the district • Ensure proper protection of wetlands to reduce the effects of development pressures 	<ul style="list-style-type: none"> • Wetlands and its tributaries act as environmental sieves and sponges and its value should be quantified. Set out research initiatives to locate all wetland systems in the district and do in depth biodiversity studies to determine the ecological value of these areas • Strict policy for protection of wetlands from development and rehabilitation of degraded wetlands to improve water quality, water flow regulation and habitat provision at a regional scale.

Physical barriers in rivers such as weirs and dams, which reduce runoff and act as a dispersal barrier to fish and other aquatic species.	<ul style="list-style-type: none"> • Limit physical barriers in all rivers and water courses 	<ul style="list-style-type: none"> • Ensure that all legal requirements in terms of environmental authorization and water use licences are enforced for all infrastructure in water courses
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GROUND WATER		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
Groundwater pollution by diffuse sources such as human settlements (especially resulting from inadequate sanitation infrastructure), and to a lesser degree crop production; and pollution by point sources such as sewage works, coal mining areas and livestock concentration areas	<ul style="list-style-type: none"> • To institute an ongoing ground water quality monitoring system, specifically in those areas utilizing boreholes for potable water supply • To implement a phased upgrading program for sanitation infrastructure, focusing specifically in those areas with a high concentration of boreholes used for potable water supply 	<ul style="list-style-type: none"> • Water reticulation still a major priority in the area and efforts to supply potable water service to all communities should be a priority • All new developments must consider their impact on regional water quality. • Location of potentially polluting activities of infrastructure, especially waste disposal sites and cemeteries and settlement areas, should carefully consider geohydrological conditions during site selection. • Institute a long term monitoring program that allows specific identification of water pollution sources

<p>Groundwater abstraction for human, agricultural and industrial use.</p>	<ul style="list-style-type: none"> • To monitor the abstraction and utilization of all groundwater resources • To quantify the long term water demand of all consumers currently using boreholes 	<ul style="list-style-type: none"> • Regulate the utilization of ground water in the area as allowed for by the specific permits adjudicated. Satellite technology can be applied to assess the groundwater utilization status in agricultural practices. • Develop contingency plans for periods of drought with emphasis on communities reliant on borehole water • Investigate different water availability scenarios for the next 20 years following rainfall, recharge and evaporation data and expected consumer pressure and plan realistically for future utilization
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CLIMATE AND AIR QUALITY		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
<p>Climate change may have important implications on all climatic variables, especially temperature and rainfall. Although the direction and degree of climate change and its impact at a local level is still unknown, it is expected that both temperature and rainfall may increase while the frequency and intensity of droughts and floods may also increase</p>	<ul style="list-style-type: none"> • To monitor annual variances in rainfall and temperature and evaluate the impact thereof on agricultural activities within the municipal area • To assess the likely impact of severe climate conditions such as thunder storms, lightning and hail in summer periods viz-à-viz the disaster management plan of the municipality • Industries will be located in the best possible areas for particular emissions, and the emissions will be strictly curtailed and monitored according to the accepted protocols. • Use alternative energy sources where practical and feasible 	<ul style="list-style-type: none"> • Scenarios of the possible impacts of climatological extremes on the current infrastructure, housing and response and emergency services should be analyzed • Development planning, agriculture practices and resource use should include actions to manage the existing and predicted effects on climate change, including impacts on temperature, rainfall and water availability. • Effective measures for the management of droughts and floods to be developed and implemented where required. Drought resistant crops to be investigated where needed. • Planning for future industrial development needs to consider meteorological conditions, the cumulative effects of adding emissions and the assimilative capacity of the atmosphere for additional air pollution loading when considering industry type and location

<p>Impacts on ambient air quality resulting mainly human settlement air pollution, especially during winter (smoke), traffic (heavy metals, hydrocarbon breakdown products, Volatile Organic Compounds/VOC's), dirt roads (dust), and agricultural activities (dust resulting from seasonally exposed or bare soil surfaces, and from degraded areas).</p>	<ul style="list-style-type: none"> • Use alternative energy sources where practical and feasible • To prepare an Air Quality Management Plan as required by National Environmental Management: Air Quality Act and include this plan as part of the municipal IDP • To institute a municipal wide electrification program to ensure all households have access to electricity for basic lighting, cooking and heating purposes • To initiate a process to determine and evaluate the ambient air quality in the municipal area 	<ul style="list-style-type: none"> • Consider the impact of predominant wind direction on the location and development of land uses e.g. the provision of industrial areas, landfill sites and other facilities which may generate emissions or smells. • Air quality assessment must be conducted on a regular bases to derive benchmarks whereby air quality trends can be assessed. The assessment should be done at several random areas surrounding source points. • The municipality must prepare an Air Quality Management Plan for its area of jurisdiction and adopt it as part of its Integrated Development Plan • An official of the municipality should be identified and designated as municipal Air Quality Management Officer
<p>Indoor air pollution is likely to stay problematic because of the proportion of households without electricity.</p>	<ul style="list-style-type: none"> • Ensure access to basic electricity for all households • Use alternative energy sources where practical and feasible 	<ul style="list-style-type: none"> • Encourage the use of fuel efficient wood stoves and heaters to combat indoor air pollution amongst poorer households. • Rural electrification, including the potential use of solar photovoltaic systems for more isolated communities, to be evaluated.

BIODIVERSITY (VEGETATION AND FAUNA)		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
Impact of land uses associated with land transformation, such as human settlement areas, crop production and infrastructure (especially roads) on natural vegetation and fauna	<ul style="list-style-type: none"> • Prevent the loss of indigenous vegetation communities and habitats due to inappropriate land transformation activities • To formulate appropriate development and management guidelines for all areas classified as environmentally sensitive within the municipality • To confirm biodiversity information and where necessary, collect and verify data for the high priority habitats and high hyper diversity areas on an ongoing basis • To implement a system to monitor the actual occurrence of endangered, vulnerable and rare species (“key species” which indicate ecological integrity) in Umzinyathi • To formulate clear guidelines to consider endangered, vulnerable and rare species in all development application/proposals within the Umzinyathi DM • To provide a list of possible red data species per habitat type within the District for consideration in all planning and development applications • To identify the location and distribution of existing plants used for medicinal purposes • To prepare guidelines on the harvesting and utilization of medicinal plants 	<ul style="list-style-type: none"> • Develop a detailed strategy to preserve indigenous grasslands and consider in the identification of IDP project planning where possible. • The location of all projects identified in the IDP should consider the identified environmentally sensitive areas • Annual monitoring of fixed points as well as spot checks in the broader area. Mark all occurrences of rare and endangered species (GPS) (especially vegetation) and follow up its existence in following years • A program to cultivate rare and endangered vegetation species should be initiated and the community should be included. • An inventory of popular medicinal plants must be drawn up and efforts to commercially produce these species must be encouraged. • Training and education on the implication of overexploitation of medicinal plants must be conducted with the local communities. • All EIA’s for developments to consider their potential impact on Red Data species. • Developments should be avoided in areas that contain Red Data Species.

<p>Wetland destruction or drainage, as well as change in surface water flow patterns, and groundwater abstraction which may lead to reduced seepage or spring flow, have a destructive effect on wetland and riparian vegetation species.</p>	<ul style="list-style-type: none"> • No development or transformation of land in or around wetlands • Decrease the risk of flooding, and ensuing damage to people and property, which results from loss of indigenous vegetation. • Reduce soil erosion and siltation of wetlands 	<ul style="list-style-type: none"> • Compile an inventory of wetlands in the district • Compile guidelines for the protection of all wetland areas • Co-ordinate activities of water users and of water management institutions within its water management area.
<p>Reduced vegetation cover leading to reduced primary productivity and land carrying capacity.</p>	<ul style="list-style-type: none"> • Maintain and where possible increase natural vegetation cover 	<ul style="list-style-type: none"> • A 'greening' programme in urban and rural areas to provide shade, erosion protection, and beautification
<p>Alien invasive vegetation is well established and occurs widely in the district.</p>	<ul style="list-style-type: none"> • Protect and enhance regional biodiversity. • Reduce loss of water resource through alien invasive vegetation. • To prepare a detailed plan indicating the spatial distribution and occurrence of alien weeds and invasive plant species across the municipal area • To prioritize areas for removal of alien plants and invader species • To prepare an invader species monitoring control and eradication plan for all municipal land in accordance with the requirements of the National Environmental Management: Biodiversity Act of 2004 	<ul style="list-style-type: none"> • Prepare and adopt an Invasive Species Monitoring, Control and Eradication Plan that is integrated and aligned with the IDP • Prioritize areas for eradication which is accessible and degrading tourism as well as agricultural value. • Integrate the 'Working for Water Program' as part of the alien and invasive vegetation control management programs. • Include the local community in eradication programs as an economic empowerment project. • Landowners educated and empowered considering their mandate to clear Category 1 invasives on their land.

LAND USE AND ECONOMIC STRUCTURE		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
Impact of Inappropriate farming practices on the biophysical environment, including soil degradation, introduction and spread of alien and invasive species, habitat destruction, resource consumption, waste generation, and soil and water pollution.	<ul style="list-style-type: none"> • Introduce an appropriate soil conservation and management program • To control the utilization of agricultural resources in terms of the conservation of Agricultural Resources Act to ensure the conservation of soil, water resources • To monitor the abstraction and utilization of ground water for commercial irrigation purposes • Implement region-wide knowledge and implementation of sustainable agricultural practices to include cropping practices, grazing methods, stocking density, burning regimes etc. • To introduce a support program for the appropriate management of subsistence farming activities 	<ul style="list-style-type: none"> • Education and training on farming practices for subsistence farming must be addressed as a priority • A soil degradation priority index must be established and soil stabilization projects must be carried out following a program based on these priority areas • The suitability of soils for irrigation purposes and the water availability for this activity must be investigated and a report on the long-term viability there-of must be prepared.
The most significant impacts of forestry as a land use in the district include habitat destruction and water consumption. Positive impacts include carbon sequestration, amenity value and positive aesthetic impact.	<ul style="list-style-type: none"> • Confine forestry to designated areas outside environmental sensitive areas. 	<ul style="list-style-type: none"> • Identify potential areas for forestry development in district SDF taking due cognizance of environmental sensitive areas.

<p>Settlement areas (towns and rural settlement areas) cause a variety of impacts on the environment, including soil erosion, increased stormwater flow and flood peak intensity, and habitat destruction and fragmentation.</p>	<ul style="list-style-type: none"> • Promote compact settlement patterns in district and municipal SDF's. 	<ul style="list-style-type: none"> • Urban densification to be encouraged in conjunction with the curtailment of urban sprawl. • Development on ridges and steep slopes to be discouraged where possible. • Buffer zones to be maintained in the vicinity of river, particularly along the riparian zones. • Avoid urban development within the identified environmental sensitive areas.
<p>The Wholesale, Retail and Tourism Sector is one of the key contributors to economic production and employment in the district. The natural and cultural resource base of the district plays an important role in realizing this contribution.</p>	<ul style="list-style-type: none"> • Continued growth and exploitation of the Tourism Sector will have to be sensitive to the use of available natural resources. • To conserve the unique historical/cultural significance of the area. • To enhance the educational potential of the district tourism sites. 	<ul style="list-style-type: none"> • Formulate and implement a tourism development strategy. • Identify skills required by the hospitality industry and supply skills development for local residents in this field, to improve service to tourists. • Establish a comprehensive tourism assets data base.

<p>Environmental impacts (eg. air and water quality) resulting from manufacturing and mining activities</p>	<ul style="list-style-type: none"> • Monitoring and control of air pollution as well as the implementation of education programmes to enlighten people regarding the potential threats that air pollution may have on both the environment and human health. • To ensure that all appropriate environmental legislation are adhered to in prospecting and mining activities. • To identify all known existing mineral deposits located within the high priority habitats and high biodiversity areas and recommend appropriate management measures. • Enforce compliance with specified regulations and EMP requirements. • To identify and monitor all waste and by-products generated by existing mining and manufacturing operations to determine the impact thereof on soil, water and air quality within the municipality. 	<ul style="list-style-type: none"> • Strict monitoring of water quality downstream of mining and manufacturing operations (eg. dissolved oxygen, suspended sediment loads). • Monitor the rehabilitation of mining sites once operations are terminated. • Monitor compliance with terms and conditions of mining permits and EMP's. • The waste quantities must be specified and concurrent rehabilitation on impacted environment must be enforced and regulated. • EMPR's of mines must be pro-actively managed and updated and public input must be encouraged. • Representatives of the District and Local municipalities must attend annual public meetings. • Monitor the disposal of hazardous waste from mining activities. This must be disposed of at an appropriate landfill site, No hazardous landfill site occur in Umzinyathi DM.
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UNEMPLOYMENT AND AFFORDABILITY		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
High levels of unemployment and limited economic activities prevalent across the district, especially in the central and north eastern rural areas.	<ul style="list-style-type: none"> • Support SMME development • Maximise the use of local labour in implementation of IDP capital projects • To establish a partnership with the private business community with a view to expanding and enhancing local investment and development opportunities. 	<ul style="list-style-type: none"> • The recruitment of local labour for implementation of IDP capital projects should be encouraged where possible. • Involvement in the poverty alleviation and job creation projects of the Expanded Public Works Programme, headed by the Department of Public Works, should be maximised • Encourage agri-industries and potential linkages between agriculture and the tourism industry. • Initiate urban agriculture projects in and around lower income areas. • In consultation with Department of Agriculture, set up and implement small farmers support and advice programme.

2. LOCAL ECONOMIC DEVELOPMENT ISSUES – GROWTH AND DEVELOPMENT SUMMIT

On the 04 – 05 June 2009, uMzinyathi District Municipality hosted the second District Growth and Development Summit (DGDS). The purpose of arranging the second summit was to discuss progress in the implementation of resolutions taken during the 1st Growth and Development summit, to engage stakeholders on the strategies developed by the municipality in order to determine the roles to be played by public, business and community sectors in the implementation thereof, and to share information on current and future initiatives with potential to catalyze growth and investment in Umzinyathi District and to strengthen partnerships with social partners.

As part of the outcomes of the Growth and Development Summit, it was strongly recommended that certain structures need to be established which will serve to engage stakeholders in developing strategies and also monitor the implementation thereof. These structures will also share information on current and future initiatives with potential to catalyze growth and investment in Umzinyathi District. The following structures were then established:

- LED Forum;
- Tourism Forum;
- Agricultural Forum; and
- Business Forum.

The above mentioned forums have been established, though some of them are experiencing challenges in terms of functionality. The LED forum which serves as an umbrella body of the other forums is in the process of being strengthened through support from the Department of Economic Development and Tourism. The Department has approved funding for the appointment of a Service provider to render technical support to the LED unit. The key deliverables of this initiative include the following:

Setting up a proper institutional arrangement to support Local Economic Development i.e.

- Setting up of functional LED units at District and Local Municipality level.
- Establishment of a District LED forum and eventually setting up Local Municipality LED fora.
- Developing a marketing plan for Umzinyathi District Municipality.
- Assisting in identifying and packaging priority, catalytic LED projects which will

achieve the desired impact to the local economy and create opportunities for employment.

It is envisaged that the main role of the District LED forum will be to provide strategic direction and support in the implementation of the strategy and LED plan, and a good platform to support the other sectors within the district.

The Growth and Development Summit creates an ideal platform for all economic partners to converge and share ideas on developmental issues and the role each partner can play in realizing economic objectives of the District. It therefore does add value to the District and gives direction in the formulation and implementation of the development strategies.

In terms of future plans for growth and development, the municipality will be utilising the established structures to share information, promote and drive economic development.

3. SPATIAL ANALYSIS

Spatial syntax analysis reveals that the Municipality is made up of three economic areas. In the north is eNdumeni which is economically, ecologically and socially linked to the National and Provincial economic development node of Newcastle located in the district municipal area of aMajuba. The backward and forward economic linkages of this aspect of the space economy need to be explored in the strategies phase of the IDP.

In the south, Greytown is linked economically to the uMgungundlovu area and the major traffic flow is southward to Pietermaritzburg and not northward to Dundee. This has important implications for integration in the district along the north south axis. This axis is the R33 which is seen as being the major linkage road for tourism activity as well as agricultural usage. In the Provincial Spatial Development Framework, the R33 is defined as the secondary agricultural corridor. A tertiary corridor in the Provincial Spatial Development Framework links Escort to Tugela Ferry and Nkandla.

The success of this corridor will depend on a suitable linkage road being built between Tugela Ferry and Nkandla. The tourism and agricultural potential of this area needs to be investigated. The ecological linkages between the extensive wetlands in the north of the district and the catchments of eNdumeni and uThungulu are important from an economic and service provision perspective.

4. SWOT ANALYSIS

Umzinyathi District Municipality has determined the SWOT analysis as part of the LED Strategy which serves to guide the municipality in promoting economic development, and they are as follows:

Strengths

The strengths listed below remain essentially potential strengths and need to be matched with strategic resources, capacity and commitment of key role players (government, business and civil society) to realize them.

- In terms of agriculture, the district has a distinctive competence in beef feedlotting, irrigated maize production and dairy in the North, vegetable production in Msinga and Umvoti on the Tugela and Mooi Rivers, and Forestry in Umvoti. It has well established clusters of expertise, support services and marketing networks in these sectors except for vegetable production.

