



THE GREATER  
KOKSTAD MUNICIPALITY

# **DRAFT INTEGRATED DEVELOPMENT PLAN**

**2011 / 2012**

## Contents

MESSAGE FROM THE MUNICIPAL MANAGER: .....	12
ABBREVIATIONS USED IN THIS DOCUMENT .....	13
A. EXECUTIVE SUMMARY .....	15
1. INTRODUCTION .....	15
2. OVERVIEW OF GREATER KOKSTAD MUNICIPALITY .....	16
3. KEY FEATURES OF MUNICIPALITY.....	17
4. IDP PARTICIPATORY MECHANISMS (CO-ORDINATION, ALIGNMENT AND CONSULTATION STRUCTURE).....	17
Figure 1: Organizational Arrangements .....	18
4.1 IDP Steering Committee .....	18
4.2 IDP Representative Forum.....	18
4.3 Local and District Municipality's Alignment .....	19
4.4 Alignment with Sector Departments.....	19
4.5 Services Providers Alignment.....	19
<b>4.6 Cross-Border Alignment</b> .....	19
4.7 Road-shows .....	19
Table 1: Road Shows.....	20
4.8 Public Participation & Communication Strategy.....	20
5. DEVELOPMENT OF IDP REVIEW .....	21
5.1 The Legislative mandates .....	21
B. SITUATIONAL ANALYSIS .....	22
1. INTRODUCTION .....	22
2. LOCAL / REGIONAL CONTEXT .....	23
Figure 2: District Municipal location and Local Municipalities .....	23
3. DEMOGRAPHIC ANALYSIS.....	24
3.1 Population .....	24
Table 2: Population Density .....	24
Table 3: Population Distribution per Race (percentage of population).....	25

Graph 1: Population Distribution per Race .....	25
<b>Graph 2: Age of Population in Greater Kokstad Municipality:</b> .....	26
3.2 Education .....	26
Table 4: Levels of Education.....	27
Graph 3: Levels of Education comparatively between GKM area and the District of Sisonke.....	27
3.3 HIV/Aids .....	28
3.4 Spatial Realities .....	28
3.5 Land Reform .....	29
3.6 Environmental Realities.....	30
<b>4. ECONOMIC PROFILE OF THE MUNICIPALITY .....</b>	<b>32</b>
Graph 4: Contribution by Economic Sectors.....	32
4.1 Income Levels.....	33
Table 5: Average Individual Monthly Income.....	33
4.2 Growth and Unemployment .....	34
4.3 Employment .....	34
Table 6: Employment Status (percentages of population).....	34
Graph 4: Employment Status .....	34
Table 7: Formal Sector Employment .....	35
4.4 Kokstad Town (CBD).....	35
4.5 Economic Development Opportunities .....	36
Table 8: Tourism Asset Base.....	36
Table 9: Agricultural Enterprises.....	37
4.6 Local Economic Development .....	38
4.7 Implementation of GKM Local Economic Development Strategy .....	39
4.8 Economic Key Issues: concluding summary .....	40
<b>5. INFRASTRUCTURE .....</b>	<b>41</b>
5.1 Water .....	41
Table 10: Access to Water Sources Households.....	42
Table 11: Estimated Water Reticulation Needs (Thousands Households) .....	42
Graph 5: Reticulation Needs comparatively .....	42
5.2 Sanitation.....	43

Table 13: Sanitation Backlogs within Sisonke District .....	44
Graph 6: Sanitation Needs Comparatively .....	44
5.3 Solid Waste .....	46
Table 16: Refuse Removal .....	46
Graph 7 Refuse Removal .....	46
Table 17: Collection Information .....	50
5.4 Electricity .....	51
5.5 Telecommunication .....	52
Table 18: Telecommunications (2001) .....	52
Graph 8: Telecommunications .....	52
5.6 Transport Network .....	53
5.7 Roll-Out of Free Basic Services .....	53
5.8 Operational and Maintenance .....	53
5.9 Housing .....	54
Table 18: Housing Categories and Needs .....	54
Table 19: Slums Clearance Project .....	56
Table 20: R56 Kokstad Integrated Sustainable Settlement Project .....	57
Table 21: Franklin Residential Development .....	58
Table 22: Makhoba Housing .....	59
Table 23: Willowdale Housing Project .....	60
5.10 Cemeteries .....	61
5.11 Infrastructure Key Issues: Summary .....	61
<b>6. SOCIAL AND COMMUNITY DEVELOPMENT .....</b>	<b>63</b>
6.1 Health Services .....	63
6.2 Disaster Management .....	63
6.3 Community and Sport Facilities .....	64
Table 24: Community and Sport Facilities requiring upgrading .....	65
6.4 Impact of HIV/Aids .....	65
6.5 Education .....	66
6.6 Safety and Security .....	66
6.7 Peace Officers "GKM, Alufakwa Lubuya Nawe" .....	67

6.8	Welfare .....	67
6.9	Poverty Alleviation .....	67
6.10	Marginalized Groups.....	67
6.12	Social and Community Key Issues needing to be addressed: summarised .....	68
6.13	Milestones Attained.....	70
<b>7.</b>	<b>Institutional Arrangements .....</b>	<b>70</b>
7.1	Political Context .....	70
	POLITICAL LEADERSHIP STRUCTURE OF GREATER KOKSTAD MUNICIPALITY .....	71
7.2	Traditional Structure .....	72
7.3	Good Governance and Public Participation .....	72
7.4	Ward Committee Systems.....	72
7.5	Location of IDP .....	72
7.6	Inter-governmental Relations.....	72
7.7	Powers and Functions.....	74
7.8	Administration.....	74
7.9	New Greater Kokstad Municipal Offices: Furnished & Fitted .....	74
7.10	Organizational Structure .....	75
	Table 25: Summary of the Business Unit, Business Functions and Strategic objectives for each business unit within the municipality:.....	79
7.12	Human Resources Policies.....	84
7.13	District Planning Shared Services (DPSS).....	85
7.14	Local Government Turn-around-Strategy .....	86
7.15	Financial Stability & Financial Related Matters .....	87
	Table 26 – AG Assessment .....	89
7.16	Policies Reviewed and/or Under Review .....	99
7.17	Institutional Arrangement Key Issues needing to be addressed: summarized .....	99
<b>8.</b>	<b>Situational Analysis Concluding SWOT Analysis.....</b>	<b>100</b>
8.1	Strengths.....	100
8.2	Weaknesses .....	102
8.3	Opportunities .....	103
8.4	Threats .....	104

9.	Summary of Key Priority/Critical Issues.....	105
10.	Community Needs.....	105
C.	DEVELOPMENT VISION, STRATEGIES AND PROGRAMMES.....	110
1.	Planning Alignment .....	110
1.1	United Nations UN Millennium Development Goals (MDGs).....	110
1.2	National Spatial Development Perspective (NSDP).....	111
1.3	Accelerated and Shared Growth of South Africa (ASGISA) .....	112
1.4	Expanded Public Works Programme (EPWP).....	113
1.5	Provincial Growth and Development Strategy .....	113
1.6	Provincial Spatial Economic Development Strategy (PSEDS).....	115
1.7	Priorities: State of the National Address "A Year of Job Creation" .....	115
	Table 28: Priorities & Greater Kokstad Programmes .....	115
1.8	Key Performance Areas of the Five Year Local Government Strategic Agenda.....	116
1.9	Local Economic Development.....	117
1.10	Good Governance and Public Participation .....	117
1.11	Institutional Development and Transformation.....	117
1.12	Financial Viability and Management .....	118
1.13	Spatial and Environmental Planning.....	118
2.	OUTCOMES BASED: M & E FRAMEWORK ROLL OUT.....	118
	Outcome 9: A Responsive, Accountable, Effective and Efficient Local Government System.....	118
	ALIGNMENT OF IDP WITH OUTCOME NUMBER 9 REQUIREMENT .....	120
	Table 29	120
3.	MUNICIPAL VISION.....	131
3.1	New Way Of Doing Business .....	132
3.2	Greater Kokstad Development Municipal KPA .....	133
	Table 30 .....	134
	Table 31: Alignment between the National Key Performance Areas and the Greater Kokstad Municipal IDP Development Strategies, Programmes and Institutional arrangements.....	145
D.	SPATIAL DEVELOPMENT FRAMEWORK.....	146
1.	Introduction.....	146

2.	Aims of the Greater Kokstad Development Framework .....	147
3.	The link between Spatial Planning and Land-use.....	147
4.	Strategic Environment Assessment of the SDF .....	147
5.	Important Environmental Management Areas .....	148
6.	Environmental Atlas Areas.....	148
7.	Drakensberg SCAP .....	148
8.	Key Environmental Issues .....	148
▪	STRENGTHS .....	149
▪	WEAKNESSES.....	149
▪	THREATS.....	152
9.	Environmental Priority Zones.....	153
	Priority 1 General Guidelines .....	154
10.	Movement Corridors.....	158
10.1	Primary Corridors.....	158
10.2	Secondary Corridors.....	158
10.3	Tertiary Corridors.....	159
11.	Nodes .....	159
11.1	Primary Commercial Node .....	159
11.2	Secondary Commercial Node.....	159
11.3	Satellite Service Nodes .....	159
11.4	Urban Expansion/ Mixed Use Nodes.....	160
12.	Urban Edge.....	160
13.	Commercial Agriculture and Tourism .....	161
14.	Intensive Agriculture.....	161
15.	Multipurpose Retail and Office .....	162
16.	Proposed Institutional.....	162
17.	Nature Reserve .....	162
18.	Proposed Hotel.....	162

19. Urban Areas .....	163
20. Small Holdings .....	163
21. Areas of Conservation Significance / Adventures and Eco-Tourism.....	163
Table 32: Preferred & Non-Preferred Activities 1 .....	164
22. Commercial Agriculture and Tourism .....	165
Table 33: Preferred & Non-Preferred Activities 2 .....	165
23. Land and Redistribution for Agricultural Development (LRAD) and Pro-Active Land Acquisition Strategy (PLAS) .....	166
23.1 Land Claims (Restitution).....	166
24. Poverty Alleviation and LED Initiatives .....	166
25. Existing Housing Projects.....	167
26. Greater Kokstad Draft Land Use Management System.....	167
26.1 Scheme Area .....	167
26.2 Effective Date .....	168
E. SECTOR PLANS AND SECTOR INVOLVEMENT .....	169
1. Sector Plans.....	169
2. Government Departments.....	170
2.1 Sisonke District Municipality .....	171
2.2 Department of Human Settlement .....	171
2.3 Department of Transport .....	172
2.4 Department of Agriculture, Environmental Affairs & Rural Development .....	173
2.5 Department of Art and Culture .....	173
2.6 Department of Education .....	174
2.7 Department of Economic Development and Tourism.....	175
2.8 Conclusion .....	175
F. IMPLEMENTATION PLAN .....	176
G. IDP PROJECTS.....	179
H. FINANCIAL PLAN .....	188



1.	BACKGROUND.....	188
2.	BUDGET PREPARATION ASSUMPTIONS.....	189
3.	OPERATING BUDGET SUMMARY.....	191
4.	CONDITIONAL AND UNCONDITIONAL GRANTS .....	192
	Table 34: Grant allocation .....	193
	Table 34 illustrated in the pie chart below .....	194
6.	CAPITAL AND OPERATING BUDGET .....	196
	Table 35: Total Capital and Operating budget .....	196
7.	EXPENDITURE.....	198
	Table 36: Operating Expenditure.....	198
8.	BUDGET REVENUE .....	198
9.	BUDGET SUMMARY.....	202
10.	BUDGET RELATED POLICIES .....	203
I.	PERFORMANCE MANAGEMENT SYSTEM .....	204
J.	ANNEXURES .....	206
K.	APPENDIX.....	207
L.	ADDENDUM.....	208

## MESSAGE FROM HIS WORSHIP: THE MAYOR: COUNCILLOR M SITHOLE

INSERT PHOTO OF THE  
MAYOR



As the Mayor for the Greater Kokstad Municipality I present this Reviewed “credible” Reviewed Integrated Development Plan 2011/2012. This IDP is the fourth and final review within the IDP cycle and represents our opportunity to complete the implementation of our five year plan which we made when the current political leadership was elected.

I am confident that this plan indicates our firm commitment to improving the quality of life of all our people: it is credible, realistic, practical and implementable and contributes towards us achieving our goals and vision.

This IDP is the output of a culmination of extensive public participation and technical consideration: and importantly is legally compliant and gives due consideration to key macro policy statements of our developmental state. This IDP, I am confident will, contribute meaningfully towards 2011 being the year of job creation. Job Creation will under-pin and be mainstreamed within our functions and how we do our work. In addition, this IDP indicates:

- ✓ Further strengthening of our administrative systems, financial management and customer care;
- ✓ Infrastructural Investment : both development and maintenance and the provision of basic services;
- ✓ Focused attention on special programmes: youth, gender, and HIV/Aids;
- ✓ Community Development and related services.

We will be completing our five year planning cycle this year 2011/2012: to formulate a new IDP in 2012/2013 for the next five year planning cycle -: and I am pleased to note that we have made steadfast advances towards realising our Vision: in the following key areas over the past four years of IDP:

- ✓ Addressing the backlog in basic services and meeting the basic needs of many of our people; with regards to: water, sanitation, electrification, and road access.
- ✓ Addressing the housing needs of our people: through integrating settlement housing development with many houses having been built with associated infrastructure.
- ✓ Facilitating and Encouraging Investment and local economic development: growing our economy, lessening unemployment and creating jobs.

- ✓ Implementing various projects and interventions in an attempt to eradicate poverty, encourage food security, and giving special attention to marginalised groups and special programmes; importantly Youth.
- ✓ Allocating Budget and Implementing an HIV/Aids Programme, and therefore giving due recognition to the importance of addressing HIV/Aids.
- ✓ Community Facilities have been developed, upgraded and where existing maintained; including halls, libraries, sportfields and sportsfacilities.
- ✓ Enabling all citizens to participate meaningfully in the culture of good governance we have in Kokstad: they have participated through our public participation processes and through our well functioning ward committees- we are truly a consultative and participatory local government.

In our IDP we have a vision for 2020; and key aspects to lead towards that vision; which I am pleased to monitor and indicate that we are achieving:

- “Reconstruction by 2010”;
- “Building Confidence to the community and investors by 2015”;

Finally: I am confident that by 2020 the Greater Kokstad Municipality will:

*“be the most effective in providing sustainable development services to all our communities”*; and I present this-: our IDP which is our main tool in assisting us to achieve our Vision: together all of us in the Greater Kokstad Municipality.

INSERT PHOTO OF THE  
MM

## MESSAGE FROM THE MUNICIPAL MANAGER: MR MA NKOSI

As the Head of Administration for the Greater Kokstad Municipality I would like to thank the Political Leadership for their focused and dedicated support, guidance and inputs into this IDP: the final reviewed IDP within this planning cycle. I would like to thank our government partners and the Greater Kokstad Community for their commitment to ensuring we as an administration are the epitome of sound, and good governance on all levels; and that this plan - really is a plan which reflects the coming together of public participation/community needs and technical assessment.

When considering where we were five years ago and where we are now: in terms of the status of service provision, public participation and organizationally as a municipality – it is glaringly apparent that we have indeed progressed substantially towards a developmental local government. Yet, from within the Administration, this has been fraught with challenges and required steadfast determination and focus. Moving Forward, to achieve our vision, will require the same, and more if possible, steadfast determination and focus. This IDP aims to provide the tool which enables the steadfast focus and determination to be applied and continued.

Our priorities within this IDP are essentially a continuation of last years priorities: we have prioritized:

- ✓ Integrated human settlement projects: the installation of services, and building of houses. By the end of this planning cycle we should have addressed a substantial percentage of our housing and basic services backlog;
- ✓ Community Facilities upgrade and Maintenance;
- ✓ Local Economic Development and Poverty Alleviation- job creation and food security;
- ✓ Road Infrastructure construction and maintenance;
- ✓ Electrification and related electricity matters: upgrading, infills and prepaid;
- ✓ Good Governance and Sound Financial Management: electronic document management, ICT matters, human capital development and implementation of our sound financial policies and strategies.

This, the 2011/2012 IDP will mark the end of a planning cycle and it is therefore our aim to ensure we achieve our objectives and targets we planned. We will be implementing our Organisational Performance Management System in earnest to ensure this achievement.

## ABBREVIATIONS USED IN THIS DOCUMENT

AsgiSA	-	Accelerated and Shared Growth Initiative for SA
BEE	-	Black Economic Empowerment
CBD	-	Central Business District
CDW	-	Community Development Worker
CIF	-	Capital Investment Framework
CIP	-	Comprehensive Infrastructure Plan
CS	-	Corporate Services
DBSA	-	Development Bank of South Africa
DCOGTA	-	Department of Cooperative Governance and Traditional
DEAT	-	Department of Environment, Agriculture and Tourism
DME	-	Department of Minerals and Energy
DOE	-	Department of Education
DOHS	-	Department of Humana Settlement
DOT	-	Department of Transport
DWAF	-	Department of Water Affairs and Forestry
EIA	-	Environmental Impact Assessment
EMP	-	Environmental Management Procedure
EPWP	-	Extended Public Works Programme
EXCO	-	Executive Committee
FBS	-	Free Basic Services
FS	-	Financial Services
GE	-	Gender Equity
GGP	-	Gross Geographical Product
GIS	-	Geographical Information System
GKM	-	Greater Kokstad Municipality
HIV/AIDS	-	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
IDP	-	Integrated Development Plan
IPD	-	Infrastructure, Planning and Development
KEDA	-	Kokstad Economic Development Agency
KPA	-	Key Performance Area
KPI	-	Key Performance Indicator
KZN	-	KwaZulu-Natal
LED	-	Local Economic Development
LRAD	-	Land Redistribution for Agricultural Development
LUMS	-	Land Use Management System
MEC	-	Member of the Executive Council (Cooperative Governance and Traditional Affairs)
MFMA	-	Municipal Finance Management Act No. 56 of 2003
MIG	-	Municipal Infrastructure Grant
MMO	-	Municipal Manager's Office
MTEF	-	Medium-Term Expenditure Framework