There are value added opportunities in the various value and supply chains linked to each sector: But without adding value to the products, these sectors are not likely to grow significantly. Opportunities exist within the following supply and value chains:

- Maize – Milling – Marketing - Feedlots.
 - Feedlots – Meat Processing- Leather Tanning.
 - Dairy production- dairy processing – dairy packaging - marketing.
 - Forestry- wood products- forestry waste products- marketing.
 - Vegetable production-vegetable packaging- vegetable processing.- marketing
-
- The area has a unique competitive advantage in terms of its Battle Fields (Heritage) Tourism products. There is a relatively well developed cluster of Heritage guides, museums, accommodation facilities to support this sector. There is however a need to improve the marketing and quality of the product through both public investment (signage, public infrastructure) and private investment. There is also a need to diversify the tourism product mix to include Zulu cultural, nature-based and adventure products.

- The lead performing growth sectors over the last 10 years have been Tourism and Trade and financial services and construction.
- The geographic position of Dundee means that it plays an important role as a central node in northern KwaZulu-Natal. It has the potential to further develop this role as a commercial, cultural, educational, sport and administrative hub for Northern KwaZulu-Natal. Dundee's potential as an educational and cultural centre has not been sufficiently optimized. The Umzinyathi Education Centre is a resource that needs to be supported in its development.

Weaknesses

- The district economy remains too dependant on government and social services;
- The GDP per capita value of the district economy is the second smallest in KwaZulu-Natal;
- Mining, manufacturing remain declining sectors but have some strength in their resilient remnants;
- There is a weak social base, with the district having the highest levels of unemployment and illiteracy in KwaZulu –Natal;
- Umzinyathi has the second lowest Human Development Index of all the districts in the province;
- There are low levels of local demand as a result of low household income;
- The southern municipal clusters in particular have an outward focus (towards the Midlands in particular). There is substantial economic leakage from these economies;
- There are low levels of reinvestment into productive sectors. The service sector dominates the economy and there is limited investment in tourism and agriculture;
- The District is largely rural, with a low population density. This means that purchasing power is diluted and service costs are higher;
- There has been a lack of progress around meaningful and practical Growth and Development partnerships between government, business and civil society to optimise the district economies strengths and deal with threats and weaknesses;

Opportunities

- There is a high demand for processed agricultural products (beneficiation of primary products) both within the district and broader market. The areas of greatest opportunity include processed meat, irrigated maize, dairy products and processed vegetables (Msinga). There are opportunities for competitive partnerships with BEE investment companies and SMME's in the following supply and value chains:
 - Maize – Milling – Marketing- Feedlots.
 - Feedlots – Meat Processing- Leather Tanning.
 - Dairy production- dairy packaging and processing – marketing.
 - Forestry- wood products-forestry waste products.
 - Vegetable production-vegetable packaging and processing - marketing.

- The Bio-fuel Initiative involving Amajuba, Umzinyathi and Zululand may provide significant opportunities in the medium term in soya bean production, particularly on dry land, but it remains to be seen if this will materialise.

- There is potential to grow both the domestic and international share of the tourism market through improving both marketing and the experience of the existing Battlefields Heritage product and the development and marketing of complementary products in adventure tourism, nature-based tourism and Zulu cultural tourism.

- A unique opportunity exists to develop a District Tourism route through the district which would form the basis of a coherent tourism marketing and product development initiative for the district. There is an opportunity to develop a racially diversified, competitive heritage, cultural and adventure based tourism sector with a strong focus on marketing, product development and skills development through this initiative.

Threats

- The agricultural sector has been based on primary production while opportunities and profits lie in processing. In addition, the sector has shown stagnation and job loss with lower profit levels due to rising costs of agricultural inputs.
- The land reform process is taking place as a reactive process in the district and will threaten sustained agricultural production unless there is a structured partnership between the established commercial farming sector, agricultural processors, suppliers and land reform beneficiaries and government (Department of Land Affairs, Agriculture and the Land Claims Commission) to fully integrate these initiatives into the agricultural and agri-processing supply and value chain.
- The tourism sector has not been able to develop a growth partnership between tourism associations, local and provincial government. The lack of engagement around integrating community based tourism enterprises and SMMEs into the tourism supply and value chain, will continue to constrain public sector investment and limit the necessary product mix for a competitive local tourism economy.

5. PRIORITY ISSUES

The following are the priority issues structured according to the five year strategic local government agenda to be addressed by the municipality as part of the 2010/11 IDP Review:

Basic Services Delivery and Infrastructure Development

As a whole the provision of water and sanitation, is inadequate within the municipal area, huge backlogs exists which can only be eradicated, at a minimum standard level,

▪ Water supply

The provision of potable water is a high priority need for within the municipal area. Most of the households which is Thirty six (36%) percent have no access to potable water supply and has to rely on natural resources such as rivers and streams.

- **Sanitation**

The provision of sanitation facilities within the municipal area has also been identified as a priority need for communities. Twenty one (21%) percent of the households within the municipal area have no access to sanitation facilities. The need to supply adequate sanitation facilities is determined by the density of the population, and health rises caused by inadequate sanitation facilities.

- **Electricity**

The provision of electricity within the municipality is amongst the priorities as sixty four (64%) percent of the households have no basic access to energy within the municipal area and have to rely on paraffin, coal etc.

Socio- Economic Development

- **Local Economic Development**

Umzinyathi District Municipality is almost finalizing the LED strategy which will serve to address most of the issues mentioned below and also economic development issues, opportunities and areas where feasible projects can be implemented to improve local economic development

- **Unemployment**

The unemployment challenge in the Umzinyathi DM is significant, with an estimated unemployment rate of around 46% in 2007. This figure rates amongst the highest unemployment rates of the district across KwaZulu-Natal. There are however also positive indications, the unemployment rate in Umzinyathi has decreased from 62.2% in 2001 to the (still high) figure of 46% in 2007.

- **Education and Skills**

The challenge of low skills levels within the Umzinyathi DM is a challenge. The 2007 statistics indicate that the Umzinyathi DM has the highest level of illiteracy amongst the adult populations (29.6%) amongst all districts in KwaZulu-Natal. In addition, as much as 26.4% of the adult population has only completed primary school education. Moreover, the Umzinyathi DM is also the area in KwaZulu-Natal with the lowest proportion of its adult population who have completed some form of higher education (1.2%).

- **HIV / Aids**

In Umzinyathi the antenatal HIV infection rate for 2005 was 23% which is lower than the national average of 27.9% and significantly lower than the 37.5 % average for the province of KwaZulu -Natal.

HIV/Aids affect businesses in terms of labour productivity and declining demand. It also has huge social cost factors in terms of the provision of effective education, health and social services.

Municipal Financial Viability

The implementation of the 2010/11 IDP Review is reliant on an effective financial management system, and a strategy to enhance this capacity is necessary

Good Governance and Public Participation

Constant interaction of the municipality with other spheres of government like National and Provincial is required since municipalities depend on financial, and institutional support from these tiers of government and also hold izimbizo to communicate the programmes to be undertaken by the municipality to the respective communities.

Municipal Transformation and Institutional Development

Umzinyathi District Municipality must ensure that financial and capacity resources are provided to meet the needs of the communities as indicated in the 2009/10 IDP Review, and that would also enable the adherence to the vision, objective and strategies.

SECTION C: DEVELOPMENT STRATEGIES

1. VISION, MISSION AND CORE VALUES

The uMzinyathi District Municipality reaffirmed the vision, core values and mission statements which were developed for the 2007/08 IDP. The vision and mission statements read as follows:

1.1 VISION

“uMzinyathi District Municipality shall be a self sustainable organization that promotes integrated development”

The following principles are core to the vision:

- The Municipality is intent on making itself financially viable over the long term without relying to such a large degree on grant funding from National Government for operational purposes;
- The Municipality is intent on coordinating, integrating and promoting all developmental initiatives both governmental and non-governmental for the benefit of the entire District; and
- The Municipality is intent on becoming a developmental force and catalyst within the District, able to promote, coordinate and initiate development.

1.2 MISSION STATEMENT

uMzinyathi shall be a dynamic and effective District which:

- **Strives to achieve financial, eco social sustainability;**
- **Supports co-operative governance through participation;**
- **Commits itself to deliver services according to its constitutional mandate;**
- **Supports poverty alleviation through job creation; and**
- **Preserves its cultural and natural heritage.**

The vision and mission statements need to be realised through development objectives, which in turn are made more specific through strategies, projects and project activities with their associated budget and KPI allocations. This process needs to be informed by localised strategic policy guidelines and the core values of the organisation.

1.3 CORE VALUES

- **Integrity;**
- **Transparency;**
- **Professionalism**
- **Co-operation;**
- **Innovation; and**
- **Accountability.**

1.4 LOCALISED STRATEGIC GUIDELINES, DEVELOPMENT OBJECTIVES AND STRATEGIES

Broad National and Provincial policy, guidelines and legislation need to inform the way issues are addressed through **development objectives** and **strategies** at the local level. There are a number of core dimensions, which need to be considered in developing localised guidelines for objectives, strategies and projects. They are:

- Cross cutting dimensions such as sustainability, HIV/AIDS, barrier free access and gender equity;
- Local economic development and poverty alleviation policy and incentives;
- Spatial dimensions;
- Institutional dimensions; and
- Social capital dimensions.

1.5 ALIGNMENT WITH PROVINCIAL AND NATIONAL POLICIES

1.5.1 Accelerated and Shared Growth Initiative – (ASGISA)

ASGISA's goals are to accelerate economic growth greater than 4.5% between 2006 and 2009, and then greater than 6% from 2010 to 2014 and to halve poverty and unemployment by 2014.

The four intervention areas are:

- Increasing the capacity of public infrastructure.

- Supporting investment-led growth in economic sectors with labour-intensive capacity, greater revenue generation potential and international competitiveness.
- Building comprehensive social development programmes that have the potential to enhance self-reliance in society.
- Revamping the delivery capacity and responsiveness of the public service sector.

Six spending areas have been identified which are:

- Infrastructure investment of R370 Billion over a three year period principally to develop the transport and power infrastructure.
- Sector strategies to diversify the economy through downstream activities and Broad-Based Black Economic Empowerment (BBBEE) through Business process outsourcing, Tourism, and the Bio-fuel sector. Other sectors identified include Chemicals, Metals beneficiation, Creative industries, clothing and textiles, Durable consumer goods, Wood, pulp and paper.
 - Skills and education in hard technical skills, maths, FET upgrades.
 - Second economy interventions to bridge the gap between the first and second economy through using the first economy to bridge the gap, targeting women and the youth, using public expenditure through targeted procurement and micro-finance (DTI initiatives such as SEDA etc).
 - Public administration to improve service delivery by state institutions which includes the capacity of local government to support local economic development.
 - Macro economic management issues beyond the scope of local stakeholders.

Under the ASGISA umbrella, the following micro- business support instruments are to be made available:

- A new partnership between Khula and Business Partners in a R150-million fund for business loans of between R10 000 and R250 000.
- Funds for women entrepreneurs, collaboration between the DTI, Eskom, Umsobomvu and the Women's Development Bank.
- The Financial Services Charter will release R5 billion for small business

loans.

- The Apex (SAMAF) and Mafisa programmes will supply loans of under R10 000.

SMME support initiatives include the following:

- R1-billion programme from the Industrial Development Corporation (IDC) and the National Empowerment Fund's Venture Fund.
- Support from the Small Enterprise Development Agency based at the DTI which will provide operational support (particularly in manufacturing).
- A review of the regulatory environment for small businesses by Cabinet.

1.5.2 National Spatial Development Perspective (NSDP)

The National Spatial Development Perspective (NSDP) guides government in implementing its programmes in order to achieve the objectives of ASGISA of halving poverty and unemployment by 2014. The NSDP is built on four basic principles. These are:

- Principle 1: Rapid economic growth that is sustained and inclusive is a pre-requisite for the achievement of poverty alleviation.
- Principle 2: Government spending on fixed investment should be focused on localities of economic growth and / or economic potential in order to gear up private sector investment, stimulate sustainable economic activities and create long-term employment opportunities.
- Principle 3: Where low economic potential exists investments should be directed at projects and programmes to address poverty and the provision of basic services in order to address past and current social inequalities.
- Principle 4: 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 in order for them to become regional gateways to the global economy.

1.5.3 KZN Provincial Growth and Development Strategy and economic strategies

The KZN government's growth and development strategy is aimed at transforming the structure of the economy and narrowing and eventually eliminating the gap between the first and second economies.

The four pillars on which this strategy rests are as follows:

- Increasing investment in the province;
- Skills and capacity building;
- Broadening participation in the economy; and
- Increasing competitiveness.

Programmes to boost growth include: promotion and attraction of Foreign Direct Investment, Investment in infrastructure, Dube Trade Port, Provincial Growth Fund, 2010 Soccer World Cup – investment in supporting infrastructure, sector development and corridor development.

To promote SMMEs and Black Economic Empowerment, the provincial government has created a series of funds, secured training through FET's and facilitated access to financing through Ithala Bank.

1.5.4 Provincial Spatial Economic Development Strategy (PSEDS)

The KZN Provincial Spatial Economic Development Strategy (PSEDS) gives a spatial framework to the Provincial Growth and Development Perspective. To give effect to the fourth principle of the NSDP that settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centres, the PSEDS has identified priority nodes and corridors.

In terms of nodal development, only primary and secondary nodes will be prioritised over the next 5 years. Umzinyathi District Municipality contains one tertiary node (Dundee) and three Quaternary Nodes (Greytown, Nquthu and Tugela Ferry).

The Provincial Spatial Economic Development Strategy has identified a series of prioritised Primary and secondary corridors. The corridors are defined as follows:

- Primary Corridor (PC): A corridor with very high economic growth potential within all three sectors which serves areas of high poverty densities.
- Secondary Corridor (SC): A corridor serving areas of high poverty levels with good economic development potential within one or two sectors.

Umzinyathi is not part of any primary corridors. In terms of secondary corridors, the priority corridors are indicated table below.

No.	Corridor	Classification
PC1	eThekwini - Umhlatuze	Primary Corridor
PC2	eThekwini – Msunduzi - uMngeni	Primary Corridor
PC3	eThekwini – Ugu	Primary Corridor
SC1	Umhlatuze – Ulundi - Vryheid	Secondary Corridor
SC2	Kokstad – Umzimkulu – Msunduzi	Secondary Corridor
SC3	Msunduzi – Nkandla - Ulundi	Secondary Corridor
SC4	Ulundi – Nongoma – Pongola	Secondary Corridor
SC6	Port Shepstone – St Faiths - Ixopo	Secondary Corridor
SC7	Maphumulo – Ndwedwe - Dube	Secondary Corridor
SC8	Ukhahlamba corridor	Secondary Corridor
SC9	Weenen – Nkandla – Eshowe	Secondary Corridor
SC10	Manguzi – Swaziland	Secondary Corridor
SC11	Makhatini flats corridor	Secondary Corridor
SC12	Greytown – Msinga – Madadeni	Secondary Corridor
SC13	Nkandla – Nqutu – Vryheid	Secondary Corridor
SC14	Mtubathuba – Nongoma	Secondary Corridor

Table No 59: Priority Corridors.

The implementation strategy for the PSEDS sets out the key interventions for the Provincial Government’s economic cluster departments over the next five years (2007/2008 – 2012/2013) in each district municipality in order to achieve ASGISA objectives. The priority interventions defined for Umzinyathi in terms of provincial government departments include:

Umzinyathi: Provincial Economic Cluster Departments: Priority Interventions

DC24: Agriculture and Land Reform

- Tugela & Mooiriver valleys: develop small scale intensive agriculture.
- Develop land and support land reform projects concerning livestock farming and the development of an abattoir.
- Development of livestock and game farming potential on Trust land
- Develop agri-processing in Tugela Ferry – vegetables & fish

DC24: Tourism

- Zulu heritage route: Develop cultural potential of Msinga, provide road links between Weenen, Msinga & Nkandla, improve R33.
- Battle fields routes: development of linkages to benefit previously disadvantaged

DC24: Services

- Formalise and plan Msinga & Nqutu to position for investment
- Provide adequate affordable housing and related services in nodes.

Table No 60: Umzinyathi: Provincial Economic Cluster Departments: Priority Interventions

Source: Provincial Spatial Economic Development Strategy (2006)

The Department of Local Government and Traditional Affairs has committed R1,5 million to the development of the SC 13 corridor. This includes the following initiatives

- District Tourism Strategy
- District Signage Programme
- Endumeni Craft and Food Market Stalls
- Additions to Msinga Curio Shop
- Muden Arts and Craft Centre

1.5.5 Millennium Development Goals

“The concept of a developmental state – which applies both to the country and the province – is rooted in the Millennium Development Goals (MDGs) adopted by the United Nations. Indeed both the national and provincial government’s development strategies and interventions should be viewed in the context of, and measured against, these international development goals which apply to all countries across the globe.

The MDGs which need to be achieved by 2015 are:

1. Eradication of extreme poverty and hunger
 - Halve the proportion of people with less than R6.00 per day
 - Reduce by half the proportion of people who suffer from hunger
2. Achievement of universal primary education
 - Ensure that all boys and girls complete a full course of primary schooling
3. Promotion of gender equality and empowerment of women
 - Eliminate gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015
4. Reduction in child mortality
 - Reduce by two thirds the mortality rate among children under five
5. Improvement of maternal health
 - Reduce by three quarters the maternal mortality ratio
6. Combating HIV/AIDS, malaria and other diseases
 - Halt and begin to reverse the spread of HIV/AIDS
 - Halt and begin to reverse the incidence of malaria and other major diseases
7. Ensuring environmental sustainability
 - Integrate the principles of sustainable development into country policies and programmes; reverse loss of environmental resources
 - Reduce by half the proportion of people without sustainable access to safe drinking water
 - Achieve significant improvement in lives of at least 100 million slum dwellers, by 2020
8. Developing a global partnership for development
 - Develop further an open trading and financial system that is rule-based, predictable and non-discriminatory, includes a commitment to good governance, development and poverty reduction— Nationally and

- Internationally
- In cooperation with the developing countries, develop decent and productive work for youth
- In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries
- In cooperation with the private sector, make available the benefits of new technologies— especially information and communication technologies”

1.6 LOCALISED HIV/AIDS PANDEMIC STRATEGIC GUIDELINES

At a National level the role of governance is primarily that of leadership, policy formulation and resource allocation. At the local level, the role is more immediate and intimate. This stems from the developmental responsibilities local government has to the community it serves. All local government responsibilities have the potential to impact on the pandemic. In the Umzinyathi District Municipal IDP, HIV/AIDS is not approached as a "health or behavioural issue". It is placed into the developmental context since it impacts on all sectors of development. The localised strategic guideline is generated from the Provincial and National approach to the pandemic on the one hand and the Dakar principles of 1 July 1994 on the other. The four key local guidelines are:

- The development of a district wide institutional structure for multi-sectoral co-ordination and network development in relation to HIV/AIDS; .
- Integrated prevention measures appropriate to rural and urban areas;
- The appropriate care of affected and infected people; and
- Human and legal rights of affected and infected people.