## ABBREVIATIONS CONTINUED .....

NSDP	-	National Spatial Development Perspective
OPMS	-	Organizational Performance Management System
OVC	-	Orphaned and Vulnerable Children
PA	-	Planning Authority
PGDS	-	Provincial Growth and Development Strategy
PMS	-	Performance Management System
PMU	-	Project Management Unit
PPP	-	Public-Private Partnership
PSEDS	-	Provincial Spatial Economic Development Strategy
RRTF	-	Rural Road Transport Forum
SCAP	-	Special Case Area Plan
SD	-	Social Development
SEA	-	Strategic Environmental Assessment
SDF	-	Spatial Development Framework
SDBIP	-	Service Delivery and Budget Implementation Plan
SDM	-	Sisonke District Municipality
SMME	-	Small, Medium and Micro Enterprise
SOE	-	State Owned Enterprises

# A. EXECUTIVE SUMMARY

## 1. INTRODUCTION

---

A Comprehensive Integrated Development Plan for Greater Kokstad Municipality, covering the period of 2007 – 2012, was formulated and adopted in 2007 in terms of the Local Government Municipal System Act (Act 32 of 2000). The Integrated Development plan (IDP) has annually been reviewed and adopted. This document presents the **fourth review** (2011/2012) of the second comprehensive IDP prepared for Greater Kokstad Municipality for the period of 2007/2008 – 2012/2013.

This IDP has been developed in accordance with Section 34 of the Local Government Municipal Systems Act, 2000 (Act No.32 of 2000) which stipulates that the Council must review its integrated development plan annually in accordance with an assessment of its performance in terms of Section 41 and to the extent that changing circumstances so demand.

The structure of the document is simple but direct, in order to enable and facilitate its implementation. The document is structured as follows:

- **Section A:** Executive Summary with an overview of the municipality, key features of the municipality, participatory mechanisms and processes including how the IDP was developed.
- **Section B:** The Situational Analysis of the municipality and identification of key issues that need to be addressed within the IDP.
- **Section C:** The Development Vision, Strategies and Programmes for the Greater Kokstad Municipality.
- **Section D:** A high level overview of the municipal spatial development vision in the form of a Spatial Development Framework.
- **Section E:** Stakeholder and Sector Department involvement and the status of Sector Plans.
- **Section F:** The Five Year Implementation Plan.
- **Section G:** IDP projects.
- **Section H:** The municipal three (3) year Financial Plan.
- **Section I:** The Performance Management System: both organizational/institutional and individual.
- **Section J:** Details on the status of applicable Sector Plans.

## 2. OVERVIEW OF GREATER KOKSTAD MUNICIPALITY

---

The Greater Kokstad Municipality forms part of the Sisonke District Municipality area (DC43), which lies on the south west tip of KwaZulu-Natal, bordered by Matatiela Local Municipality on the West, Lesotho and part of Eastern Cape on the North West.

The Greater Kokstad Municipal area of jurisdiction is approximately 2679, 8370 square kilometers in extent. The Greater Kokstad shares its borders with KwaSani, Matatiela, Umziwabantu local municipalities and the KwaZulu-Natal enclosed portion of the Eastern Cape Province. It is one of the five municipalities that make up the Sisonke District Municipality. Greater Kokstad Municipality functions as the district node and dominant commercial centre in the Sisonke District.

Areas of urbanization in the Greater Kokstad Municipality comprise of Kokstad Town, Bhongweni, Franklin and Swartberg. Land uses within these areas are typically urban mixed uses with acceptable levels of infrastructural and service development and a minimal provision of social facilities and services to support the resident populations. Industrial development is concentrated in Kokstad Town.

The Greater Kokstad Municipality is crossed by a number of important transportation routes, such as the N2 Development Corridor that links the area to the major economic hubs of Port Shepstone and Durban and in the KwaZulu-Natal Province and Umtata in the Eastern Cape Province. The town of Kokstad has a good location being on the N2 between the north east and Umtata in the South. Other regional access roads include the R56 to Cedarville and Matatiela in the west and the R617 to Franklin, Swartberg, Underberg and Pietermaritzburg to the north of the municipality.

The town of Kokstad is of great historical significance; in 1820 the town became the capital of the Griqualand Colony. Andries Waterboer was elected as the first Captain. Unhappy with this result, a large group of Griquas, under the leadership of Adam Kok III, moved away and first settled in Philippolis in the Free State. In the 1860s, encountering friction with the Dutch-Afrikaans pioneers (Voortrekkers) they departed from Philippolis and moved further east across the Drakensberg to the vicinity of the modern Kokstad. At that stage the area's previous population had been exterminated by the Zulu forces of King Shaka, so the land was quite empty, and called No Man's Land. Adam Kok named this area East Griqualand.

The Griquas settled on the steep mountain slopes, living in mud huts. They named this mountain *Mount Currie* after Sir Walter Currie who supported their efforts to settle here.

In 1869 the Reverend William Dower was asked by the Griquas to establish a mission. He agreed on condition that they resettle in a more suitable place on the banks of the Umzimhlava River. The town was built at this location. Kokstad Town is also considered as the administrative centre of the Greater Kokstad Municipality.



Presently Kokstad Town comprises various government sectors, all basic shopping facilities, doctors, churches, bed and breakfast and community facilities such as halls, recreational centre's and superb homes in a quite relaxed environment.

### **3. KEY FEATURES OF MUNICIPALITY**

---

The strategic location of Greater Kokstad Municipality along the N2 Development Corridor links the area to the major economic nodes of Port Shepstone and Durban in the KwaZulu-Natal Province and Umtata in the Eastern Cape Province. Therefore Greater Kokstad has an advantage of strategically re-aligning the district into a competitive and attractive investment destination and has the potential to become a major logistics hub player for the region.

The strategic positioning of GKM has the potential to be the area of choice for various investors and the "best place" to visit and settle in. This positioning is informed by the strategic location of GKM within the district and neighbouring municipalities such as Umzimvubu, Matatiele, Ntabankulu and Mbizana. In addition, GKM enjoys a competitive advantage because of its relatively developed infrastructure. The existence of the railway line within the municipality gives it an added advantage because once rehabilitated it will ensure improved and efficient markets access.

Greater Kokstad Municipality has developed itself into a growing regional service centre, which fulfils very important economic and social roles in the greater region. The hinterland that relies on Kokstad is vast, reaching far into the Eastern Cape's territory which is characterized by substantial poverty, unemployment, lack of services, poor infrastructure and declining health and welfare and HIV/Aids in the region. Kokstad serves this forgotten area of South Africa because of its central position and good accessibility.

GKM comprises various government sectors, all basic shopping facilities, doctors, churches, bed and breakfasts and community facilities such as halls, recreational centre's and superb homes in a quiet and relaxed environment.

### **4. IDP PARTICIPATORY MECHANISMS**

#### **(CO-ORDINATION, ALIGNMENT AND CONSULTATION STRUCTURE)**

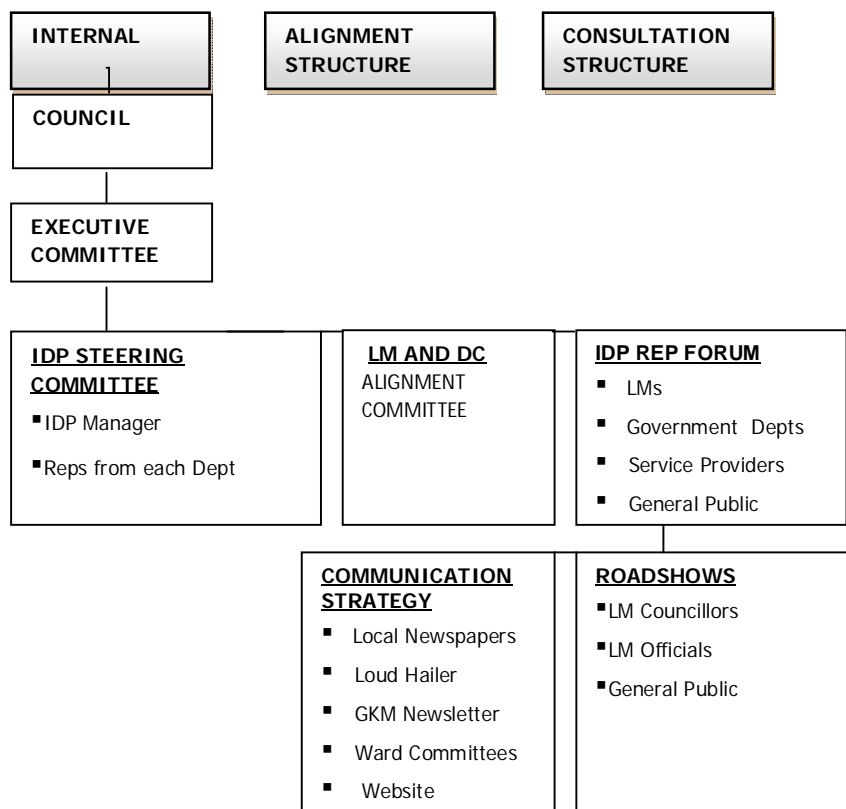
---

Public, stakeholder and role-player participation are key in the compilation of the integrated development plan (IDP). IDP is one of the key tools for local government to tackle its developmental local government functions: roles and responsibilities. The Integrated Development Plan is seen as a strategic function of municipal management: as part of an integrated system of planning and service delivery. The objective of the IDP process is to facilitate deliberations resulting in decisions being made regarding the strategic development direction of the municipality and includes issues such as municipal budget, land management, promotion of local economic development and institutional transformation in a consultative, systematic and strategic manner.

The IDP is, however, not only a process and document that aims to inform municipal management but it is intended to guide the activities of any agency of government, corporate service providers, SOEs, NGOs and the private sector within the municipal area.

The organizational arrangements in terms of functions and responsibilities in driving the planning process for the Greater Kokstad Municipality IDP are illustrated in Figure 1 below:

**Figure 1: Organizational Arrangements**



#### 4.1 IDP Steering Committee

The IDP Steering Committee comprises the IDP Manager and Representatives from each department of the municipality. This committee is actively involved in the planning process of the municipality and they are responsible for overall management, research, coordination, monitoring and drafting of the IDP.

#### 4.2 IDP Representative Forum

The IDP Representative Forum is made of Councillors and Management of the municipality, various sector departments, NGOs, CBOs, Traditional Leaders, Farmers Associations, Services Providers, Business Representatives and General Members of the Public. The Mayor chairs the IDP Representative Forum Meetings.

### **4.3 Local and District Municipality's Alignment**

GKM participate in all district-level alignment events and specific alignment meetings. Aspects of all technical issues that need to be aligned are discussed at this meeting.

### **4.4 Alignment with Sector Departments**

Meetings were held with the under-listed Sector Departments in order to ensure maximum alignment in terms of future projects, priorities and project funding. One such two day meeting was arranged by the Sisonke District Municipality and it took place in Pietermaritzburg on 25 and 26 November 2010; with the following departments present:

- KZN Department of Transport;
- Department of Social Welfare & Population Development;
- KZN Department of Health;
- KZN Department of Cooperative Governance & Traditional Affairs ;
- KZN Department of Human Settlement;
- KZN Department of Arts and Culture ; and
- KZN Department of Agriculture.

### **4.5 Services Providers Alignment**

GKM has been facilitating engagement with individual services providers on a one to one basis. This allows for the participants to give effective attention to technical considerations required in a focused, one-on-one session.

### **4.6 Cross-Border Alignment**

GKM engages with its neighbouring municipalities (District and locals) to discuss cross border planning and development issues. The Provincial Departments representatives have been invited to IDP Representative Forum Meetings where issues that are of a cross border development nature are discussed, such as:

- Projects that have a service delivery or developmental impact across municipal boundaries, e.g. transport system;
- Provincial Spatial Economic Development Strategy.

### **4.7 Road-shows**

In order to ensure that the municipality's IDP and Budget compilation are driven by public participation processes and are inclusive - the municipality conducted a series of IDP and Budget Road-Shows. These road shows enable community participation through the facilitation of an approach which enables community members to raise their needs, prioritize their needs and discuss various development related issues within their areas and the municipality in general. Attendance in these Road-shows by a wide range of community members was overwhelming, and thus it can be construed without fears and any contradictions that these Road-shows went very well and they meet the desired outcome. This IDP

compliments support given by the Ward Committees and Ward Clerks who performed their duties well in enhancing community participation in the planning processes.

Below is table 1 that details which wards were involved in which road-show, on which date, time and venue.

**Table 1: Road Shows**

<b>WARDS</b>	<b>VENUE</b>	<b>DATE</b>	<b>TIME</b>
<b>Ward 6</b>	Shayamoya Community Hall	22 November 2010	10:00 AM
<b>Ward 1</b>	Horseshoe Community Hall	22 November 2010	14:00 PM
<b>Ward 5 &amp; 6</b>	Thuntulwane Community Hall	22 November 2010	17:00 PM
<b>Ward 2</b>	Kransdraai Community Hall	23 November 2010	10:00 AM
<b>Ward 2</b>	Swartberg	23 November 2010	12:30 PM
<b>Ward 2</b>	Franklin Community Hall	23 November 2010	15:00 PM
<b>Ward 4</b>	Extension 7	23 November 2010	17:00 PM
<b>Ward 6</b>	Pakkies Community Hall	24 November 2010	10:00 AM
<b>Ward 3 &amp; 6</b>	Community Hall (Riverview)	24 November 2010	17:00 PM

#### **4.8 Public Participation & Communication Strategy**

The municipality developed a Communication and Public Participation Strategy which aimed at ensuring that its decision making systems balance the need for efficiency and speed with transparency and meaningful participation of citizens and other stakeholders.

Some of the tools used during the IDP review process, as contained in the Communication and Public Participation Strategy, were:

- Road-shows, two to three per ward depending on size of the ward;
- Local newspapers for advertising and targeted communication;
- GKM Quarterly External Newsletter;
- GKM website;
- Loud Hailer;
- Public notices located in various strategic locations throughout the municipal area;
- IDP Alignment Stakeholder Forum meetings;
- Planners Forum meetings.

Local Newspapers (Advertiser and East Griqualand Fever) were utilized to inform the community of the IDP process and to invite community members to participate in the development of the IDP review.

These mechanisms mentioned above contribute collectively in ensuring a successful participation process through consideration of community needs.

The Ward Committees and Ward Clerks have been utilized as the vehicle to ensure effective interaction and communication between the municipality and its citizens around broader development issues including the IDP review.

## **5. DEVELOPMENT OF IDP REVIEW**

---

This IDP Review for the Greater Kokstad Municipality has been developed “in house”. This decision was taken to ensure that ownership of the process and product remains within the municipality. The services of service providers was only required and used for specialized tasks, such as the reviewing of the municipal Spatial Development Framework.

The review of the Greater Kokstad Municipality was developed through a consultative, open and transparent process in which the broad public, stakeholders, officials and Councillors provided inputs into gaps and changing circumstances within their area of jurisdiction. A draft Process Plan to guide the 2011/2012 IDP Review was considered and adopted by Greater Kokstad Municipal Council in September 2010. This process plan set out comprehensively the process of Review, including timeframes for achieving certain milestones. It detailed responsibilities, methodology, mechanism for community participation and mechanism for alignment with other stakeholders. More details on Greater Kokstad 2011/2012 IDP Process Plan is attached as **Addendum L1**.

### **5.1 The Legislative mandates**

The legal mandates for developing and revising the IDP are found in the following Prescripts:

- Section 153 of the Constitution of The Republic of South Africa requires that municipalities manage their administration and budgeting and planning processes in such a way that they give priority to the basic needs of the communities and that they promote the social and economic development of the communities.
- Section 84(1) (a) of the Local Government Municipal Structures Act details the function and powers upon municipalities to carry out integrated development planning within their areas of jurisdiction.
- Section 25(1) of the Local Government Municipal Systems Act requires municipal councils to adopt a single inclusive strategic plan for the development of municipalities which:
  - ✓ Links, integrates and coordinates plans
  - ✓ Aligns resources
  - ✓ Forms policy which informs the budget
  - ✓ Is compatible with national and provincial plans

- Section 34 of the Municipal Systems Act requires municipalities to review and amend their IDP's on an annual basis in accordance with changing circumstances.