Umzinyathi District Municipality has a functional District Aids Council which was selected in October 2007, and is represented by a wide range of stakeholders including the following:

- The District and Local Municipalities;
- Sector Departments;
- NGO's;
- Traditional Leaders and Healers;
- Home base care;
- Farm dwellers.

1.6.1 HIV/AIDS Strategy

HIV and AIDS is one of the serious threats that face the human kind in the 21st century. This disease has a potential of reversing all developmental gains made by the human kind. The manner the pandemic is unfolding; it has rendered the normal and traditional ways of health interventions to be ineffective. The increase in the spread of HIV infections has created new challenges for government institutions especially local government. Local government structures are expected to develop and implement policies and strategies appropriate to be specific to HIV and AIDS related to social, economic, developmental, cultural, human rights and health issues affecting communities.

During the current financial year, Council has approved the HIV/AIDS strategy, which serves to guide the municipality in the fight against the disease and its implementation will commence during the next financial year.

2. DEVELOPMENT STRATEGIES

Umzinyathi District Municipality developed strategies in line with the Key Performance Areas of the Five Year Local Government Strategic Agenda. The following strategies have been developed as part of the 2010/11 IDP Review:

2.1 KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Strategy One: Facilitate Effective Infrastructure and Sustainable Service Delivery

This strategy focuses on facilitating the provision of new infrastructure and also the maintenance of existing infrastructure to ensure sustainable service delivery within the community.

Outcome: The first priority is to provide water and sanitation to the communities that currently do not have access at a minimum RDP standard of 25 litres per day per person within 200 metres walking distance. Sanitation target is to provide a VIP latrine per household.

The ultimate aim of the strategy is to reduce the water backlog which is 36% (36217 households) by 12% (4346 households) and sanitation which is 21% (21411 households) by 17% (3639 households) at the end of the 2010/11 financial year through the implementation of MIG projects.

The outcome of this strategy is informed by:

- 2009/10 Water Services Development Plan;
- 2008/09 Backlog study;
- 2007/08 Integrated Waste Management Plan
- Millennium Development Targets.

2.2 KPA 2: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

Strategy Two: Promote Sound Administration throughout the District

This strategy focuses in promoting sound administration which is efficient and effective that will enable the municipality to meet its developmental needs.

Outcome: The municipality has to put necessary structures in place which will enable the organization to fill all posts and prepare key policies, plans and procedures to guide transformation and ensure appropriate capacity is being developed.

The outcome of this strategy is informed by the following:

- Policies (Recruitment policy etc)
- Workplace Skills Development Plan ;
- Employment equity.

2.2.1 Umzinyathi DM Turn Around Strategy

The Local Government Turnaround Strategy (COGTA, 2009) places special emphasis on the need to support municipalities in fulfilling the ideals of local government as envisaged in the Constitution (1996), and the White Paper for Local government (1998). The latter cites that 'Developmental local government is local government committed to working with citizens and groups within the community to find sustainable

ways to meet their social, economic and material needs and improve the quality of their lives.”

The Turnaround strategy aims to contribute towards building the Developmental State in South Africa and draw from the constitutional and legal framework established. The purpose of the Turnaround strategy is to:

- i. Provide democratic and accountable government for local communities
- ii. Be responsive to the needs of the local community
- iii. Ensure the provision of services to communities in a sustainable manner
- iv. Promote social and economic development
- v. Promote a safe and healthy environment
- vi. Encourage the involvement of communities and community organisations in the matters of local government
- vii. Facilitate a culture of public service and accountability amongst its staff
- viii. Assign clear responsibilities for the management and co-ordination of these administrative units and mechanisms.

The outcomes of meeting these objectives include:

- The provision of household infrastructure and services
- The creation of liveable, integrated cities, towns and rural areas
- Working and inclusive local economies
- Involved and energized communities

The strategy seeks to encourage municipalities to aspire to deliver on these outcomes working alongside others spheres of government and society in doing so.

Umzinyathi District Municipality commenced with the process of preparing the Turn Around Strategy taking into account the National and Provincial framework developed by the Department of Co-operative Governance and Traditional Affairs. Umzinyathi District Municipality Turn Around Strategy was prepared on the 13 – 14 April 2010 with the assistance of the Department of Co-operative Governance and Traditional Affairs, Councillors, Management and Ward Committees. After the Turn Around Strategy was prepared, it was submitted to the Department of Co-operative Governance and Traditional Affairs for assessment purposes. The Turn Around Strategy has been amended as per the comments received from the department. The document was approved by Council on the 31 May 2010 and integrated as part of the 2010/11 IDP Review and is attached herewith as Annexure J 5.

2.3 KPA 3: MUNICIPAL FINANCIAL VIABILITY

Strategy Three: Promote Sound Financial Management

This strategy focuses on ensuring sound financial management and responsible budgeting as per the requirements of the MFMA that will ensure proper alignment with the municipality's IDP.

Outcome: Improve debt management processes, increase collection of revenue and tax, ensure that creditor's process is streamlined and reaches the finance department on time and improve annual receipt and utilisation of grant funding.

The outcome of this strategy is informed by the following:

- Financial Plan,
- Debt recovery plan;
- Credit Control Policy;
- Grant Allocation Policy;
- SDBIP.

2.4 KPA 4: LOCAL ECONOMIC DEVELOPMENT

Strategy Four: Promote Economically and Socially Sound District

The strategy aims to identify potential and feasible initiatives that will contribute to the alleviation of poverty within the District Municipality.

Outcome: To develop a competitive district economy which increases formal employment by 3,5% accelerates GDP growth by 4% over the next 5 years and stimulates the establishment and expansion of 50 sustainable black SMMEs and Co-operatives in the agricultural and tourism sector into the mainstream of the district economy, and reduces the level of household poverty by 4% through exploiting the competitive advantages of the district economy.

The outcome of this strategy will be based on the following:

- Economic Growth of over 5% by 2011;
- Reduction of the gap between the 1st and the 2nd Economy (PSEDS)
- ASGISA (Accelerated and Shared Growth Initiative of Southern Africa) aims to halve poverty and unemployment by 2014.

2.5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Strategy Five: Promote Community Empowerment

This strategy focuses mainly on accountability to the communities on developmental issues and also introducing systems, procedures and processes in place to allow maximum participation.

Outcome: The long term objective is to improve awareness of communities on municipal functions and developmental issues and have effective systems and controls in place to ensure proper accountability in relation to usage of public monies and other resources to deliver against community priorities.

SECTION D: HIGH LEVEL SPATIAL DEVELOPMENT FRAMEWORK / DISASTER MANAGEMENT

1. SPATIAL DEVELOPMENT FRAMEWORK

Umzinyathi District Municipality has successfully completed the review of the Spatial Development Framework; the municipality is currently integrating spatial data relating to water and sanitation into the Spatial Development Framework to indicate Capital Investment made by the municipality over the past few years also future projects. The Spatial Development Framework has been prepared according to the following procedures:

1.1.1 Review Status Quo

The aim of this phase was to assess and access all existing data, identify gaps in information and obtain such information where available. The Status Quo report aimed to provide information in respect of the following:

- Overview of the Legal and Policy Environment
- Overview of the Umzinyathi Municipal Area
 - o Regional context
 - o Administrative entities
 - o Broad land use characteristics
 - o Demographic and socio-economic profile
 - o Main economic characteristics
- Overview of Existing Studies
 - o Overview of existing studies and sector plans
 - o District initiatives and projects
 - o Spatial locality of existing and committed projects
- The Natural Resource Base
 - o Environmental Analysis
 - o Natural Environment
 - o Open Space System
 - o Agriculture
- Infrastructure Assessment
 - o Housing Analysis
 - o Community Facilities Analysis
 - o Infrastructure Analysis
 - o Bulk Utility Services
 - o Roads and Transport Networks
- Key Spatial Planning and Development Issues

1.1.2 Review of Spatial Planning and Development Principles

Apart from the principles contained in legislation such as the Development Facilitation Act (DFA), guiding principles were extracted from the following sources to provide guidance in this regard:

- o Millennium Development Goals (MDG)

- Development Facilitation Act (DFA)
- National Spatial Development Perspective
- Provincial Spatial Economic Development Strategy

1.1.3 Analysis of Existing Spatial Pattern

An analysis was undertaken of the spatial patterns of the Umzinyathi district municipality. The analysis had the following focus:

- Identification of areas of highest agricultural potential
- Accessibility mapping in respect of access to nodes
- Preparation of a poverty index
- Accessibility mapping in respect of infrastructure, i.e. electricity, sanitation, water and community facilities as well as the combined infrastructure needs
- Analysis of relation between land capability and areas of poverty
- Analysis of relation between population density and access to community facilities
- Analysis of population density distribution and location of environmentally sensitive areas
- Spatial relation between areas of highest population density that are also areas of high poverty

Consideration was also given to movement patterns as extracted from transportation investigations undertaken by the district.

1.1.4 Identification of desired Spatial Pattern and Spatial Intervention Areas

The main focus of this phase of the project is to identify strategic areas, given the analysis undertaken, where strategic intervention is required, e.g. where conflicting land uses exist. Also, areas where priority spending is required to redress severe poverty, for example, were identified.

1.2 Spatial Development Framework Consolidation

Based on the results of the previous phase, the spatial development framework of the municipality was revised and SDF Implementation Plan prepared.

1.2.1 Key Spatial Issues

Hereunder, is list of key spatial issues is provided as identified during the preparation of the SDF Review, notably the status quo and analysis components. In addition, a typical planning/development response is elicited for each issue:

Key Issue	Typical Response
Potential for agricultural growth in central parts of district.	<ul style="list-style-type: none"> ○ Create linkages between 1st and 2nd economy in respect of agriculture. ○ Enable transformation of the sector.
Western portion of district has distinct tourism potential.	<ul style="list-style-type: none"> ○ Support for cultural and heritage tourism initiatives.

High occurrence of poverty in central parts of the district.	<ul style="list-style-type: none"> ○ Build on strengths and potential of particular area to address poverty.
Existing agricultural and tourism activity corridors in the district as provided by the PSEDS.	<ul style="list-style-type: none"> ○ Harness potential provided by existing corridors.
District borders five other district municipal areas.	<ul style="list-style-type: none"> ○ District has good accessibility and is centrally located in the province. The potential exists for forward and backward economic linkages between the districts should be explored.
The vast majority of commercial activity is found in the north (Endumeni) and in the south (Umvoti).	<ul style="list-style-type: none"> ○ Economic opportunities of a commercial (value adding) nature that create opportunities to be identified in Nquthu and Msinga as well.
Low levels of urbanization with approximately 82% of the people living in the rural areas.	<ul style="list-style-type: none"> ○ Plan for in-migration towards more formal urban areas. This is a natural process that takes place and provision should be made for maintenance of urban infrastructure.
The district is characterized by large infrastructure backlogs, particularly in respect of water and sanitation and mainly in the rural areas.	<ul style="list-style-type: none"> ○ Backlog eradication needed in rural areas in particular to provide all with at least basic level of service.
The topographic characteristics of the district make the development of infrastructure difficult and costly particularly in the steep terrain.	<ul style="list-style-type: none"> ○ Importance for well developed infrastructure planning and application of prioritization criteria.

1.2.2 Spatial Planning and Development Principles

Apart from the principles contained in legislation such as the Development Facilitation Act (DFA), guiding principles were extracted from the following sources to provide guidance in this regard:

- Millennium Development Goals (MDG)
- Development Facilitation Act (DFA)
- National Spatial Development Perspective
- Provincial Spatial Economic Development Strategy

The Millennium Development Goals (MDG) note the following:

- 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

More details on the principles are provided hereunder:

The **Development Facilitation Act (DFA), No. 67 of 1995** contains general principles for land development and decision making. Some of these principles, as contained in section 3 of the Act, are summarized herewith.

- o Provision should be made for urban and rural land development – including the development of formal and informal, existing and new settlements.
- o Illegal occupation of land should be discouraged.
- o Land development should take place effectively and in an integrated manner by:
 - o Integrating social, economic, institutional, environmental and spatial aspects of land development.
 - o Developing urban and rural areas in support of each other.
 - o Providing areas of residence and job opportunities close together or integrated with each other.
 - o Optimize the use of existing resources.
 - o Permitting and encouraging diverse land uses.
 - o Rectifying the distorted spatial patterns of the past.
 - o Compaction of towns to discourage urban sprawl.
 - o Ensuring a sustainable natural environment.
 - o Promote conditions under which economic activities can flourish.
 - o Create opportunities for small business at places of high accessibility and economic agglomeration.
 - o Provide the basics for survival to all existing settlement and focus on places with economic potential to provide a higher level and wider range of services or facilities.
- o Development within an area should take place within the limited resources, financial, institutional and physical of the area in order to create a viable community and to protect the natural environmental to enable economic growth.

The National Spatial Development Perspective (**NSDP**) prescribes a number of principles to guide spatial development. The NSDP principles have a number of spatial implications that need to be considered when preparing Spatial Development Frameworks, notably focused economic investment that has maximum benefit. Also, locating community and other services/facilities in such manners that as many people as possible benefit.

The KwaZulu-Natal Government prepared a Provincial Growth and Development Strategy (**PGDS**) and complemented it with the preparation of a **Provincial Spatial Economic Development Strategy (PSEDS)** to give effect to the PGDS. Other purposes of the PSEDS can be outlined as follow:

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

The **PSEDS is built on the principles of the National Spatial Development Strategy (NSDP)**, namely:

- Principle 1:** Rapid economic growth that is sustained and inclusive is a prerequisite for the achievement of poverty alleviation.
- Principle 2:** Fixed investment should be focused in localities of economic growth or economic potential.
- Principle 3:** Where low economic potential exists investments should be directed at projects and programmes to address poverty and the provision of basic services in order to address past and current social inequalities.
- Principle 4:** Future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main centres.

In summary, the following is critical for the SDF review:

1. All communities are to be provided with at least a basic level of service.
2. 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 reasonable expansion and growth.

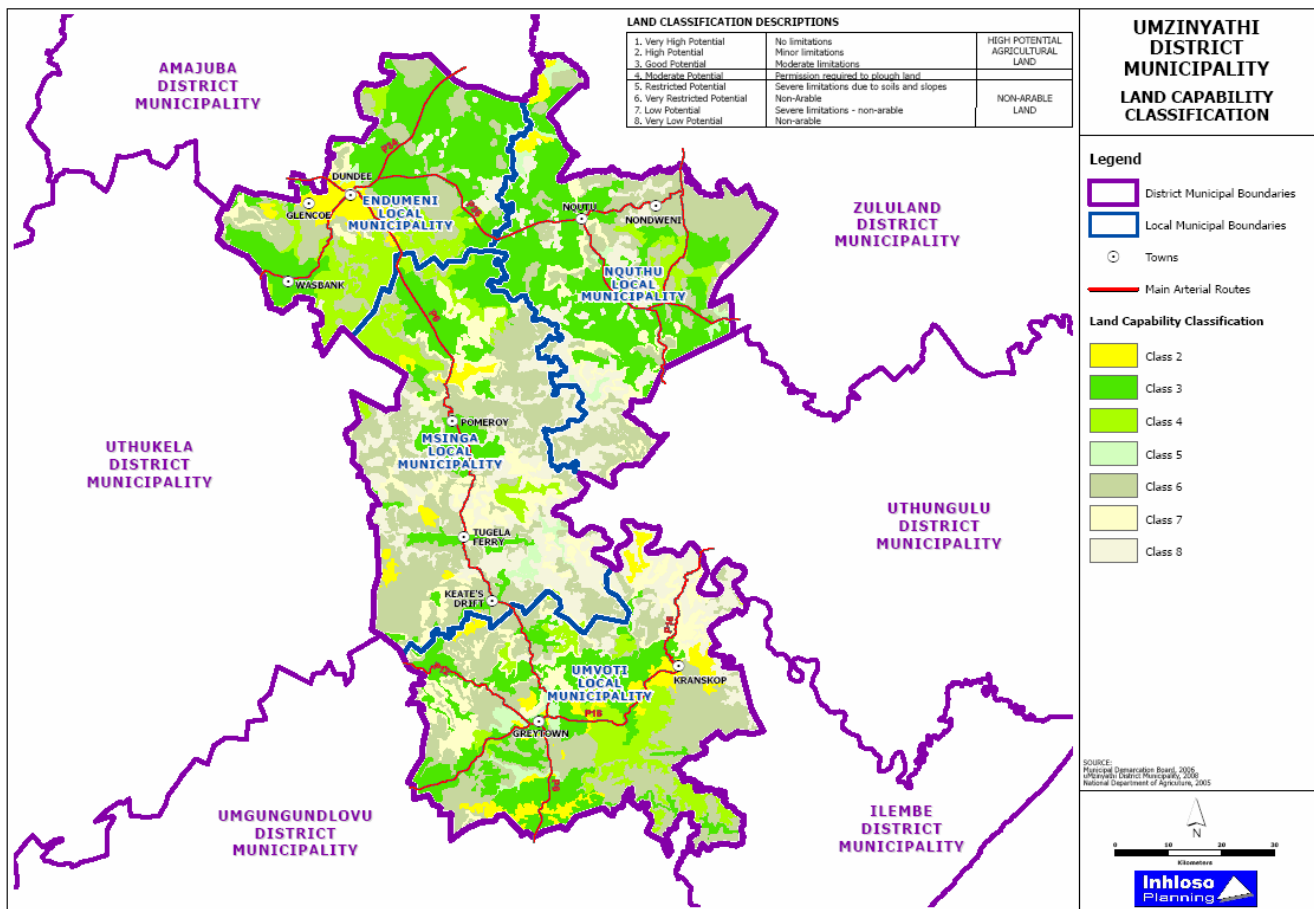
Outcomes of the Spatial Analysis

The key focus areas of the spatial analysis component of the SDF Review have already been noted. Herewith a more detailed explanation of the process and results is provided:

- o The identification of areas of highest **agricultural potential** was informed mainly by the land capability information from the National Department of Agriculture, 2005. The following land classification descriptions are noted:

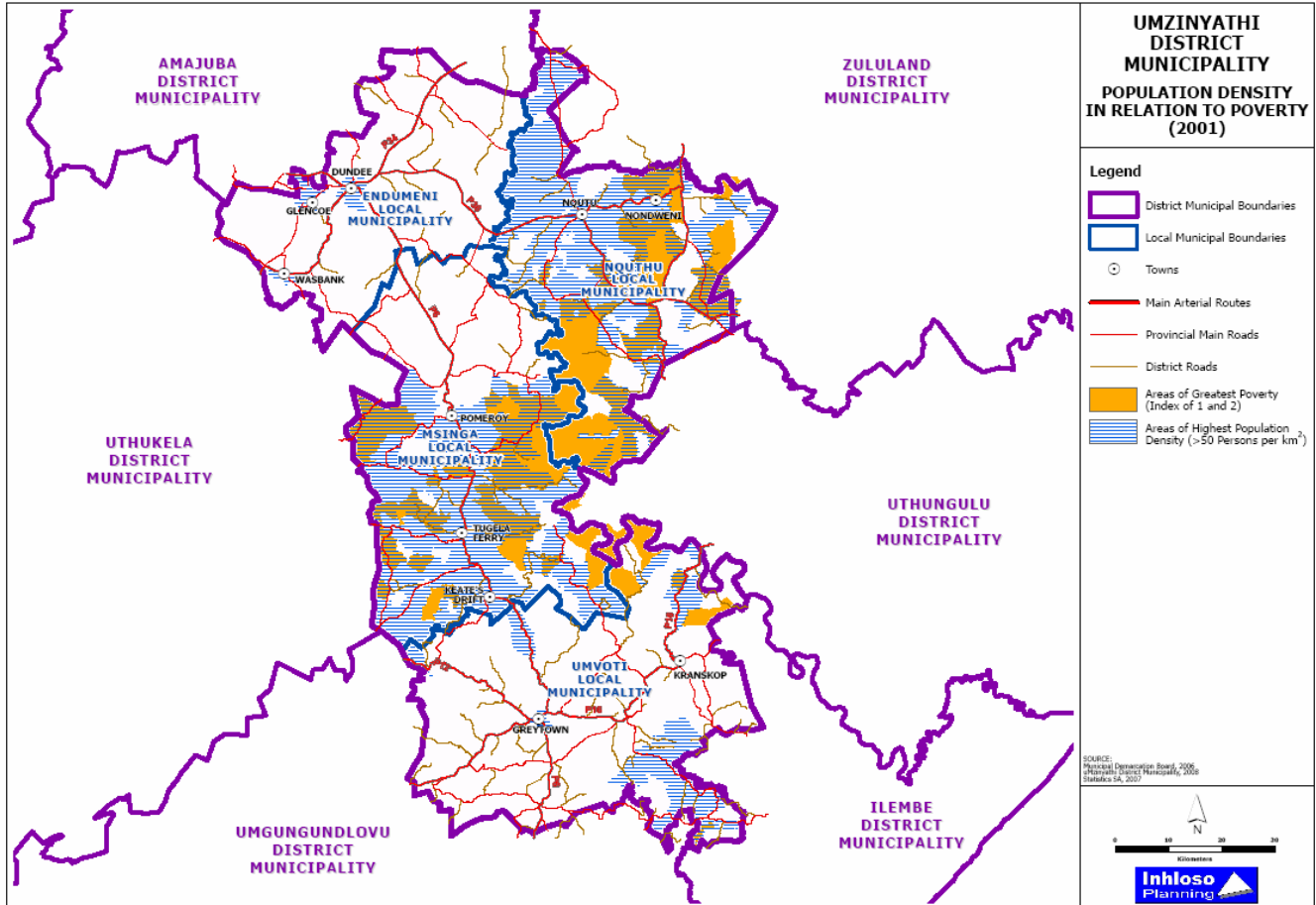
LAND CLASSIFICATION DESCRIPTIONS

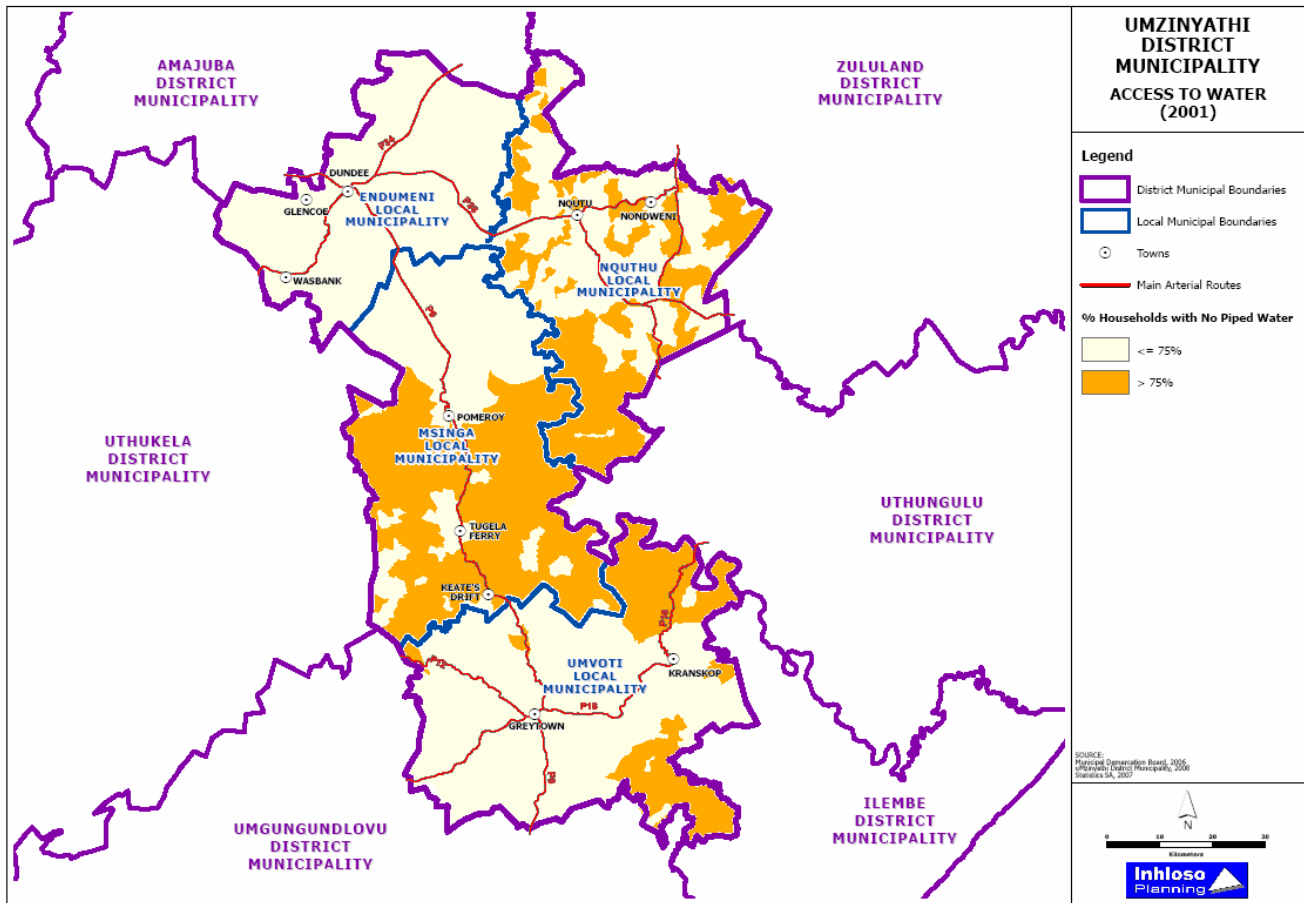
1. Very High Potential	No limitations	HIGH POTENTIAL AGRICULTURAL LAND
2. High Potential	Minor limitations	
3. Good Potential	Moderate limitations	



- Accessibility mapping in respect of **access to nodes** was produced and is shown at overleaf. Nodes being defined as follow: A connecting point at which several lines come together OR a concentration/centre of human, economic, social interaction/activity. The mapping produced in this regard is shown hereunder.

The resultant poverty index map is shown hereunder:

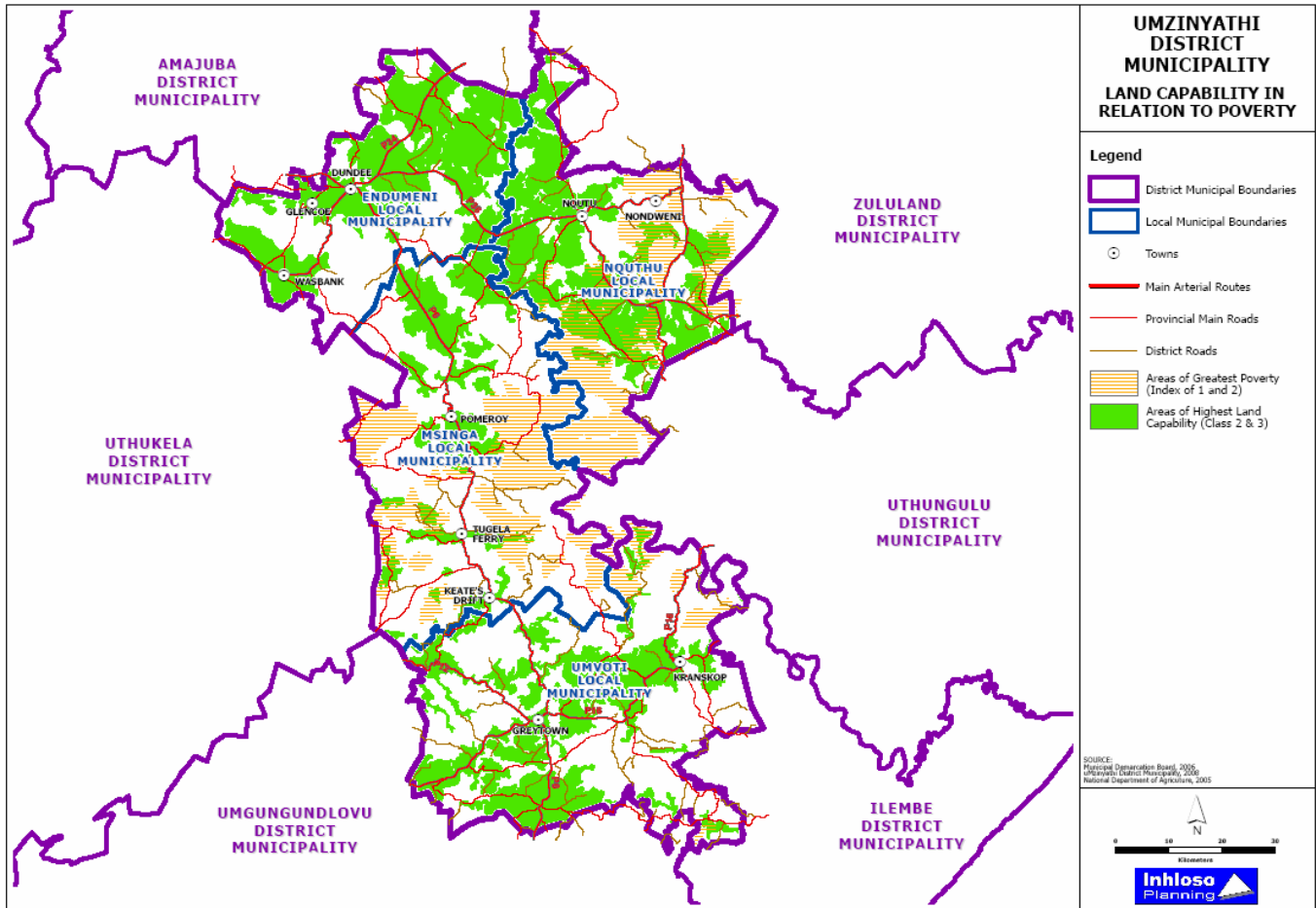




Accessibility mapping in respect of infrastructure, i.e. electricity, sanitation, water and community facilities as well as the combined infrastructure needs, the resultant combined infrastructure needs map provided herewith.

The mapping on the previous page and above is informing the district with regard to the identification of areas where the basic needs have to be met.

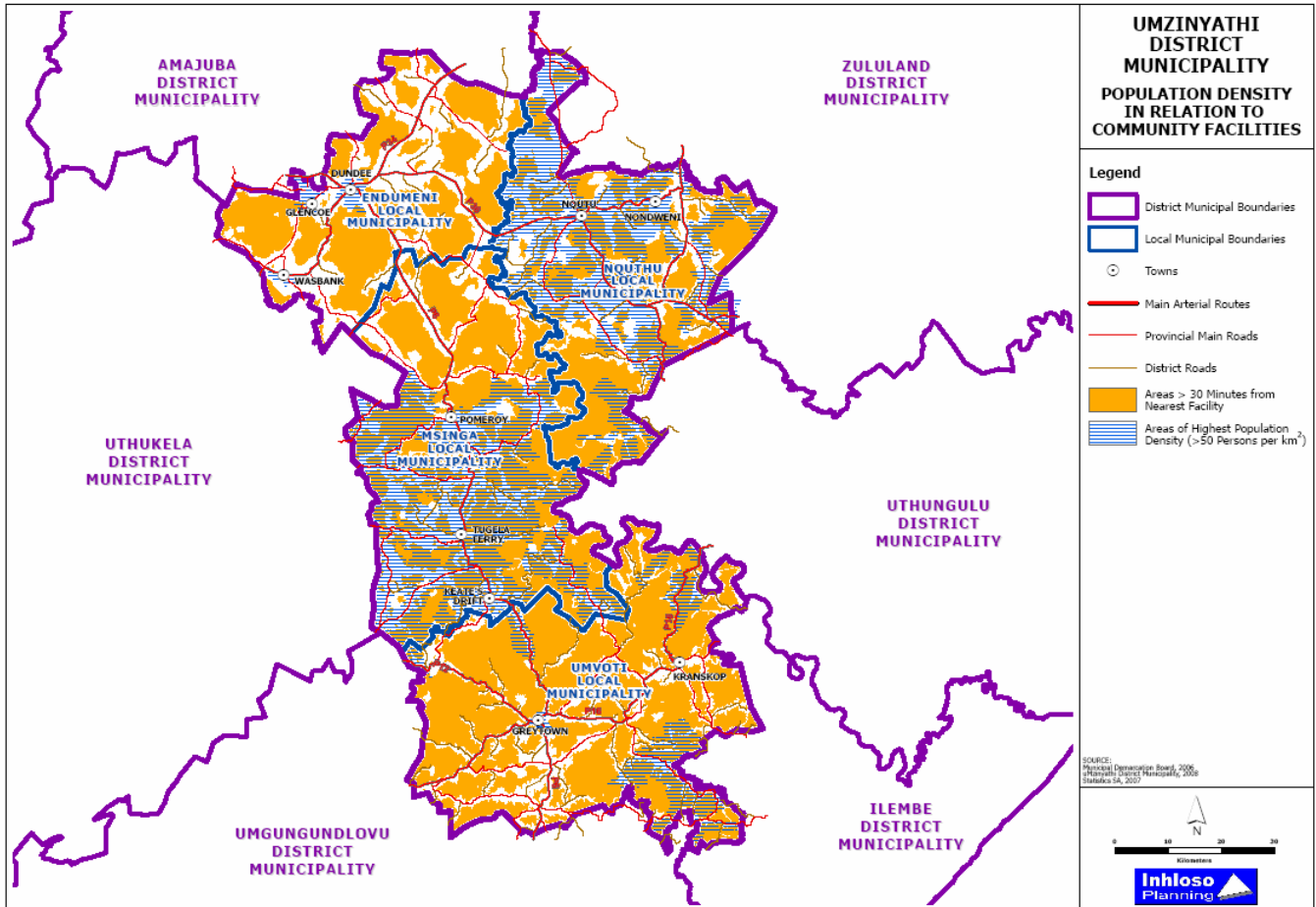
Analysis of relation between land capability and areas of poverty is shown herewith:



The above analysis is very important when considering the principle of need and potential. In this regard, any investment aimed at fostering the existing agricultural potential in an area that has a high poverty index has the potential to not only address the immediate need, but also to provide for reasonable expansion and growth.

Herewith, an analysis of the relation between population density and access to community facilities is provided. The rationale behind this analysis is that (1) areas that do have poor access to community facilities are shown that are (2) also densely populated.