## **B. SITUATIONAL ANALYSIS**

### **1. INTRODUCTION**

---

The first phase of preparing the IDP is the Situational Analysis. In essence, the Situational Analysis informs the identification of key issues. In turn, these key issues are the focus areas for municipal, public (and private) investment for the next IDP cycle. Over the past five years the Greater Kokstad Municipality has focused their operations, actions and interventions according to the following six Municipal Key Performance Areas, as a means of organising issues within the National Key Performance Areas:

- Municipal KPA One : Basic Services Delivery and Infrastructure
- Municipal KPA Two : Local Economic Development and Poverty Alleviation
- Municipal KPA Three : Municipal Transformation & Institutional Development
- Municipal KPA Four : Good Governance and Community participation
- Municipal KPA Five : Financial Viability and Financial Management
- Municipal KPA Six : Spatial and Environmental Planning

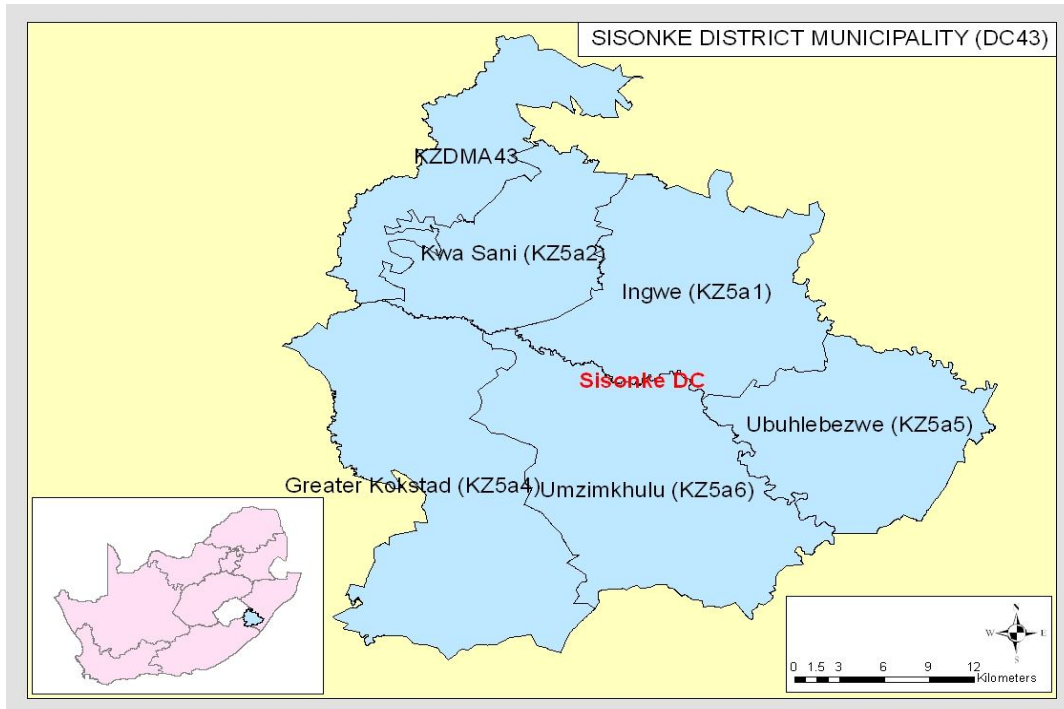
The Greater Kokstad Municipality has taken the decision to retain the above development strategies for this IDP cycle of five years: given that their organizational functioning is well aligned to these strategies.

This section of the IDP will provide some contextual information pertaining to the municipality, consider the demographic situation in the municipality and then do an analysis of the economy, infrastructure service provision, social and community development, planning and environmental management as well as municipal service delivery as a whole. Where appropriate, a summary of achievements attained during the previous IDP cycle: as these have changed the situation, since the previous planning cycle (IDP Review 2010/2011).

## 2. LOCAL / REGIONAL CONTEXT

---

**Figure 2: District Municipal location and Local Municipalities**



As shown in the Map above, indicated as Figure 2, the Greater Kokstad Municipality forms part of the Sisonke District Municipality area (DC43), which lies on the south west tip of KwaZulu-Natal, bordered by Matatiela Local Municipality on the West, Lesotho and part of Eastern Cape on the North West.

The Greater Kokstad Municipal area of jurisdiction is approximately 2679, 8370 square kilometers in extent. The Greater Kokstad shares its borders with KwaSani, Matatiela, Umziwabantu local municipalities and the KwaZulu-Natal enclosed portion of the Eastern Cape Province. It is one of the five municipalities that make up the Sisonke District Municipality. Greater Kokstad Municipality functions as the district node and dominant commercial centre in the Sisonke District.

Areas of urbanisation in the Greater Kokstad Municipality comprise of Kokstad Town, Bhongweni, Franklin and Swartberg. Land uses within these areas are typically urban mixed uses with acceptable levels of infrastructural and service development and a minimal provision of social facilities and services to support the resident populations. Industrial development is concentrated in Kokstad Town.

The Greater Kokstad Municipality is crossed by a number of important transportation routes, such as the N2 Development Corridor that links the area to the major economic hubs such as Port Shepstone and Durban and in the KwaZulu-Natal Province and Umtata in the Eastern Cape Province. The town of

Kokstad has a good location being on the N2 between the north east and Umtata in the South. Other regional access roads include the R56 to Cedarville and Matatiele in the west and the R617 to Franklin, Swartberg, Underberg and Pietermaritzburg to the north of the municipality.

The Greater Kokstad Municipality is reliant on the Agricultural Sector for its economic well-being. This sector contributes considerably to the gross geographic product of the area and employs the majority of the workforce.

The population distribution in the municipal area is characterized by relatively high population densities within urban nodes and low densities in agricultural areas as a result of farms under white ownership.

Presently Kokstad Town comprises various government sectors, all basic shopping facilities, doctors, churches, bed and breakfasts and community facilities such as halls, recreational centre's and superb homes in a quiet and relaxed environment.

### 3. DEMOGRAPHIC ANALYSIS

---

#### 3.1 Population

Statistics South Africa 's 2001 census Community Survey of 2007 and the Demarcation Board data have been used for the demographic and the economic information in this section.

The table below illustrates the overview of the population size and densities within the Greater Kokstad Municipality.

**Table 2: Population Density**

	Population 2001	Population 2007	Households 2001	Households 2007
<b>Sisonke District</b>	456 492	500 082	72 244	105 659
<b>Greater Kokstad</b>	56 526	46 724	19 633	14 321

*Source: Statistics South Africa, Census 2001, and Community survey, 2007*

According to the Household Survey of 2007 the Greater Kokstad Municipality had a population (both households and individuals) reduction of -21% between 2001 and 2007. STATSA 2011 will enable an analysis as to whether this decline has continued from 2007 to 2011, or not.

The table, below, illustrates the distribution of the population based on racial groups.

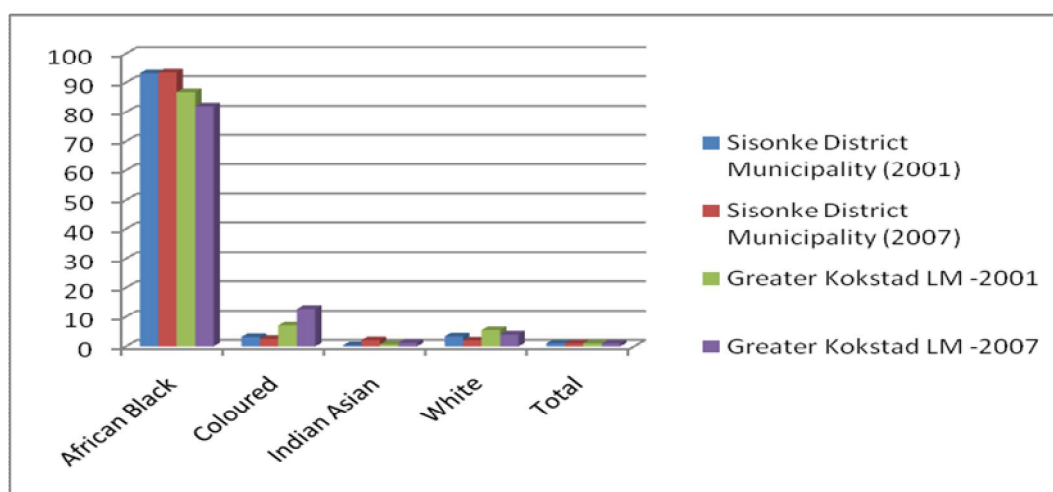


**Table 3: Population Distribution per Race (percentage of population)**

	Sisonke District Municipality (2001)	Sisonke District Municipality (2007)	Greater Kokstad LM (2001)	Greater Kokstad LM (2007)
<b>African Black</b>	93.12	93.4	86.80	82.0
<b>Coloured</b>	3.16	2.50	7.06	12.80
<b>Indian or Asian</b>	0.38	2.10	0.66	1.20
<b>White</b>	3.34	2.00	5.48	4.00
<b>Total</b>	100.0%	100.0%	100.0%	100.0%

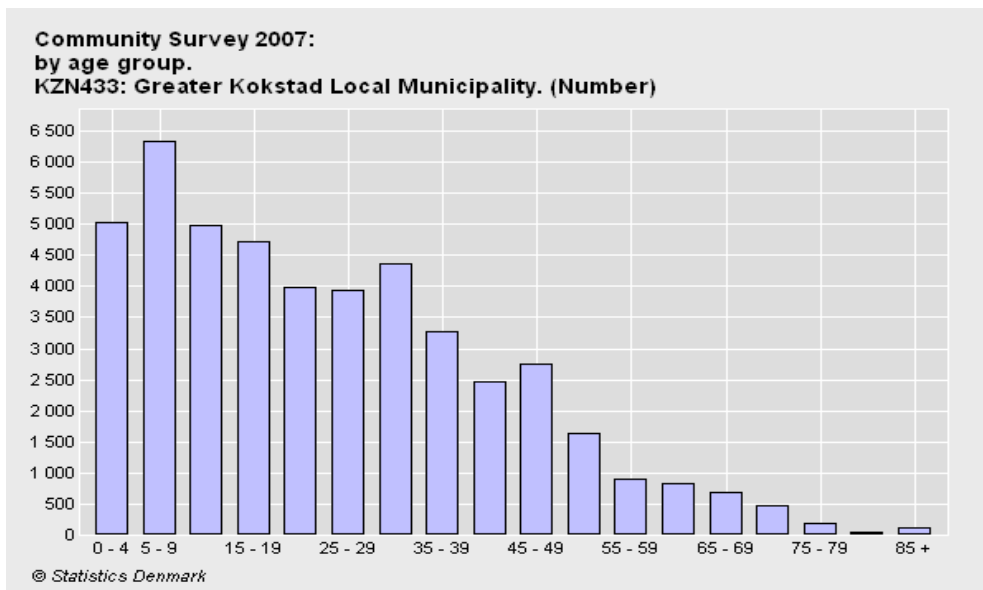
Source: Statistics South Africa, Census 2001, Source: Community Survey 2007

**Graph 1: Population Distribution per Race**



Both statistics on table 3 and the graph 1 above show that black people are dominant in the Municipality followed by coloured people, then white people. Indians or Asians are the smallest population group in the municipality. In addition, there was a reduction from 2001 to 2007 in terms of white and black population members, with a slight increase in the coloured and Indian population group.

**Graph 2: Age of Population in Greater Kokstad Municipality:**



Source: Community Survey 2007

As shown in graph two, the Greater Kokstad population is relatively young, 87% of the population below the age of 39. This relatively young population signifies high potential for population growth in the future which further exacerbates the supply and demand scenario for more housing, education and health services in the foreseeable future. The segment of the population falling within the 15 – 69 age groups would essentially be classified as the potentially economically active population of Greater Kokstad Municipality. This means that the municipality, sector departments and NGOs must direct their development plan in favour of youth. This data also means that there must be improved intake of social security grants especially the child support grants within the municipal area and economic growth to provide jobs for the economically active population.

The Municipality has a relatively small percentage of elderly people (3.4%), which brings to question whether people are not living to old-age, owing to untimely deaths or whether there is a generation of people that have left the area and are enjoying old age elsewhere. The youth account for (35, 87%) this further indicates the high dependency rates on those that are economically active. This brings us to the key issues of concern in the area such as the high unemployment rate, lack of skills, HIV & AIDS and substance abuse.

### **3.2 Education**

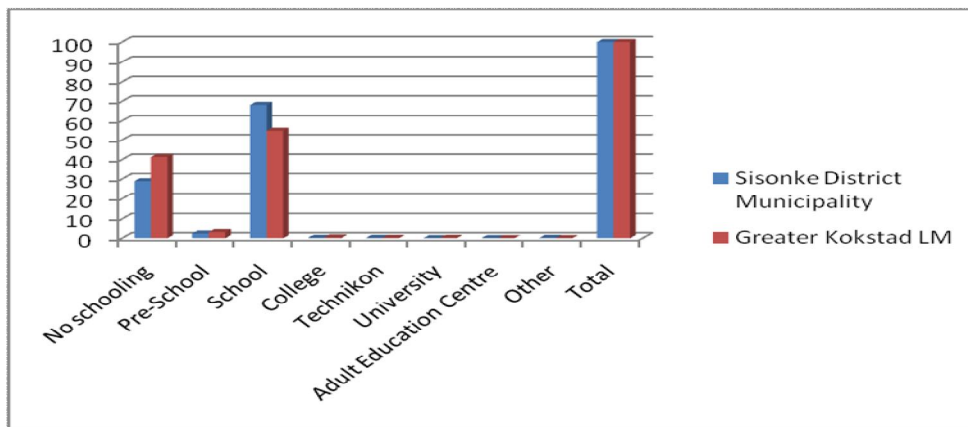
Fifty four percent (54%) of the population in Greater Kokstad Municipality have a secondary level of education, in indicated in Table 4 below. In total the Greater Kokstad Municipality has approximately 60% of the population that has some form of schooling from primary education to tertiary level. This is positive for the municipality because it provides a skills base for the area that requires minimum training.

**Table 4: Levels of Education**

	Sisonke District Municipality	Greater Kokstad LM
No schooling	28.92	41.31
Pre-School	2.34	3.01
School	68.19	54.8
College	0.18	0.44
Technikon	0.1	0.2
University	0.08	0.14
Adult Education Centre	0.06	0.01
Other	0.13	0.09
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Source: Statistics South Africa, Census 2001

**Graph 3: Levels of Education comparatively between GKM area and the District of Sisonke**



As indicated in graph 3 above, there is a high level of non-literacy in the Greater Kokstad Municipality, and this is higher than in the district. One of the explanations to which this could be attributed is the challenge of accessibility to schooling, especially in rural areas.

### **3.3 HIV/Aids**

HIV/Aids is a very serious issue in Greater Kokstad and should be incorporated into all strategies or developments that are undertaken in the study area. Typical impacts of HIV/Aids on planning and development are as follows:

- Population growth and the structure of the population will change in terms of age and gender;
- Demand for services such as school, housing and health care facilities will change;
- Decreased productivity of workers;
- Impact on capacity of institutions;
- Spatial implications;
- Impact on the local economy.

HIV is a problem that all levels of government need to address as a collective, due to the enormity of the problem. Greater Kokstad Municipality therefore needs to work closely with the District and align strategies, projects and programmes.

Prior to 2009 the Municipality did not fund HIV prevention and care programmes for the wider community; this was done by the Province. It is interesting to note that since 2009 the municipality has committed funds towards HIV prevention and care for the wider community.

### **3.4 Spatial Realities**

Greater Kokstad Municipality has three urban nodes; Kokstad Town, Swartberg and Franklin. Kokstad Town is the major economic centre due to its strategic location in terms of transport network, economic and administrative activities. The National Route (N2) links the area to the major economic nodes such as Port Shepstone and Durban in the KwaZulu-Natal Province and Umthatha in the Eastern Cape Province. The R56 links Kokstad to Ixopo and Pietermaritzburg. The strategic location of Kokstad creates opportunities for economic growth.

Emanating from the spatial location of the area is high population growth rate due to high migration of people from the Eastern Cape and Lesotho into the area in search for employment opportunities. The municipality is therefore faced with a challenge of planning, providing basic services, housing and creating employment opportunities for its growing communities.

There are also land reform projects in rural areas such as Pakkies 1 and 2 and Kransdraai. Apart from the built environment, there is agriculture, indigenous forests and areas of biodiversity. The municipality acknowledges the relationship between the built and the natural environment and has adopted an integrated approach to development and protection of the natural environment.

One major spatial challenge facing the municipality is illegal occupation of land for housing purposes. The municipality has no systems in place to deal with the situation. However, the implementation of Land Use Management System and the preparation of by laws will enable the municipality to control land use and apply to court to demolish any structure that is in contravention of its Land Use Scheme. This will contribute towards orderly and harmonious development.

The following spatial characteristics, issues and challenges impact on the future development of the Greater Kokstad Municipality and need to be taken forward in the IDP Process:

- Illegal occupation of land for informal housing purposes.
- Mushrooming of informal settlements in floodline and protected wetland areas.
- Kokstad town is presently not presenting a very good image for Greater Kokstad Municipality, due to the character of key infrastructure.
- There is minimal integration of environmental, land use and transport management system.
- A need exists to redirect growth and development to the previously disadvantaged areas and areas of economic opportunity while focusing on the redevelopment of deteriorating areas within the municipality.
- There has been a substantial increase in the number of illegal small business operators that are conducting business from home without permission. This has given rise to traffic and safety problems as these areas were not designed for such purposes.
- Infrastructure such as roads, electricity, telephones and main services are in the urban areas.

### **3.5 Land Reform**

The main components of land reform are;

- Land reform must contribute to economic development and poverty alleviation, particularly in rural areas;
- The substantial increase of black ownership of commercial agriculture must be promoted;
- The importance of an integrated approach to land reform in close collaboration with other departments (particularly the Department of Agriculture and Human Settlement and the other spheres of government);
- The Department of Land Affairs must actively work with Provincial Government and the District Municipality to build the capacity of the latter to undertake land reform and land development planning;
- The importance of national spatial planning for sustainable development;
- In addition to the above the following points can be added which are of specific reference to the Greater Kokstad Municipal area:
  - A strategy for the distribution of information on land reform to stakeholders and possible beneficiaries. It is anticipated that existing representative structures such as the Farmers Associations, Kokstad Chambers of Commerce and the larger commercial land owners should remain the focus for this exercise from where the information can filter down to grassroots levels; and
  - Land Reform will contribute to increased opportunities for commercial farming thus aiding in the economic development and economic transformation of Greater Kokstad Municipality.

## **3.6 Environmental Realities**

### **3.6.1 Geology and Soils**

Greater Kokstad is underlined in the most part by mudstone; small portions of the municipality are underlined by dolerite. The extreme southern areas are underlined by shale while the extreme northern areas are underlined by basalt. The soils in the municipality are highly variable ranging from deep, highly leached, strongly acid soils to shallow badly drained soils. Where soils are shallow fertility is low but they have good physical properties.

### **3.6.2 Topography**

The topography of the area is gentle to moderately rolling over large areas but with some mountainous terrain.