Thus, any provision in community/social facility related needs has the potential to address the need of a relatively large beneficiary community.



The analysis of population density distribution and location of environmentally sensitive areas was also undertaken. The importance of this analysis is borne in the IDP that notes the wide variety of ecosystems and habitats in the district and the high conservation value of some areas due to the presence of endemic species. The IDP document also notes that indicators are present that inform authorities that something is happening which will make the natural environment 'change direction, often for the worse. These indicators can be simple things e.g. a change in the size of a wetland, a change in the number and type of species in an area, or even changes in the things people do. The following interesting indicators are relevant to the review of the SDF:

1.3 Identification of Intervention Areas and Consolidated SDF

In the previous sections of this report principles were discussed as well as the results of an extensive analysis process. Some more clarity is provided in respect of “desired spatial pattern” and “spatial intervention areas”.

The **desired spatial pattern** of an area is regarded as a situation rather than an environment with specific characteristics. Thus, the desired spatial pattern of an area should be measured 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 urban areas, can support many thousands of households. The vision of the district is considered to be a good indicator of its desired state of sustainability.

“Umzinyathi District Municipality shall be a self sustainable organization that promotes integrated development”

Sustainability is also about reaching equilibrium. A stage will be reached when the migration patterns of communities stabilize and the following should be noted:

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.

1.3.1 Desired Spatial Pattern

The desired spatial pattern is in essence the series of nodes and corridors as mooted in various provincial documents as well as in the SDFs of the respective LMs. In order to attain such a desired spatial pattern, a process of development within the district has to take place. This process of development entails investment in areas of potential and also in those areas of need. The latter areas are not necessarily along the identified nodes and corridors but the nodes and corridors and these listed areas will have a mutual impact on each other.

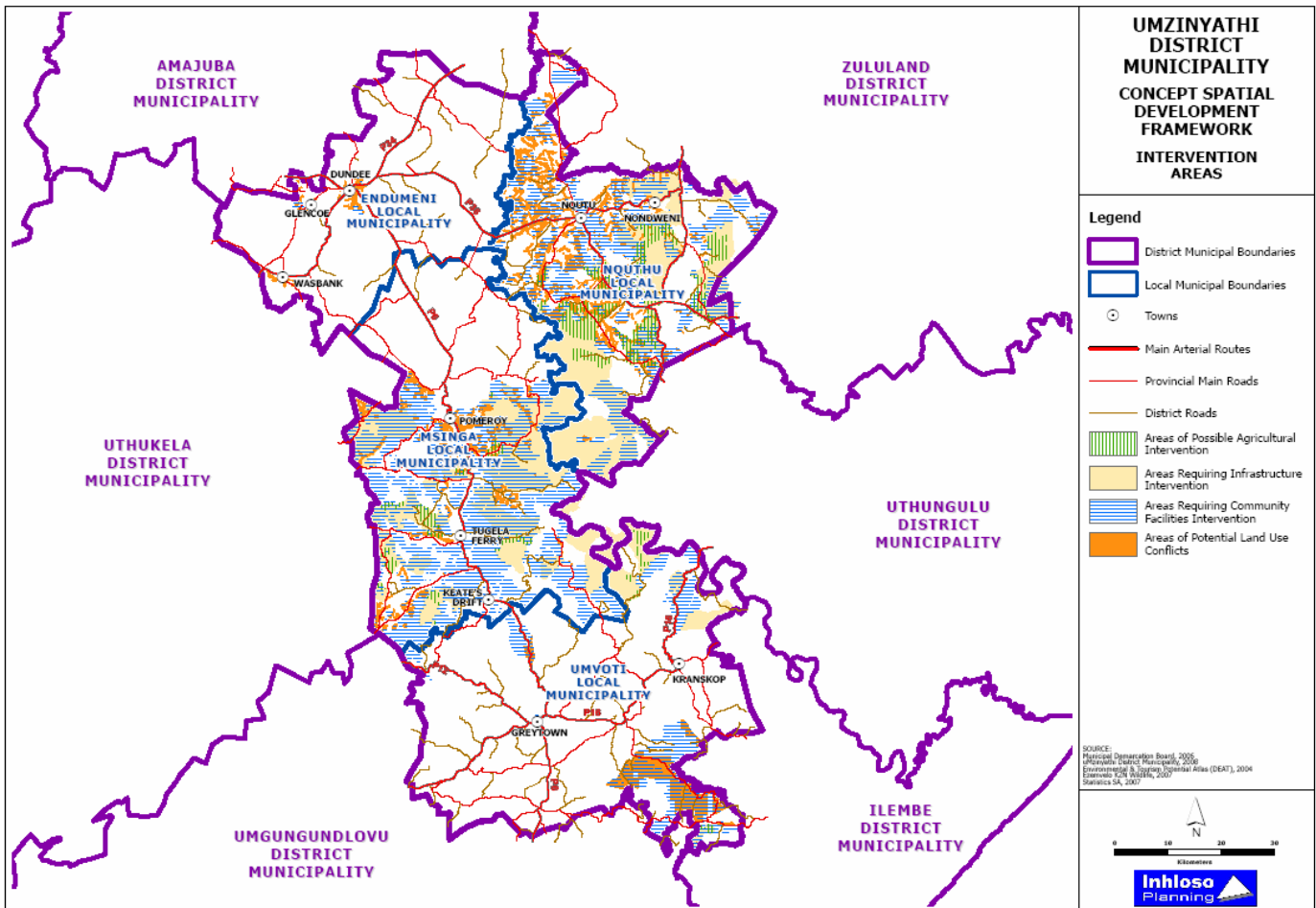
An ongoing movement of people from areas in the rural areas towards the urban areas is anticipated. It is therefore imperative that the necessary actions be taken to ensure that the urban centres of the district remain sustainable in terms of infrastructure provision – thus provision should be made for expansion and maintenance.

It is furthermore likely that people will move from areas that offer little opportunity to areas that offer more opportunity and services. Still, those communities in areas of lesser – albeit perceived lesser - opportunity should be afforded at least a basic level of service and investment should also be focused on people in those areas. This is imperative to ensure that the education and capacity of these people is developed so that, when they decide to move to a location of more opportunity, they can contribute to the development of the area in the form of a skill or trade. Entrance into the economy will also be improved. Thus, in those areas identified in the SDF that do not

offer significant opportunities per se, specific attention should be given to FET and ABET related projects.

1.3.2 Spatial Intervention Areas

The determination of Spatial Interventions Areas is discussed in this section and has mainly been informed by the extensive analysis that was undertaken. The following map is a representation of the spatial intervention areas and a discussion is provided thereafter.



Areas indicating possible **agricultural intervention** are shown. These areas were determined by the analysis of areas of higher agricultural potential in relation to areas of higher population density. The intention with identifying such areas is to consider the promotion of agricultural activities in the area for both subsistence and commercial purposes. The latter will require some more detail investigations in order to identify viable crops and it is known that work is constantly done by the Department of Agriculture in this regard. Also, importantly, there are a number of factors that will also

need localised investigations with regard to the land capability, i.e. soil acidity and rainfall. It is also noted that the upgrade of the road to Msinga Top will create agricultural opportunities in the area due to the improved access. A further important consideration is that 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.

The mapping provided on the previous page also indicates areas requiring **infrastructure intervention** and were essentially determined to indicate those areas where all of the following conditions prevail:

- Areas where more than 75% of the households do not have electricity for lighting
- Areas where more than 75% of the households do not have hygienic toilets
- Areas where more than 75% of the households do not have access to piped water.

It is important to note that a series of individual maps indicating the above have been prepared to inform sector specific interventions but that for the purpose of the intervention areas mapping, the areas with worst hardship in this regard have been indicated.

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. The analysis undertaken as part of this SDF Review has indicated areas that do not have access to community facilities, i.e. those areas that are more than 30 minutes travel time from community facilities. The resultant mapping indicated vast areas of higher population density where community facilities are lacking. Thus, as a first priority, those areas that have a proven community facility need, and have a population density of more than 50 people/km² have been identified.

Some mapping has also been prepared in respect of tourism facilities and potential in the district. **Tourism** development needs support from a capital investment and mentoring perspective. 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.

1.4 Alignment of the SDF to the Umzinyathi IDP

Given that an SDF is the visual representation of a municipal IDP it is imperative that the outcomes of the SDF have to be related to the issues, actions and strategies of the IDP. In this section, the main components of this alignment is noted:

- The Umzinyathi District Municipality is affected by **two secondary provincial corridors**, notably the SC 12 Greytown – Msinga – Madadeni as well as the SC 13 Nkandla – Nqutu – Vryheid. In addition, the Department of Local Government and Traditional Affairs has committed R1,5 million to the development of the SC 13 corridor. This includes the following initiatives:
 - District Tourism Strategy
 - District Signage Programme
 - Endumeni Craft and Food Market Stalls
 - Additions to the Msinga Curio Shop
 - Muden Arts and Craft Centre

The following is provided with regard to the Umzinyathi District strategies – that have a clear spatial implication and which have been developed in line with the Key Performance Areas of the Five Year Local Government Strategic Agenda.

KPA 1: Basic Service Delivery and Infrastructure Development
Strategy 1: Facilitate Effective Infrastructure and Sustainable Service Delivery
This strategy focuses on facilitating the provision of new infrastructure and also the maintenance of existing infrastructure to ensure sustainable service delivery within the district.
Outcome: The ultimate aim of the strategy is to reduce the water backlog which is 36% (36217 households) by 12% (4346 households) and sanitation which is 21% (21411 households) by 17% (3639 households) at the end of the 2010/11 financial year through the implementation of MIG projects.

KPA 4: Local Economic Development

Strategy 4: Promote Economically and Socially Sound District

The strategy aims to identify potential and feasible initiatives that will contribute to the alleviation of poverty within the District Municipality.

Outcome: To develop a competitive district economy which increased formal employment by 3,5% accelerates GDP growth by 6% over the next 5 years and stimulates the establishment and expansion of 50 sustainable black SMMEs and Cooperatives in the agricultural and tourism sector into the mainstream of the district economy, and reduces the level of household poverty by 5% through exploiting the competitive advantages of the district economy.

The outcome of this strategy has been derived from the following:

- Economic Growth of up to 6% thereafter
(PSEDS)
- Reduction of the gap between the 1st and the 2nd Economy (PSEDS)
- ASGISA (Accelerated and Shared Growth Initiative of Southern Africa) aims to halve poverty and unemployment by 2014.

The integration of Capital Investment Plan into the SDF is still underway to indicate linkages between the SDF to the three years Capital Investment Plan.

2. HIGH LEVEL DISASTER MANAGEMENT PLAN

In terms of the Disaster Management Act (No 53 of 2002) section 25 states that each municipality within an applicable disaster management framework:

- Prepare a disaster management plan for its area according to prevailing circumstances;
- Co-ordinate and align the implementation of its plan with other organs of state and institutional role players; and
- Regularly review and update its plans.

Umzinyathi District Municipality adhered to the provisions of the Disaster Management Act (No 53 of 2002), and prepared a comprehensive Disaster Management Plan during 2008/09 financial year.

2.1 Risk Assessment

As part of the preparation of the Disaster Management Plan, risk assessment was undertaken to determine the type of risks prevailing in the municipal area in order to develop risk reduction methodologies. Through this process the following was taken into consideration:

- Identification of hazards;
- Risk consideration areas;
- Critical facilities analysis;
- Economical analysis;
- Environmental analysis; and
- Mitigating opportunity analysis.

Subsequent to the completion of risk assessment, a number of risks prevailing within the municipal area were identified which are as follows but not limited to::

- Fire (Veld, shack, structural, plantation);
- HIV/Aids;
- Floods;
- Lighting strikes;
- Road accidents;
- Droughts;
- High winds. Water shortage

The above identified hazards have been categorized for each local municipality and spatial represented in a map showing the vulnerable areas to different hazards.

2.2 Mitigating measures

The municipality has established project teams to implement projects aimed at mitigating the impact of the hazards and the projects have also been identified. The project teams comprises of multi-disciplinary team to play different roles in mitigating hazards. The roles to be performed by each stakeholder in relation to each hazard have been determined and they have also been workshoped on their roles.

2.3 Contingency Plans

As the risks prevailing within the municipality were identifies, the next step was then to develop the contingency plans for the identified. The contingency plans are developed to:

- Transfer contingency and scenario planning skills;
- To develop draft disaster management contingency plans that will address the identified hazards in a multidisciplinary and integrated manner
- To identify early warning systems, response and mobilisation mechanism.

The contingency plans have been developed for the following hazards:

- Structural fires;
- Veld fires; and
- Evacuation

2.4 Disaster Management Plan - Review and Update

As the Disaster Management Plan was developed during 2008/09 financial year and implemented during the current financial year, the municipality is intending to review the Disaster Management Plan during 2010/11 financial year to update the risks and mitigating measures.

SECTION E: SECTOR INVOLVEMENT

Umzinyathi District Municipality in partnership with its local municipalities namely Endumeni, Nquthu, Msinga and Umvoti had arranged two sessions with service providers, public and private to date.

The purpose of these sessions was to discuss, share and obtain strategic development planning issues:

- a) To discuss the level of participation in the municipal Integrated Development Plans and strategies on how this can be strengthened; and
- b) To obtain and align the medium Term Expenditure Framework (3 – 5 years) and programmes and projects for incorporation in the current 2010/11 IDP's.

The first IDP representative forum meeting was held on the 26 November 2009 and the second one held on the 16 – 17 March 2010. The overall attendance of the IDP representative forum meetings was not satisfactory and the municipalities were unable to attain the desired results. During the IDP representative forum meetings, concrete Medium Term Expenditure Frameworks could not be obtained from the sector departments for alignment and integration. Assistance of the Department of Co-operative Governance and Traditional Affairs is being required to encourage and bring awareness to the attention of sector departments about the importance of alignment and integration for the IDP.

SECTION F: IMPLEMENTATION PLANS

Umzinyathi District Municipality has prepared the implementation plans according to the National Key Performance Areas of the Five Year Strategic Local Government Agenda and they are also aligned to the departments of the municipality in relation to their implementation. The implementation plans serve as the alignment between the IDP and Budget, and they also unpack the strategies in terms of their programmes. They also have the core functions aligned to each KPA to be undertaken during the 2010/11, 2011/2012 and 2012/2013 financial years, these core functions are then aligned to the budget to facilitate the implementation. The implementation plans have committed human and financial resources to enable the municipality to achieve its developmental mandate.

National Key Performance Area(s)	Municipal Key Performance Area(s)	Objective	Strategy	Project	Project Budget			Responsible Department
					2010/11	2011/12	2012/13	
Basic Service Delivery and Infrastructure Investment	Integrated Infrastructure Investment	To minimize the water backlog by 12% thereby improving access to communities within the RDP standards	Implementation of new MIG water projects Rudimentary programme Protecting unprotected springs Extension of new water schemes Refurbishment	Implementation of new water schemes Extension of existing water schemes Rudimentary programme	R 109,788,720	R 95,186,409	R 95,441,594	Executive Manager: Technical Services

			of existing infrastructure Enhancement of WSDP					
Basic Service Delivery and Infrastructure Investment	Integrated Infrastructure Investment	To operate and maintain the water projects and schemes	Provision of the a budget for operation and maintenance	Operation and maintenance of water projects and schemes	R 3,300,000	R 3,630,000	R 3,993,000	Executive Manager: Technical Services
		To enhance provision of water and sanitation	Water and sanitation provision through the agency	Agency Fees	R 63,601,316	R 75,886,029	R 83,413,095	Executive Manager: Technical Services
		To minimize the sanitation backlog by 17% thereby improving access to communities within the RDP standards	Implementation of new MIG sanitation projects	Construction of basic sanitation facilities per household	R 24,859,280	R 71,859,283	R 106,824,283	Executive Manager: Technical Services

Basic Service Delivery and Infrastructure Investment	Integrated Infrastructure Investment	To provide two regional waste sites	Development of two regional waste sites	Preparation of the feasibility study and development of sites	R 1,000,000			Executive Manager: Technical Services
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National Key Performance Area(s)	Municipal Key Performance Area(s)	Objective	Strategy	Project	Project Budget			Responsible Department
					2010/11	2011/12	2012/13	
Local Economic Development	Economic Development	<p>To ensure 4% economic growth of 5% by 2011</p> <p>To increase formal employment by 3.5% per</p> <p>Reduce the level of unemployment from 65% to 55%</p>	Implementation of the initiatives in the LED Plan	Development of the investment profile	The Department of Economic Development and Tourism approved funding to the amount of R 1,2 million for the appointment of a Service provider to render technical support, which will assist amongst other elements the development of the investment profile			Executive Manager: Planning and Social Development

Local Economic Development	Economic Development	To ensure 5% economic growth by 5% in 2011 To increase formal employment by 3.5% per annum through implementation of the Agricultural Strategy Reduce the level of unemployment from 65% to 55%	Implementation of the agricultural strategy	Facilitation of investment of the Agricultural initiatives	Preparation of investment application for funding as per the outcome of the Agricultural Strategy			Executive Manager: Planning and Social Development
National Key Performance Area(s)	Municipal Key Performance Area(s)	Objective	Strategy	Project	Project Budget			Responsible Department
					2010/11	2011/12	2012/13	
Local Economic Development	Economic Development	To implement the projects aimed at addressing immediate poverty needs	Implementation of income generating projects	LED / Mayoral projects	R 2,525,000	R 3,030,878	R 3,333,967	Executive Manager: Planning and Social Development