### **3.6.3 Climate**

Rainfall in the area varies between 620mm to 1265mm annually. It is a summer rainfall area with annual average temperature of 14.2°C. Severe frosts are common in winter and occasional snowfalls occur in the areas of higher altitude.

### **3.6.3 Hydrology**

The municipal area is characterized by existing wetlands, rivers and streams traversing throughout the municipal area. Surrounding the wetlands are areas of scenic beauty with potential for tourism related activities. These wetlands are of particular importance as they play an integral role in water recycling. A majority of the municipality falls within the Mzimvubu catchments.

### **3.6.4 Environmental Management Areas**

The municipality is endowed with various products of archaeological importance e.g. old buildings, various sites with historical markings and paintings.

The Provincial Planning and Development Commission designated a portion of the municipality as part of the Drakensberg Special Case Area Plan. The designation plan is reflected in the Spatial Development Framework and the municipality respects the designation and associated proposed development controls in order to protect the natural and tourism values of the Drakensberg Mountains, recently listed as a World Heritage Site (WHS) for their natural and cultural values. The WHS listing opens up enormous tourism opportunities to the municipality. The municipality includes buffer, conservation and agriculture zones of the SCAP.

Important river systems in the Greater Kokstad Municipality are Mzimvubu, Riet, Krom, Pampeonspruit, Dotela, Mzintlanga, Mill Stream, Manzinyama, Doewig and Mzintlava. These rivers not only contribute to the scenic beauty of the municipality, but also important resources for the survival of the most of the communities in the area.

The rugged mountainous terrain and the contrasting grassland of the Greater Kokstad Municipality provide a scenic quality to it. The area has a natural resource base that has been exploited by development except the residential areas that utilize the natural resources for their daily survival. These resources could however, if well managed, contribute to the economic development of the municipality.

The development of the special management area and its border should be managed, as these areas are environmentally sensitive and contribute to the natural scenic beauty of the municipality. Opportunities exist however, for the establishment of community conservation and private game farm options within these conservation designated areas, as well as for the development of community run lodges and accommodation facilities.

### **3.6.5 Waste Management**

The municipality, during 2005, commissioned consultants to assess and advise on the options or to provide solutions on waste management that can be sustainable. This exercise included the assessment of general domestic and commercial waste collection services, street sweeping and cleaning services, waste disposal facilities and management services.

An assessment of the internal mechanisms for waste management was completed in August 2005.

Although the above information has been utilized for waste management: Greater Kokstad Municipality is in the process of finalizing an Integrated Waste Management Plan (June 2011): which will be utilised in the future for waste management matters.

The municipality together with government partners has implemented the “food for waste” programme: which essentially is a creative approach towards addressing poverty and waste/cleansing management. This is seen as a progressive approach towards waste management.

Despite attempts to identify suitable land for a landfill site, the municipality has not yet identified suitable land to enable its planning for the landfill site. This remains an important issue for the municipality.

The following environmental characteristics, issues and challenges impact on the future development of the Greater Kokstad Municipality and need to be taken forward in the IDP Process:

- Erosion and the degradation of fields as a result of poor land management due to overgrazing and incorrect cultivation methods need to be addressed by means of control measures and efforts are needed to increase people’s awareness of the advantages of good waste management practices.
- Erosion and Water pollution is a common problem in the area as the people use the rivers for all purposes including washing cars and clothes, animal feed, human consumption and other purposes.
- Fires occur during protracted periods of droughts and are aided by the generally dense vegetation such as forests and invasive alien vegetation throughout the municipal area.
- Illegal dumping needs to be controlled.
- A landfill waste dump needs to be developed to manage waste sustainably.

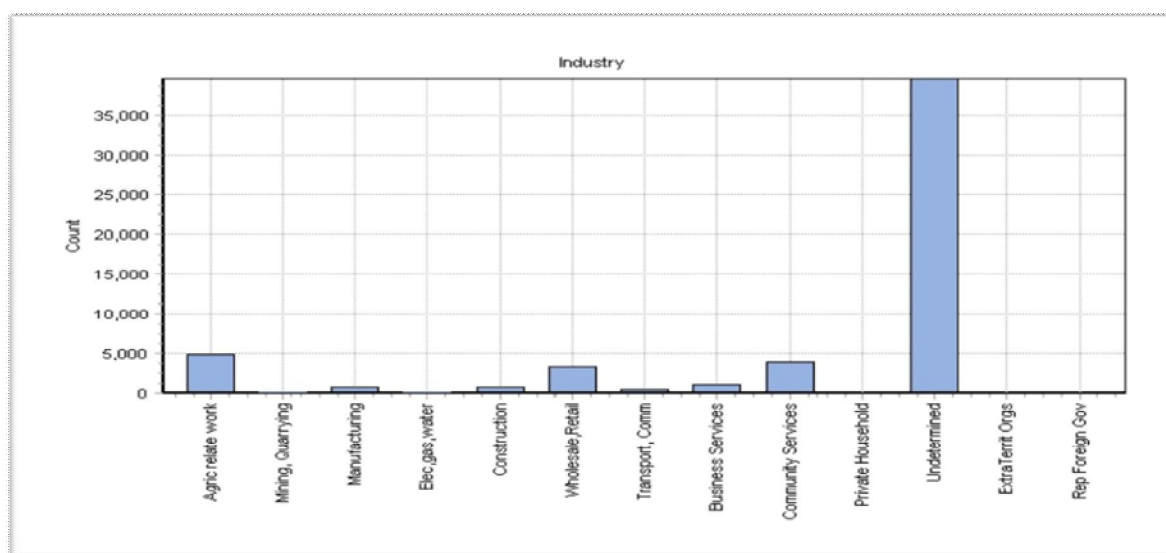
## 4. ECONOMIC PROFILE OF THE MUNICIPALITY

---

Greater Kokstad Municipality is the largest economic centre within the Sisonke District Municipality, as measured in terms of Gross Geographical Product (GGP). The GGP is a measure of economic performance by which the final value of goods and services produced in the economy is estimated. According to Greater Kokstad Local Economic Development Strategy the size of the municipal economy as measured by the GGP grew by 53, 7% from R348 million in 1999 to R536 million in 2003.

The major economic sectors in the Greater Kokstad Municipality are agriculture, government and community services followed by wholesale and retail. The remaining sectors (manufacturing, business services and construction) are relatively small but appear to play significant role in the local economy.

**Graph 4: Contribution by Economic Sectors**



Source: Demarcation Board

Agriculture is an important sector and currently the dominant sector in the Greater Kokstad Municipality economy. In addition it is culturally important. The Municipality needs to consider the impacts on agriculture from all other economic activities and identify ways to preserve and strengthen this sector as a viable economic mainstream.

The Government and Community Services sector is the second highest contribution to GGP after the agricultural sector in the economy of GKM. The most important employers from this sector, within GKM include:

- Department of Education ( teachers and administrators)
- Department of Health (hospital, clinic, and primary health care workers)
- Department of Correctional Services (Wardens)
- Department of Transport (road maintenance)
- Department Safety and Security (Police Officers)
- Department of Justice (magistrate court), and



- Greater Kokstad Municipality

#### 4.1 Income Levels

Table 5 below shows the average Individual Monthly Income (Percentage of employed). The population earning within R6 401 – R12 800 are predominately employed in the government and community services sector and often reside outside the municipal area; commuting weekly to and from their homes to places of work.

**Table 5: Average Individual Monthly Income**

Income Range/level	Greater Kokstad LM Population percentages
No income	2.24
R1 - R400	13.77
R401 - R800	16.96
R801 - R1600	22
R1601 - R3200	19.01
R3201 - R6400	13.96
R6401 – R12 800	7.48
R12 801 – R25 600	2.96
R25 601 – R51 200	0.98
R51 201 – R102 400	0.37
R102 401 – R204 800	0.18
R204 801 – More	0.11

Source: Statistics South Africa, Census 2001

The population earning within R6 401 – R12 800 are predominately employed in the government and community services sector and often reside outside the municipal area.

## 4.2 Growth and Unemployment

Despite growth in most sectors the Municipality has however experienced higher and rising unemployment rates (30.80%). The following are some of the reasons for the continued and rising unemployment in the municipal area;

- Growing sectors such as Finance are not necessarily major employers and also require skills that the GKM cannot offer such finance, actuarial technicians, etc. This general structural problem (skewed labour supply not aligned to industry needs) coupled with lack of new investments in the agricultural sector, construction (which predominantly short term and unsustainable) and declining manufacturing sector hampers local employment creation opportunities.
- There are more new job seekers than the market can absorb. This challenge is compounded by the fact that most people from the neighbouring municipalities tend to settle in GKM because of better prospects of finding employment than in generally depressed economies where they come from.