		To 5% by 2011 To increase formal employment by 3.5% per annum through implementation of the Tourism Strategy Reduce the level of unemployment from 65% to 55%	Implementation of the Tourism strategy	Promotion of Tourism Marketing and promotions for tourism	R 1,298,848 R 2,100,000	R 1,428,733 R 2,310,000	R 1,571,606 R 2,541,000	Executive Manager: Planning and Social Development
National Key Performance Area(s)	Municipal Key Performance Area(s)	Objective	Strategy	Project	Project Budget			Responsible Department
					2010/11	2011/12	2012/13	
Local Economic Development	Socio – Economic Development	To implement HIV/Aids programmes in a holistic manner	Finalization of the HIV/Aids strategy	Implementation of the HIV/aids programmes	R 550,000	R 605,000	R 665,500	Executive Manager: Planning and Social Development

Good Governance and Public Participation	Social Development	To contribute towards development of universal access to sports facilities by 2011	Provision of access of sports facilities to all communities	Coordination of programmes for sports development Participation in SLGA Games- Two new sports codes introduced for SALGA Mayoral Cup Wards development	R 3,086,600 R 300,000	R 3,395,260 R 330,000	R 3,734,786 R 363,000	Executive Manager: Planning and Social Development
National Key Performance Area(s)	Municipal Key Performance Area(s)	Objective	Strategy	Project	Project Budget			Responsible Department
					2010/11	2011/12	2012/13	
Good Governance and Public Participation		To promote Arts and Culture within the District	Undertaking of Arts and Culture programmes	District Cultural Events	R 450,000	R 495,000	R 544,500	Executive Manager: Planning and Social Development

Good Governance and Public Participation	Social Development	To develop programmes that deals with children, youth and gender	Developing programmes that are targeting children, youth, and gender	Implementation of children, youth and gender programmes	R 500,000	R 550,000	R 605,000	Executive Manager: Planning and Social Development
Good Governance and Public Participation	Social Development	To develop programmes that deals with people living with disabilities	Developing programmes that are targeting people living with disabilities	Implementation of programmes dealing with people living disabilities	R 385,000	R 423,500	R 465,850	Executive Manager: Planning and Social Development
Institutional Development and Transformation	Institutional Development	To promote sound administration throughout the Municipality	Development of employees	Capacity building programmes for the employees	R 900,000	R 990,000	R 1,089,000	Executive Manager: Corporate Services
Good Governance and Public Participation	Good Governance	To create awareness encourage and active participation of the community in council issues	Develop mechanisms of marketing the programmes that are being undertaken by the District	Public Consultation Development of quarterly newsletters Road shows, media releases, radio talks	R 220,000	R 242,000	R 266,200	Executive Manager: Corporate Services
		To maintain good Corporate image for the institution	Production of Corporate material	Shows and exhibitions	R 2,100,000	R 2,310,000	R 2,541,000	Executive Manager: Corporate Services

Good Governance and Public Participation	Strategic Planning	To review a Credible IDP based on up to date and accurate statistics	Obtain up to date and accurate statistics from companies such as Quantex, Global insight	Subscribe to private companies that updates population data and trends	R 275,000	R 302,500	R 332,750	Executive Manager: Planning and Social Development
		To strengthen relationship between the DM and LMs	Alignment meetings	Alignment meetings				Executive Manager: Planning and Social Development
		To enhance co-operation with other spheres of government and other private organizations	Develop mechanisms to engage sector departments and other service providers in the IDP processes	IDP representatives meetings / one on one meetings				Executive Manager: Planning and Social Development
		To promote organized planning within the district	Review and Implementation of IDP Sector plans	Review and Implementation of the IDP Sector Plans e.g SDF, Disaster management Plan, Public Transport Plan				Executive Manager: Planning and Social Development

Disaster Management	Disaster Management	To review and implement the Disaster Management Plan	Review and Implement the Disaster Management Plan	Implementation of priority projects highlighted in the plan	R 600,000	R 660,000	R 726,000	Executive Manager: Planning and Social Development
		To ensure provision of emergency services	Integrated as part of the Disaster Management Plan	Fire services operating	R 2,458,736	R 2,704,609	R 2,975,070	

SECTION G: PROJECTS

1. INFRASTRUCTURE PROJECTS – 2010/2013

In terms of the infrastructure projects (water and sanitation), the municipality will be spending an amount to the value of R 503,959,568.00 for the next three years to reduce the water and sanitation backlogs.

The value of 2010/2011 water projects is R 109,788,720.00 and R 24,859,280.00 for sanitation projects. The municipality is intending to reduce the water backlog which is 36% (36217 households) by 12% (4346 households) and sanitation which is 21% (21411 households) by 17% (3639 households) at the end of the 2010/11 financial year through the implementation of MIG projects. The municipality has also budgeted for Community Services Infrastructure ranging from community halls, roads, fan parks etc. In the next three years, the municipality will spend an amount to the value of R 28,633,208.00 on such programmes. A detail breakdown of infrastructure projects and municipal programmes is as follows:

CAPITAL BUDGET 2010/2011, 2011/2012 AND 2012/2013							
	Municipal	REVISED BUDGET	APPROVED BUDGET	REVISED BUDGET	PROPOSED BUDGET	PROPOSED BUDGET	PROPOSED BUDGET
MUNICIPAL FUNDED CAPITAL PROGRAMMES	Area	2008/2009	2009/2010	2009/2010	2010/2011	2011/2012	2012/2013
CCC Equipment	Umzinyathi D.M.	10,000	0	0	10,000	11,000	12,100
Office equipment and Furniture	Umzinyathi D.M.	1,203,614	200,000	220,000	80,000	88,000	96,800
Fire Engine Garage			500,000	227,800			

Disaster Management Vehicle			300,000	300,000			
Vehicle - Office of the Mayor			500,000	500,000			
Vehicle - Corporate Services 1400 Bakkie			150,000	150,000			
Vehicle - Corporate Services Sedan			250,000	250,000			
Vehicles	Umzinyathi D.M.	1,900,000	0	0	1,860,000	520,000	572,000
Administration Assets		3,113,614	1,900,000	1,647,800	1,950,000	619,000	680,900
Water & Sanitation Infrastructure Project	Umzinyathi D.M.				0	5,620,250	5,814,608
Qhudeni Maxhili Sanitation	Nquthu Municipality		16,000,000	10,690,520	4,900,000	-	-
Othame Sanitation Infrastructure Projects	Msinga Municipality Umzinyathi		14,000,000	14,000,000	5,000,000		
Water and Sanitation Projects	Umzinyathi						
Water and Sanitation Projects		0	30,000,000	24,690,520	9,900,000	5,620,250	5,814,608
Pomeroy Complex Phase 1	Msinga Municipality		5,088,000	3,132,000	1,956,000.00		
Agricultural Implements (4 x Tractor,trailer,Ploughs)	Umzinyathi D.M.		2,400,000	2,400,000			
Road Maintenance Equipment (Grader)	Umzinyathi D.M.		1,200,000	1,200,000			

Renovation of Princess Magogo Building	Umzinyathi D.M.				3,376,800	3,714,480	4,085,928
Suzafe Access Road					2,000,000		
Halodi Community Hall					1,500,000		
Nhlonga Community Hall					1,500,000		
Qhudeni Community Hall	Nquthu Munivipality				1,500,000		
Mbhele Community Hall					1,500,000		
Mahlaba Community Hall					1,500,000		
Enkamba Community Hall 1 - Msinga	Msinga Municipality	1,200,000			1,500,000		
Nyoni Road					1,500,000		
Stradford Farm					1,000,000		
Tafamasi					1,000,000		
Enseleni Community Hall 1 - Greytown	uMvoti Municipality	1,200,000					
Msinga Poutry Pan	Msinga Municipality	200,000					
Development of 2 Landfill sites	Two Regional Sites	1,000,000	480,000	0	1,000,000		
Halodi Road		2,000,000	1,400,000	1,400,000			
Nquthu Sewer		2,000,000	2,500,000	2,500,000			
Fan Parks		1,000,000					
Community Services Infrastructure		8,600,000	13,068,000	10,632,000	20,832,800	3,714,480	4,085,928
		11,713,614	44,968,000	36,970,320	32,682,800	9,953,730	10,581,436

MUNICIPAL INFRASTRUCTURE GRANT PROGRAMMES							
Project Title		2008/2009	2009/2010	2009/2010	2010/2011	2010/2011	2010/2011
DWAF							
Rudimentary - Umzinyathi	Umzinyathi D.M.	9,500,000	11,937,340	11,937,340	10,123,429	19,884,174	19,884,174
PMU	Umzinyathi D.M.	2,500,000	-	-			
Sub Total		12,000,000	11,937,340	11,937,340	10,123,429	19,884,174	19,884,174
Ruigtefontein Settlement Sanitation			36,036	36,036			
Glenco/Sithembile Bulk Water Services Upgrade	Endumeni Municipality		3,000,000	3,000,000	9,000,000	4,000,000	4,000,000
Sub Total		-	3,036,036	3,036,036	9,000,000	4,000,000	4,000,000
Othame Sanitation	Msinga Municipality	423,561	-	-	-	-	-
Pomeroy Sub-Regional Sanitation	Msinga Municipality		-	-	-	2,625,000	2,625,000
Pomery-Nkalane Sanitation	Msinga Municipality		-	-	11,700,000	3,150,000	3,150,000
Kwakopi-Mhangana Sanitation	Msinga Municipality		11,403,373	11,403,373	6,000,000	52,260,475	87,225,475
Mthembu West - Tugela Ferry Water	Msinga Municipality	11,986,663	9,771,231	9,771,231	-	-	-
Ngubukazi Water Scheme	Msinga Municipality	11,200,000	6,522,296	6,522,296	4,860,659	5,103,692	5,358,877

Pomeroy Sub-Regional Water Scheme	Msinga Municipality	10,708,623			-	-	-
Keates Drift Water Scheme	Msinga Municipality	-	-	-	-	-	-
Mbono Water	Msinga Municipality	-	11,031,050	11,031,050	22,685,717	13,038,024	13,038,024
Ndaya Water	Msinga Municipality	-	-	-	-	-	-
Othame/Msinga Top Water	Msinga Municipality		-	-	-	3,360,000	3,360,000
Douglas Water	Msinga Municipality		-	-	400,000	2,625,000	2,625,000
Mazabeko Water	Msinga Municipality		-	-	-	3,675,000	3,675,000
Mzweni Water	Msinga Municipality		-	-	-	-	-
Rorkes Drift Water	Msinga Municipality		-	-	-	2,100,000	2,100,000
Sub Total		34,318,847	38,727,949	38,727,949	45,646,376	87,937,191	123,157,376
MUNICIPAL INFRASTRUCTURE GRANT PROGRAMMES							
Project Title		2008/2009	2009/2010	2009/2010	2010/2011	2010/2011	2010/2011
Amangwe Buthanani - Isandlwana Phase 1&2 Sanitation	Nquthu Municipality	1,891,046	2,314,652	2,314,652			
KwaJama Household Sanitation	Nquthu Municipality	3,593,640	5,470,853	5,470,853	882,895		

Nondweni Town Sewage Disposal	Nquthu Municipality	-	-	-	200,000	-	-
Qhudeni- Manxili Sanitation	Nquthu Municipality		-	-	-	9,205,350	9,205,350
Hlazakazi Water Scheme Phase 1 - Isandlwana	Nquthu Municipality	10,684,377	5,567,172	5,567,172	3,663,434		
Qhudeni Water Scheme	Nquthu Municipality	12,668,064	1,023,640	1,023,640	-	-	-
Ntinini Regional Water	Nquthu Municipality		-	-	5,000,000	3,455,025	3,455,025
Sub Total		28,837,128	14,376,317	14,376,317	9,746,329	12,660,375	12,660,375
Mbuba-Ward 9 Sanitation	uMvoti Municipality	5,853,365	1,922,688	1,922,688	-	-	-
Mbulwane/ Hlimbithwa Sanitation	uMvoti Municipality		-	-	1,050,000	1,050,000	1,050,000
Muden / Ophathe Sanitation	uMvoti Municipality		-	-	7,000,000	3,150,000	3,150,000
Muden Regional Water	uMvoti Municipality		5,500,000	5,500,000	12,000,000	11,054,273	10,799,088
Makhabeleni Sanitation	uMvoti Municipality		7,000,000	7,000,000	9,500,000	3,568,458	3,568,458
Makhabeleni Water Phase 4,5 and Bulk Upgrade	uMvoti Municipality		10,308,033	10,308,033	13,031,000	4,862,529	4,862,529
KwaSenge Sanitation	uMvoti Municipality		5,500,000	5,500,000	226,385	-	-
Ophathe - Water	uMvoti Municipality	11,120,660	10,341,348	10,341,348	14,824,481	8,000,000	8,000,000
Eshane Water Supply Scheme Phase 1	uMvoti Municipality	8,500,000	11,363,289	11,363,289	-	-	-

Sinyambothi Water					400,000	2,100,000	2,100,000
Mbulwane/ Hlimbithwa Water	uMvoti Municipality		-	-	2,100,000	2,100,000	2,100,000
Njengabantu Water	uMvoti Municipality		-	-	-	1,575,000	1,575,000
Mbuba Water	uMvoti Municipality		-	-	-	-	-
					-	-	-
Sub Total		25,474,025	51,935,358	51,935,358	60,131,866	37,460,260	37,205,075
TOTAL PROJECT BREAK DOWN		100,630,000	120,013,000	120,013,000	134,648,000	161,942,000	196,907,000
MIG ALLOCATION AS PER DORA		100,630,000	120,013,000	120,013,000	134,648,000	161,942,000	196,907,000
		0	0	0	0	0	0
Water Projects		88,259,433	88,680,051	88,680,051	109,788,720	90,082,717	90,082,717
Sanitation Projects		12,370,567	31,332,950	31,332,950	24,859,280	71,859,283	106,824,283
		100,630,000	120,013,000	120,013,000	134,648,000	161,942,000	196,907,000

2. OPERATION AND MAINTANANCE

In terms of dealing with issues regarding operation and maintenance, the municipality provides a monthly budget allocation to Uthukela Water for operation and maintenance, for 2010/11 financial year, the municipality has budgeted an amount to the value of R 63,601,316.00 for operation and maintenance of water schemes to ensure sustainability of the schemes thereby providing water to the communities for a longer period.

3. CONSTRUCTION INCUBATOR PROGRAMME

The municipality initiated a programme which is aimed at developing and empowering women involved in construction. The programme is called construction incubator and 30 women have been selected within the district to be part of the programme for a three year period, through a workshop held on the 13 February 2008.

The programme involves taking women step by step in quantifying the tender document up to a stage of construction and completion of the project, in terms of providing women with hands on experience, the municipality has ring fenced some construction projects to be implemented by the incubates. Once the three year period has been completed by the involved incubates, a new selection process will be embarked upon to identify new incubates which will also include men as well.

3. LED INITIATIVES

3.1 LED Strategy

The municipality completed the preparation of the LED strategy during 2008/09 and it was under implementation during 2009/10 and will continue to be implemented during 2010/11, the LED strategy serves as a vehicle to stimulate the economic development within the district municipality; the LED strategy assists the municipality in achieving the following targets:

To develop a competitive but equitable district economy which:

- Accelerates GDP growth by **5%** by 2011.
- Increases formal employment by **3.5%** per annum (7 645 more formal jobs i.e. a **23%** increase in formal employment between 2005 and 2011).
- Stimulate the establishment and expansion of **300** sustainable **black** SMMEs and Co-operatives by 2011. (75 per annum over 4 years) in the agricultural, tourism and general services sector into the mainstream of the district economy.
- Reduce the level of unemployment from **65% to 55%**.
- Reduce the level of household poverty by **5%** through exploiting the competitive advantages of the district economy.

3.2 Overall Goals: Indicators/Target

	Past Performance Average 2000 - 2005	Current recorded performance (2005)	Target (2007 – 2011)	Current Gap
GDP Growth (Future Value)	2,227billion	2,7058	3 165 Billion 2009 3,489 Billion 2011	460 million 784 million
% GDP growth per annum	0,94%	1,04	4% to 2009 5 % to 2009 - 2011	3% to 2009 4% to 2011
Number of people employed	32 275	33350	40 996 by 2011 (3,5% per annum)	7 645
% increase in employment	0.42 per annum	1,1%	3,5 % per annum	2.4 %
% of labour force unemployed	62,23% (2001)	65%	55%	10%
% of labour force employed	43,86%	37,7%	50%	12,3%
% of labour force of unemployed	56,14	63 %	53%	- 10 %
Black SMMEs		1113	1413 (300 black SMMEs i.e. 75 per annum)	75 per annum
Households living below poverty datum line; R1600 per month)	2001 (79%)	85,7%	75,7%	- 10%

3.3 Current Funded LED Initiatives

During 2010/11 financial year, the municipality will be continuing with the implementation of the projects which commenced during 2008/09 and 2009/10 financial year, the funding of some of the projects is from the Department of Co-operative Governance and Traditional Affairs and the municipality.

The details of these initiatives are as follows:

Project Name	Project Description	Project objective	Project location	Project budget	Progress
Northern Region Soya bean project	Cultivation of Soya bean in LRAD farms and in land under Amakhosi areas.	<p>The Soya bean initiative emanated from the economic themes study which was conducted in 2006. The objectives of the project included:</p> <ul style="list-style-type: none"> • The establishment of commercially viable black farmers to supply bio-diesel processing plants with soya beans • To provide training and mentorship to agricultural co-operatives on soya bean planting and business management 	Umzinyathi District Municipality (in all four local municipalities)	<p>R 7 000 000.00 (DLGTA – Corridor Development programme)</p> <p>R 108 000. 00 (Umzinyathi District Municipality)</p>	<p>The soya bean initiative was piloted in Umzinyathi District Municipality in October 2009. The aim was to encourage black farmers to plant soya beans for food production and ultimately (depending on the success of the first crop) to supply the bio-fuel market.</p> <p>The results indicated that at present it would</p>

		<ul style="list-style-type: none"> To facilitate in identifying markets for the soya bean. 			<p>be more viable to channel investments to the LRAD farms due to the fact that they have the required equipment, basic technical skills and the services of a mentor who is well versed in soya bean farming. The return on investment in the LRAD farm was positive.</p>
Construction Incubator project	Establishment of a construction incubator in Umzinyathi District Municipality	The main objective of the project is to establish a facility which will service emerging contractors, particularly women in construction by providing them with training and the necessary mentorship	Umzinyathi District Municipality Offices	R 6,140 000.00 COGTA, SEDA and Umzinyathi District Municipality	<p>The construction incubator is an SMME development initiative aimed at empowering women in the construction industry to ensure that they are equipped with the necessary skills to actively participate in construction business.</p> <p>To date 30 women owned construction SMME are participating in the 3 year incubation programme. 3 of the 30 were awarded a tender by the District Municipality in October</p>

					<p>2009 and they were successfully executed.</p> <p>It is expected that through this initiative many job opportunities will be created.</p>
Msinga pack house project	The development of a business plan for the Msinga agricultural pack house	The objective of the project is to develop a business plan which will enable the resuscitation of the non-operational Msinga Agricultural pack house	Msinga Local Municipality Tugela Ferry	R 150 000.00 (COGTA – ISRDP)	<p>The project will entail modifying the existing business plan which was prepared by the Department of Agriculture and Environmental Affairs in order to operationalise the pack house.</p> <p>The business plan for the Msinga agricultural pack house is in the process of being finalized.</p>
Msinga stone crushing project	The development of a business plan for the establishment of a stone crushing plant in Msinga Local Municipality	The objective of the project is to develop a bankable business plan. The business plan will be based on the findings of the feasibility study which was undertaken by the Department of Transport which concluded that the stoned crushing plant would be a viable economic	Msinga Local Municipality	R 150 000.00 (COGTA)	The stone crushing project is still at a planning stage i.e. the development of a business plan, however the feasibility study undertaken by the Department of Transport concluded

		development project			that the project was a viable one and has potential to create a number of employment opportunities. The business plan will be completed and available in March 2010, and implementation commences in July 2010
Project Name	Project Description	Project objective	Project location	Project budget	Progress
Lilani Hot springs upgrade	Upgrade of the project which will enable the project to function properly.	The objective of the project is to cater for the tourism market in the district hence the District is located within the Battlefields.	Umvoti Local Municipality	Umzinyathi District Municipality 1,000,000.00	The upgrade of the project is to commence in July 2010
LED technical support	The project is aimed at assisting the District Municipality in setting up a functional LED unit and support structures such as the LED forum and various	The objective is to assist the district in setting up a functional LED unit and support structures such as the LED forum and various sub-forums and also to identify and package potential LED projects.	Umzinyathi District Municipality	R 1,000,000.00 Department of Economic Development and Tourism and Umzinyathi District Municipality	The project is to commence in April 2010, in the process of appointing a service provider.

	sub-forums and also to identify and package potential LED projects.				
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3.5 LED Initiatives under Planning Process

The LED and Agricultural strategy were adopted by Council during 2008/09 financial year, and the Tourism strategy adopted by Council during 2009/10 financial year. The municipality has been lobbying funding for implementation through public private partnerships and there has been minor success. The municipality has packaged critical initiatives which will unblock challenges for other projects, these initiatives emanate from the strategies and the municipality is lobbying for funding for implementation. The initiatives which have been packaged from the strategies are as follows:

Project	Nature	Comments
<ul style="list-style-type: none"> R 33 upgrade (Umvoti, Msinga) 	Infrastructure project	The upgrade of this road is to serve both Tourism and enhance Local Economic Development. It is felt that upgrading this road could have positive impact on the economic activities of the District, particularly Tourism.
Establishment of information offices in the following areas: <ul style="list-style-type: none"> Nquthu and Rorke's drift Tugela Ferry Establishment of Rorke's Drift Hotel Heritage Centre (Nquthu) Upgrade info office in Umvoti 	Tourism	Strategic points along cultural and heritage routes
Upgrade of access roads to historical sites: <ul style="list-style-type: none"> Rorke's drift Blood river Isandlwana 	Infrastructure project	There is also a need to upgrade access roads to tourist attractions. Incidents have been quoted of tourist busses being stuck on some roads due to poor conditions of the roads.
Mangeni Waterfalls : <ul style="list-style-type: none"> Mangeni Memorial and Village Tour Isandlwana Tour Operator 	Tourism development project	Establishment of a memorial and interpretation facility in Mangeni falls to illustrate significant historical and cultural events To facilitate visitors' immersion in historical events and contemporary natural attraction
Isandlwana development initiative	Infrastructure/ Tourism development	Development of a museum and family resort around the Isandlwana area.

	project	
Project /intervention	Nature	Comments
Fruit and vegetable market in the District	Agricultural	Central point to sell fresh produce in the District.
Vegetable production and packaging	Agriculture	Umvoti and Msinga have been identified in the LED strategy as areas with land suitable for vegetable production
Water harvesting project	Agricultural	A food security initiative which can subsequently lead to households supplying excess produce to the proposed fruit and vegetable market
Feedlots	Agricultural	There are a number of farms in the District, particularly LRAD farms where feedlots can be established.
Maize farming projects in Endumeni and Nquthu	Agricultural	Maize can be grown for milling purposes and the by-products can supply the feedlots
Tannery project	Agricultural (value adding)	The project can be linked to the feedlot, abattoir and craft production projects i.e. animals move from feedlot→ abattoir→ skin treated in tannery→ supply the craft production project in Msinga or other identified projects
Charcoal processing in Umvoti Municipality	Agro- processing	Charcoal is a by- product of wood and since there is a lot of forestry activities in Umvoti, it is felt that this could be a potential LED project

3.6 SMME SUPPORT

Umzinyathi District Municipality is concerned with the high levels of unemployment within the district while it has a developmental mandate to stimulate the economy by enhancing the operational levels on the SMME's and integrate them into the local economy. In addressing this challenge, a study was commissioned to assist the municipality in addressing issues relating to SMME's. The aim of the study was to provide the municipality with the means to promote entrepreneurial growth and integration of SMMEs into the formal economy. The objectives of the project were as follows:

- Gain a clear understanding of small businesses in the area;
- Develop a database of SMMEs and established businesses in Umzinyathi; and
- Initiate a business support system.

The findings of this study are as follows:

- 41% of companies claim SARS registration;
- Average number of fulltime employees is 5 and 4 part time employees;
- 80% keep some form of financial records;
- Banking is very common;
- 80-90% companies are BEE compliant;

As part of the findings, educational needs were also highlighted amongst the critical needs for the SMME's which are as follows:

- Large demand for skills, almost every business owner wants education;
- Most popular (in order of importance):
 - General business skills; Marketing; Financial skills; English; Computer skills; and Construction, plumbing, carpentry, clothing design, sewing.

As part of the findings of the research, the establishment of a business support system came out very strongly and the municipality is currently lobbying for support from private and public institutions to form partnership in developing the support system, this support system will serve to:

- Facilitate partnership arrangements between Umzinyathi DM, KZNDED, SEDA & Tradepoint

- Develop and pilot on-line
- SMME website (Tradepoint)
- Mentorship and support to centre manager

To date, a database of existing SMME's within the district municipality is in place and a website for this database has been developed and is operational. The purpose of developing the website is to market the SMME's and also to make their services easily accessible for procurement purposes.

SECTION H: BUDGET OVERVIEW / FINANCIAL PLAN / SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

1. BUDGET OVERVIEW

The Budget for 2010/11 has been finalised and incorporated into the IDP. The budget below is a budget for 2010/2011 and it also contains indicative figures for 2012/13 and 2013/14 and revised budget for 2009/10.

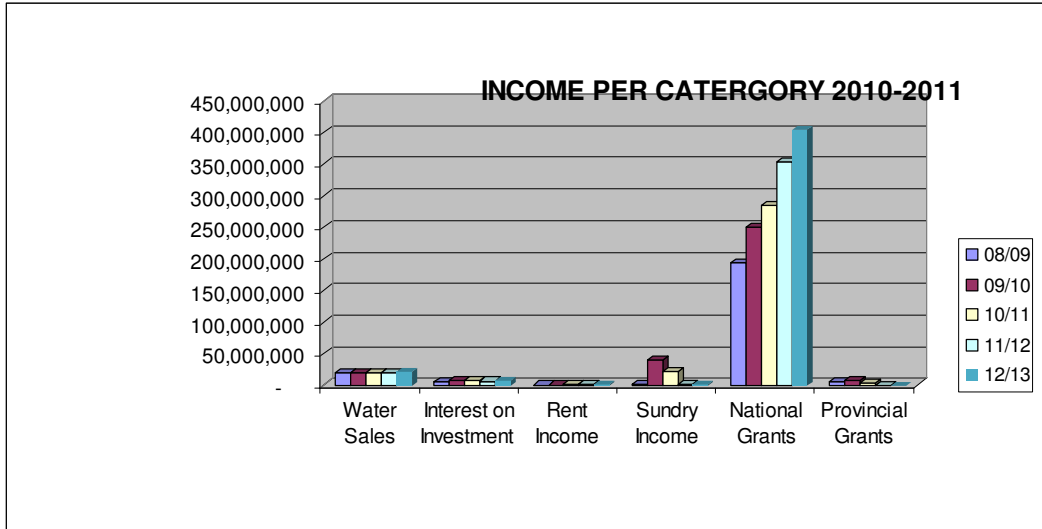
- The municipal income was R 322,976,701.00 during 2009/10 and it has increased to R 333,943,205.00 for 2010/11 financial year;
- The expenditure was R 322,976,701 during 2009/10 and it will be increasing to R 333,943,205.00 for 2010/11 financial year;
- The budget for operational programmes was R 84,933,699.00 during 2009/10 and it has been increased to R 93,394,540.00 for 2010/11 financial year;
- The budget for capital projects was R 120,013,000.00 during 2009/10 and it has been increased to R 134,648,000.00 for 2010/11 financial year; and
- The conditional grants and subsidies were R 31,414,000.00 during 2009/10 and it has decreased to R 19,746,000.00 for 2010/11 financial year as government is promoting self sustainable municipalities.

INCOME	Revised 2008/09	BUDGET 2009/10	REVISED BUDGET 2009/10	Draft Budget 10/11	Draft Budget 2011/12	Draft Budget 2012/13
Water Sales	(19,000,000)	(19,000,000)	(19,000,000)	(19,000,000)	(19,000,000)	(20,900,000)
Interest on Investment	(5,000,500)	(6,500,000)	(6,500,000)	(6,483,500)	(6,456,091)	(7,040,164)
Rent Income	(330,000)	(363,000)	(363,000)	(399,300)	(439,230)	(483,153)
Sundry Income	(1,533,300)	(39,307,701)	(39,307,701)	(21,557,449)	(543,354)	(597,689)
National Grants	(193,614,000)	(249,551,000)	(249,551,000)	(283,991,356)	(353,161,000)	(404,273,000)
Provincial Grants	(5,460,000)	(8,255,000)	(8,255,000)	(2,511,600)	(104,060)	-
TOTAL REVENUE	(224,937,800)	(322,976,701)	(322,976,701)	(333,943,205)	(379,703,735)	(433,294,006)
	Revised 2008/09	BUDGET 2009/10	REVISED BUDGET 2009/10	Draft Budget 2010/11	Draft Budget 2011/12	Draft Budget 2012/13
OPERATING EXPENDITURE						
Salaries, Wages & Allowances	23,572,913	29,755,226	29,882,132	35,973,494	39,570,844	43,527,928
General Expenses	73,494,011	88,937,231	95,909,087	103,121,452	116,861,557	128,486,177
Repairs & Maintenance	1,558,647	6,935,968	8,620,202	7,586,702	8,345,373	9,179,910
Capital Charges	866,615	953,277	167,960	184,756	203,232	223,555
Contribution to Capital						

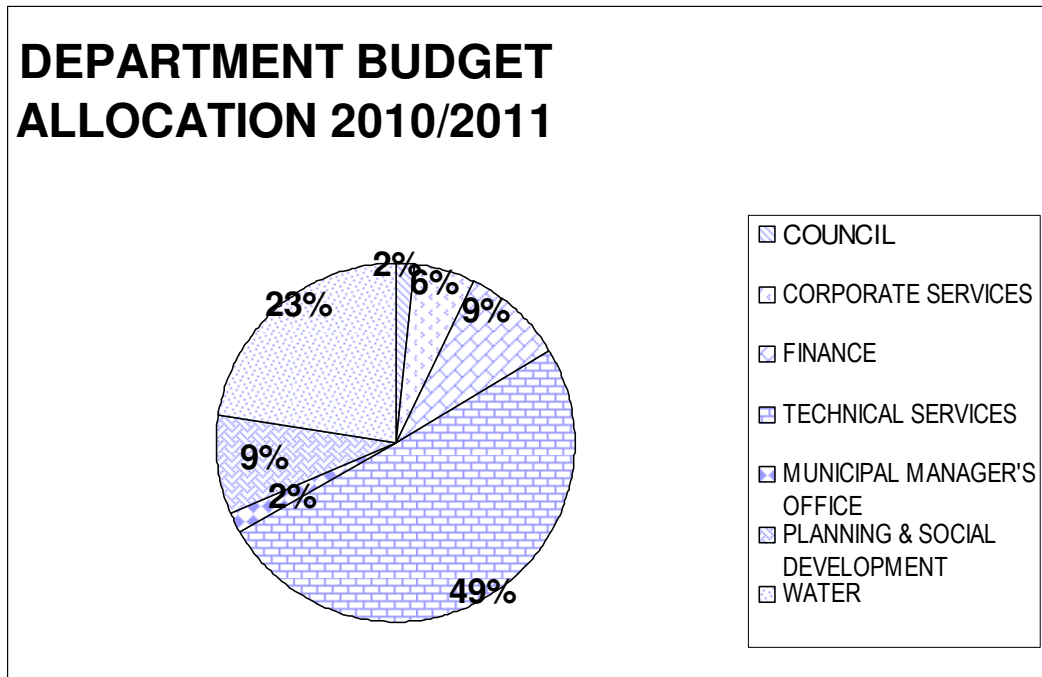
Outlay	11,713,614	6,988,000	5,032,000	5,326,800	4,333,480	4,766,828
Contributions Funds and Reserves	113,732,000	189,407,000	183,365,320	181,750,000	210,389,250	247,109,608
TOTAL EXPENDITURE	224,937,800	322,976,701	322,976,701	333,943,205	379,703,735	433,294,006
NETT DEFICIT/-SURPLUS	-	(0)	(0)	(0)	0	(0)
SALARIES AND WAGES AS A PERCENTAGE		9%		11%	10%	10%
TOTAL OPERATING BUDGET 2010/2011,2011/2012 and 2012/2013						
	Revised 2008/09	BUDGET 2009/10	REVISED BUDGET 2009/10	Draft Budget 10/11	Draft Budget 2011/12	Draft Budget 2012/13
INCOME						
Water Sales	(19,000,000)	(19,000,000)	(19,000,000)	(19,000,000)	(19,000,000)	(20,900,000)
Interest on Investment	(5,000,500)	(6,500,000)	(6,500,000)	(6,483,500)	(6,456,091)	(7,040,164)
Rent Income	(330,000)	(363,000)	(363,000)	(399,300)	(439,230)	(483,153)
Sundry Income	(1,533,300)	(39,307,701)	(39,307,701)	(21,557,449)	(543,354)	(597,689)
National Grants	(73,628,386)	(61,411,000)	(69,408,680)	(99,426,156)	(138,542,330)	(152,396,564)
TOTAL REVENUE	(99,492,186)	(126,581,701)	(134,579,381)	(146,866,405)	(164,981,005)	(181,417,570)

Salaries, Wages & Allowances	23,572,913	29,755,226	29,882,132	35,973,494	39,570,844	43,527,928
General Expenses	73,494,011	88,937,231	95,909,087	103,121,452	116,861,557	128,486,177
Repairs & Maintenance	1,558,647	6,935,968	8,620,202	7,586,702	8,345,373	9,179,910
Cap ex Revenue	866,615	953,277	167,960	184,756	203,232	223,555
Loan Charges	0	0		0	0	0
Contributions	0	0	0	0	0	0
TOTAL EXPENDITURE	99,492,186	126,581,701	134,579,381	146,866,405	164,981,005	181,417,570
NETT DEFICIT/-SURPLUS	0	(0)	(0)	(0)	0	(0)
SALARIES AND WAGES AS A PERCENTAGE		24%	22%	24%	24%	24%

The following graph provides a summary of income sources for the municipality, the most important element regarding the income is that more than 51% of the income for the municipality is being sourced from the grants.

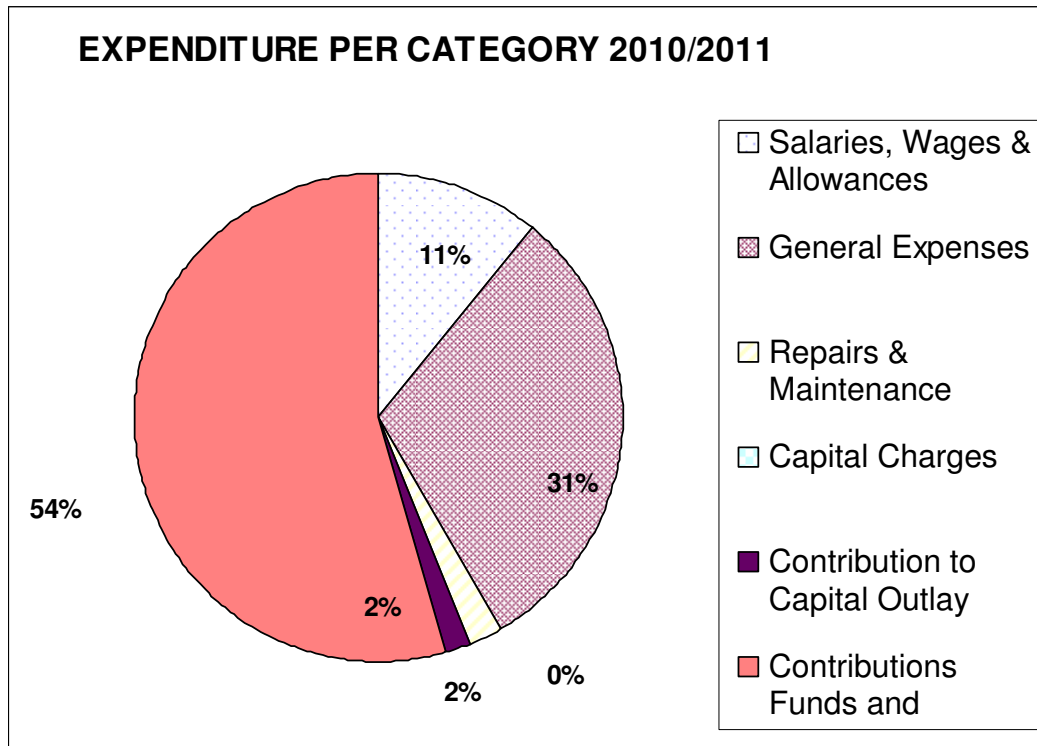


The allocation per department is shown in the graph below:



The largest allocation of the capital budget is provided for Technical Services with 50.49% (R 168,614,453) which deals with infrastructural projects followed by water with 22.59% (R 75,448,451), followed by the Planning and Social Development Department with 8.90% (R 29,717,926) which deals with LED and other social development projects, Corporate Services with 5.69% (R 18,990,243), Finance with 9.03% (R 30,159,466), Municipal Managers Office with 1.76% (R 5,862,136), and then Council with 1.54% (R 5,150,529).

The expenditure per category is shown in the graph below:



The expenditure in terms of the municipal categories during 2010/11 financial year will be as follows:

Salaries, Wages & Allowances	35,973,494
General Expenses	103,121,452
Repairs & Maintenance	7,586,702
Capital Charges	184,756
Contribution to Capital Outlay	5,326,800
Contributions Funds and Reserves	181,750,000
Total	333,943,205

2. FINANCIAL PLAN

Umzinyathi District Municipality has reviewed the Financial Plan during 2009/10 for implementation in 2010/11 financial year, which includes the current status, future plans and the gaps, as well as a strategy on eliminating the gaps. The Financial plan is regarded as one of the key plans towards the successful implementation of the IDP. It cuts across all IDP issues, strategies and programmes since all of them require funding input. The financial plan has an impact on all other development dimensions within the municipality. Hence, financial plan preparation would always seek to find better ways and means of sourcing funding and managing it efficiently while expediting the implementation of IDP priority issues.

2.1 Key Municipal Financial Challenges

- The district economy remains too dependant on government and social services;
- The GDP per capita value of the district economy is the second smallest in KwaZulu-Natal;
- Mining, manufacturing remain declining sectors but have some strength in their resilient remnants;
- There is a weak social base, with the district having the highest levels of unemployment and illiteracy in KwaZulu –Natal;
- Umzinyathi has the second lowest Human Development Index of all the districts in the province;
- There are low levels of local demand as a result of low household income;
- The southern municipal clusters in particular have an outward focus (towards the Midlands in particular). There is substantial economic leakage from these economies;
- There are low levels of reinvestment into productive sectors. The service sector dominates the economy and there is limited investment in tourism and agriculture;
- The District is largely rural, with a low population density. This means that purchasing power is diluted and service costs are higher;
- There has been a lack of progress around meaningful and practical Growth and Development partnerships between government, business and civil society to optimise the district economies strengths and deal with threats and weaknesses;

In this regard, the financial response to the challenges facing the Umzinyathi District require that our limited resources are used strategically and that a focus be given to growing the revenue streams available to address current and future needs. Based on the Municipality's strategic focus areas, the allocation of resources in the Medium Term Expenditure Framework (MTEF) should strongly reflect a "Develop and Maintain" budget.

2.2 Financial Strategy Overview

Plugging the holes by:

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

Increasing revenue by:

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

3. DEBT RECOVERY

Umzinyathi DM is the Water Services Authority (WSA) for the entire district in terms of Section 1 of the Water Services Act, 1997. The district has outsourced its WSP Function to Uthukela Water Pty (LTD). The debt collection is being done by the Water Services Provider on behalf of the municipality; hence the municipality has no debt collection policy in place.

4. SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The 2010/11 Service Delivery and Budget Implementation Plan will be prepared once the IDP and Budget have been approved and adopted by Council, but it will be prepared within 28 days after budget is adopted by Council.

The Service Delivery and Budget Implementation Plan will be prepared as required by the Municipal Finance Management Act (MFMA) using the National Treasury circular identifying key components as follows:

- Monthly projections of revenue to be collected for each source;
- Monthly projections of expenditure (Operating and Capital) and revenue for each vote;
- Quarterly projections of service delivery targets and performance indicators for each vote;
- Ward information for expenditure and service delivery; and
- Detailed capital works plan broken down by ward over three years.

5. REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2009

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of Umzinyathi District Municipality which comprise the statement of financial position as at 30 June 2009, the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on the following pages

The accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and in the manner required by the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996, read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) and section 126(3) of the MFMA, my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with the International Standards on Auditing read with General Notice 616 of 2008, issued in Government Gazette No. 31057 of 15 May 2008. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. Paragraph 11 et seq. of the Statement of Generally Recognised Accounting Practice, GRAP 1 Presentation of Financial Statements requires that financial reporting by entities shall provide information on whether resources were obtained and used in accordance with the legally adopted budget. As the budget reporting standard is not effective for this financial year, I have determined that my audit of any disclosures made by the Umzinyathi District Municipality in this respect will be limited to reporting on non-compliance with this disclosure requirement.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

8. In my opinion the financial statements present fairly, in all material respects, the financial position of the Umzinyathi District Municipality as at 30 June 2009 and its financial performance and its cash flows for the year then ended, in accordance with Standards of GRAP and in the manner required by the MFMA.

Other matters

Without qualifying my opinion, I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

Material inconsistencies in information included in the annual report

9. I have not obtained the other information included in the annual report and have not been able to identify any material inconsistencies with the financial statements.

Management Comment

- Draft annual report will be forwarded to Auditor General on the 30 January 2010 after it has been tabled before Council.

Unaudited supplementary schedules

10. The municipality provided supplementary information in Appendix A to G to the financial statements on whether resources were obtained and used in accordance with the legally adopted budget, in accordance with GRAP 1 Presentation of Financial Statements. The supplementary budget information and other supplementary information set out on pages 48 to 55 does not form part of the financial statements and is presented as additional information. I have not audited these schedules. Accordingly I do not express an opinion thereon.

Management Comment

- Noted no action required.

Non-compliance with applicable legislation Municipal Finance Management Act

11. Goods and services were procured from suppliers not listed on the municipality's supplier database, contrary to section 112(1)(f) of the MFMA.

Management Comment

- A verification will be done to ensure that suppliers on the financial system are on the supplier database system (DIMS).
 - An annual advertisement will be issued inviting service providers to register on Umzinyathi supplier database.
 - The tender documents will include supplier data base forms and will be captured on the database system prior to evaluation.
12. The joint venture's financial statements are not annexed to the municipality's financial statements, contrary to the requirements of General Notice 552 of 2007, in Government Gazette no. 30013 of 29 June 2007. The reason for this is that there is a backlog with regards to the financial statements preparation of the municipal entity (Uthukela Water).

Management Comment

- Consolidated financial statements will be prepared and submitted to Auditor General for 2009/2010 financial year.

Governance framework

13. The governance principles that impact the auditor's opinion on the financial statements are related to the responsibilities and practices exercised by the accounting officer and executive management and are reflected in the key governance responsibilities addressed below:

Key governance responsibilities

14. The MFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of key governance responsibilities, which I have assessed as follows:

No.	Matter	Y	N
Clear trail of supporting documentation that is easily available and provided in a timely manner			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.	<input type="checkbox"/>	
Quality of financial statements and related management information			
2.	The financial statements were not subject to any material amendments resulting from the audit.		<input type="checkbox"/>
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.		<input type="checkbox"/>
Timeliness of financial statements and management information			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines [section 126 of the MFMA].	<input type="checkbox"/>	
Availability of key officials during audit			
5.	Key officials were available throughout the audit process.	<input type="checkbox"/>	
Development and compliance with risk management, effective internal control and governance practices			
6.	Audit committee		
	<ul style="list-style-type: none"> The municipality had an audit committee in operation throughout the financial year. 	<input type="checkbox"/>	
	<ul style="list-style-type: none"> The audit committee operates in accordance with approved, written terms of reference. 	<input type="checkbox"/>	
	<ul style="list-style-type: none"> The audit committee substantially fulfilled its responsibilities for the year, as set out in section 166(2) of the MFMA. 		<input type="checkbox"/>
7.	Internal audit		
	<ul style="list-style-type: none"> The municipality had an internal audit function in operation throughout the financial year. 	<input type="checkbox"/>	
	<ul style="list-style-type: none"> The internal audit function operates in terms of an approved internal audit plan. 	<input type="checkbox"/>	
	<ul style="list-style-type: none"> The internal audit function substantially fulfilled its responsibilities for the year, as set out in section 165(2) of the MFMA. 		<input type="checkbox"/>
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.		<input type="checkbox"/>
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.		<input type="checkbox"/>

No.	Matter	Y	N
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	<input type="checkbox"/>	
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in section 62(1)(c)(i) of the MFMA.		<input type="checkbox"/>
12.	Delegations of responsibility are in place, as set out in section 79 of the MFMA.	<input type="checkbox"/>	
Follow-up of audit findings			
13.	The prior year audit findings have been substantially addressed.	<input type="checkbox"/>	
14.	SCOPA/Oversight resolutions have been substantially implemented.	<input type="checkbox"/>	
Issues relating to the reporting of performance information			
15.	The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete.	<input type="checkbox"/>	
16.	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.	<input type="checkbox"/>	
17.	A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the municipality against its mandate, predetermined objectives, outputs, indicators and targets [section 68 of the MFMA].	<input type="checkbox"/>	
18.	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance.	<input type="checkbox"/>	

15. Governance policies and practices operate effectively and appropriately. The municipality has substantially complied with the key governance responsibilities. Weaknesses with respect to the risk management, audit committee, internal audit and quality of financial statements need to be addressed to improve adherence to the governance framework.

Management Comment

- Detailed action plan has been developed to implement governance shortfall identified by the Auditor General.

Investigation

16. With reference to note 36 to the financial statements relating to irregular expenditure, an investigation is being conducted by an independent consulting firm on request of the municipality. There are no further details available as the investigation is still in progress.

Management Comment

- A progress or final report will be presented once the investigation is finalised.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on performance information

17. I have reviewed the performance information as set out on pages XX to XX.

The accounting officer's responsibility for the performance information

18. In terms of section 121(3)(c) of the MFMA the annual report of a municipality must include the annual performance report of the municipality, prepared by the municipality in terms of section 46 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA).

The Auditor-General's responsibility

19. I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008* and section 45 of the MSA.

20. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

21. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the findings reported below.

Findings on performance information

Non-compliance with regulatory requirements

Reporting of performance information

22. The performance report prepared by the municipality did not comply with the requirements of section 46(1) of the MSA as the following information was not reflected:-

- The performance of each external service provider
- The comparison of the performance targets as recorded in the Integrated Development Plan and the current year's performance report
- The comparison of the prior year performance targets and the current year's actual
- Measures to be taken to improve performance

Management Response

- Performance management system will be reviewed to address findings of the Auditor General for 2009/2010 financial year.

Existence and functioning of a performance audit committee

23. The performance audit committee did not review the municipality's performance

management system and make recommendations in this regard to the council of the municipality.

Management Response

- The audit committee will be responsible for the review of the performance management system and making recommendations to Council.

Internal auditing of performance measurements

24. The internal auditors of the municipality did not audit the performance measurements on a continuous basis and did not submit quarterly reports on their audits to the municipal manager and the performance audit committee.

Management Response

- The internal auditors will be responsible for the review of the performance measurements on quarterly basis and reporting to the Municipal Manager and Audit committee.

APPRECIATION

25. The assistance rendered by the staff of the Umzinyathi District Municipality during the audit is sincerely appreciated.

Pietermaritzburg

30 November 2009



A U D I T O R - G E N E R A L
S O U T H A F R I C A

Auditing to build public confidence

6. ACTION PLAN FOR AUDIT QUERIES

For 2008/09 financial statements, the municipality obtained an unqualified audit report with issues of emphasis. Therefore, the municipality has developed an action plan which will serve to address the issues raised by Auditor General in the audit report, and the implementation will be monitored on monthly basis. The ultimate aim for the municipality in developing the action plan is to obtain a clean audit for 2009/10 financial year with no matters on emphasis.

SECTION I: ORGANIZATIONAL PERFORMANCE MANAGEMENT SYSTEM

1. INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

The 2009/10 Performance agreements and employment contracts for all Section 57 Managers were signed timeously and submitted to the Department of Co-operative Governance and Traditional Affairs, two quarterly assessments have been undertaken and reports forwarded to the Internal Auditors and then Audit committee. The performance agreements of the Section 57 Managers emanated from the Service Delivery and Budget Implementation Plan which links the organizational goals and targets of the organization.

The 2010/11 performance agreements for all Section 57 Managers will also be signed timeously, after the approval of the Service Delivery and Budget Implementation Plan, and then submitted to the Department of Co-operative Governance and Traditional Affairs.

2. ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

During 2008/09, the municipality developed a functional Organisational Performance Management System that addressed performance needs of the organization and also serve to promote a culture of performance management and to administer its affairs in an economical, effective, efficient and accountable manner as required by Section 38 of the Municipal Systems Act (No32 of 2000). The system has been functional since its development and is currently under implementation during 2009/10 financial year. In terms of measuring the performance of the municipality in implementing the 2010/11 IDP Review, the municipality has reviewed the entire system and developed the following:

- Organisational Scorecard;
- Four Departmental Scorecards;
- Performance Framework Plan; and
- Performance Policy.

The scorecards for 2010/11 have been developed and integrated into the 2010/11 IDP Review.

The organisational and departmental scorecards have been attached to the IDP as Annexure J 3.

3. ANNUAL REPORT

Umzinyathi District Municipality has prepared the 2008/09 annual report as required by Section 46 (1) of the Municipal System Act. The annual report was tabled before Council on the 28 January 2010 for approval, and subsequently approved.

Subsequent to the approval by Council, the the annual report has been advertised for public terms as required by Section 127 (5) (a) of the Municipal Finance Management Act. The document has also been submitted to the Department of Co-operative Governance and Traditional Affairs, Provincial and National Treasury, and also Auditor General for comments. The 2008/09 Annual Report complied with the provisions of Section 46 (1) of the Municipal Systems Act, and those areas are as follows:

- Municipality's performance during the 2008/2009 financial year along with the performance targets are reflected;
- Baseline of 2007/2008 and 2008/2009;
- General Key performance Indicators to relevant powers and functions;
- 2008/2009 IDP targets reflected;
- Corrective action reflected;
- Development and service delivery priorities and performance targets for 2009/2010;
- Financial statements for the 2008/2009 financial year prepared according to generally recognised accounting practices; and

- Audit from the Auditor-General audit report.

On the 28 January 2010, the Standing Committee on Municipal Accounts performed an oversight function on behalf of Council on the 2008/09 Annual Report, and they have prepared an Oversight Report which included a statement whether Council:

- has approve the annual report, with or without reservations;
- has rejected the annual report; or
- has referred the annual report back to the revision of those components that can be revised.

The final annual report was approved by Council on the 25 March 2010.

SECTION J: ANNEXURES

No	Sector Plans	Available		If Not Available
		Yes	No	Status
J 1	Comprehensive Spatial Development Framework	√		Spatial data for water and sanitation is currently being integrated to indicate capital investment made by Council
J 2	Comprehensive Disaster Management Plan	√		In the process of being reviewed to update risks and mitigating measures
J 3	Organizational and Departmental Scorecards	√		
J 4	Organizational and Departmental Organogram	√		
J 5	Umzinyathi Turn Around Strategy	√		

SECTION K: APPENDIXES

Umzinyathi District Municipality has prepared a number of Sector Plans which are aimed at assisting the municipality in making well informed decisions to enable effective implementation thereby improving the quality of life for our respective communities. A table hereunder indicates the sector plans that have been prepared by the municipality to date:

No	Sector Plans	Available		If Not Available
		Yes	No	Status
K 1	2008/09 Annual Report	√		
K 2	Financial Plan	√		
K 3	Land Use Management Framework	√		
K 4	Integrated Waste Management Plan	√		In the process of being reviewed
K 5	(a) Water Services Development Plan (b) Backlog Study	√		
K 6	Integrated Transport Plan	√		In the process of being adopted by Council
K 7	Local Economic Development Strategy	√		

K 8	Organizational PMS	√		
K 9	IDP Process Plan / Framework	√		
K 11	Agricultural Strategy	√		
K 12	Strategic Environmental Assessment	√		
K 13	District Tourism Strategy	√		
K 14	District Signage Project	√		
K 15	Integrating SMME's into the local economy	√		