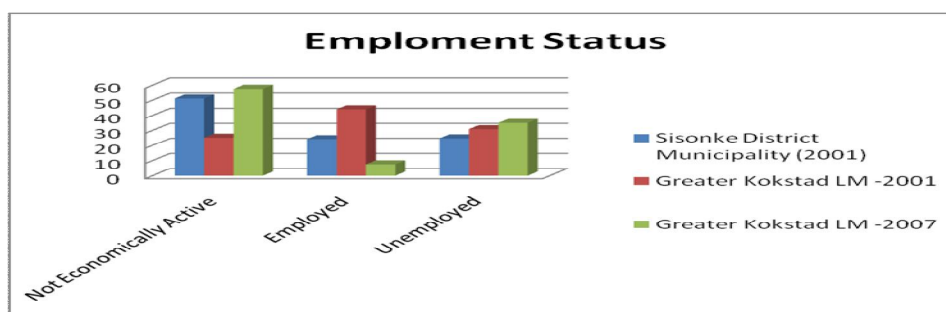
## 4.3 Employment

Table 6: Employment Status (percentages of population)

Category in terms of employment status	Sisonke District Municipality (2001)	Greater Kokstad LM (2001)	Greater Kokstad LM (2007)
Not Economically Active	51.11	25.16	57.59
Employed	24.19	44.02	7.47
Unemployed	24.7	30.82	34.94

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

Graph 4: Employment Status



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

Table 6 and Graph 4 illustrate that the employed population from the economically active comprises 44.02%. The remaining 30.82% are employed. Approximately 25.16% of population of Greater Kokstad is not economically active.

The agricultural sector employs the highest number of people. A survey conducted by Global Insight in 2003 shows that the agricultural sector employed 3 654 followed by households (1 320), trade (1 233), community services (1 233), finance (481), manufacturing (227), transport (95), construction (82) and electricity (26).

It is important to note that despite the higher employment in the household sector the quality of jobs and wages paid remain a challenge notwithstanding the Department of Labour’s Wage Determination for Domestic Workers. However, its importance in providing many households with income cannot be undermined.

To resuscitate the GKM economy in a manner that enables it to create more jobs will require higher levels of growth in particular in the Agriculture and Manufacturing sector. This is mainly because of the potential and competitive advantage that the GKM has. Other important job creating sectors include Trade, Construction and the Services Sector.

Formal sector employment in the GKM once again indicates the importance of the agricultural sector followed by the trade, households and finance. The low employment in the manufacturing sector indicates the decline in the importance of the sector as the job creator in the GKM economy.

**Table 7: Formal Sector Employment**

	Agriculture	Mining	Manufacturing	Electricity	Construction	Trade	Transport	Finance	Community services	House holds	Total
Sisonke DM	10,558	0	988	55	144	2,935	369	928	4,429	3,143	23,550
GKM	<b>3,654</b>	<b>0</b>	<b>227</b>	<b>26</b>	<b>82</b>	<b>1,233</b>	<b>95</b>	<b>481</b>	<b>1,233</b>	<b>1,320</b>	<b>8,353</b>

Source: Global Insights

The agricultural sector employed the highest number of people in 2003 with 3 654 employed followed by households (1 320), trade (1 233), community services (1 233), finance (481), manufacturing (227), transport (95), construction (82) and electricity (26).

#### **4.4 Kokstad Town (CBD)**

Kokstad Town is providing jobs, services, retail areas, a transportation hub and living spaces in close proximity to amenities for those living and working in the area as well as for those willing to travel to it. However, Kokstad CBD, in common with most South African CBDs, is experiencing a gradual but constant process of physical and economic deterioration and decline.

## 4.5 Economic Development Opportunities

The strategic location of Greater Kokstad Municipality along the N2 Development Corridor that links the area to the major economic nodes such as Port Shepstone and Durban and in the KwaZulu-Natal Province and Umtata in the Eastern Cape Province offers good investment opportunities. Therefore, Greater Kokstad has an advantage of strategically re-aligning the district into a competitive and attractive investment destination.

The strategic positioning of GKM is to be an area of choice for investors and the best place to visit and settle in. This positioning is informed by the strategic location of GKM within the district and neighbouring municipalities such as Umzimvubu, Matatiele, Ntabankulu and Mbizana. In addition, GKM enjoys a competitive advantage because of its relatively developed infrastructure. The existence of the railway line within the municipality gives it an added advantage because once rehabilitated it will ensure improved and efficient market access.

### 4.5.1 Tourism Opportunities

The tourism sector has enormous potential in the Greater Kokstad Municipality area and the Municipality has identified the need to improve and enhance the tourism sector. At the moment there is a growing interest in the Greater Kokstad Municipal area for its environmental, cultural and off road experiences. This is an important economic sector in the Municipality and requires careful stewardship of the environment by the Municipality and government agencies.

The tourism assets base for the Greater Kokstad Municipality is shown on the following table.

**Table 8: Tourism Asset Base**

<b>Primary Tourism Attractions</b>	<ul style="list-style-type: none"> <li>▪ The wetlands in the Franklin area for avi-tourism</li> <li>▪ Singisi Forest for trails, avi-tourism, biking and hiking</li> <li>▪ Nsikeni Nature Reserve</li> <li>▪ Mount Currie Nature Reserve</li> <li>▪ Cultural Heritage Experiences</li> <li>▪ Local museums – Kokstad Museum</li> <li>▪ Monuments and sites of historic interest – Adam Kok’s Monument and laager / Religious sites (multi denomination places of worship / Kokstad Town hall Precinct (with bandstand and CMR Memorial) /Scouts Monument</li> <li>▪ Hiking trails – 9 Venues</li> <li>▪ Horse trails – 4 Venues</li> <li>▪ Duck hunting at Franklin</li> </ul>
------------------------------------	--

	<ul style="list-style-type: none"> <li>▪ Aqua sports at Crystal Spring Dam</li> <li>▪ Fly fishing under auspices of angling clubs</li> <li>▪ Sports (multi venue)</li> </ul>
<b>Secondary Tourism Attractions</b>	<ul style="list-style-type: none"> <li>▪ Agro tourism – farm stay</li> <li>▪ Event Based tourism</li> <li>▪ Cycling</li> <li>▪ Triathlon – Crystal Springs</li> <li>▪ Multi activity at various venues / facilities</li> </ul>
<b>Visitors Facilities</b>	<ul style="list-style-type: none"> <li>▪ Visitors Information outlets at Mt Currie Inn, Swartberg and Kokstad Museum</li> <li>▪ Accommodation: B&amp;B (+_45), Hotel (1), Self catering (5), Lodges (5)</li> <li>▪ Hard infrastructure – access roads and signage</li> <li>▪ Essential services – hospitals, medical, breakdown, police, banking</li> </ul>

#### 4.5.2 Opportunities in agriculture

Agriculture is an important sector for the Greater Kokstad Municipality economy. The municipality needs to consider the impact on agriculture from all other economic activity and identify ways to preserve and strengthen this sector as a viable economic mainstream.

There are various levels at which the stimulation of this sector can target the stimulating of agricultural practices for the purposes of commercial production, this aims at creating sustainable livelihoods and developing economic capacity. The “tried and tested” agricultural enterprises that dominate in the Greater Kokstad Municipality include:

**Table 9: Agricultural Enterprises**

<b>Livestock</b>	<b>Cropping</b>	<b>Viable alternative crop</b>
<ul style="list-style-type: none"> <li>▪ Dairy</li> <li>▪ Beef</li> <li>▪ Sheep</li> </ul>	<ul style="list-style-type: none"> <li>▪ Potatoes</li> <li>▪ Maize</li> <li>▪ Vegetables</li> </ul>	<ul style="list-style-type: none"> <li>▪ Soya</li> <li>▪ Apples</li> <li>▪ Berries</li> <li>▪ Essential oil</li> </ul>

In 1998 dairy products contributed 41% to the Gross Agriculture Output of the sub region, followed by beef and maize, which contributed 18%. Sheep also made a significant contribution of 12%. The least contributors to Gross Agricultural Products were potatoes and cabbages, 3% and 6% respectively.

### 4.5.3 Manufacturing and Industrial Opportunities

Various sites in the Greater Kokstad Municipality are zoned for industrial development within Kokstad Town. Although most of these sites have been used mainly for warehouse and wholesale activities, however, it is interesting to note that opportunities exist in the Greater Kokstad Municipality for processing of agricultural goods in the form of Timber milling and the manufacturing and marketing of wood products.

Most of the manufactured items within the municipality are imported. Development of manufacturing Industries can prove to be a major boost in the economy of the municipality. The railway line provides good opportunity for rail transportation of goods.

## 4.6 Local Economic Development

Greater Kokstad Municipality has a Local Economic Development Strategy. The strategy entailed the preparation of an in depth sector analysis of, amongst others, employment, infrastructure and agriculture. The role of each of the above was analyzed with regard to the Local Economic Development. For example, the role of education and HIV/Aids impact on the skill level and availability of labour in the municipality; the provision of basic services relates to both health and availability of time resources for economic activities. The following GKM Local Economic Development goals contained in the strategy:

- A holistic, vibrant and sustainable agricultural and forestry sector
- Market and Promote GKM as a Regional Economic Hub
- Develop GKM as a manufacturing and processing hub
- Enhance Enterprise and Community Development and Support
- Strengthen stakeholder participation to enhance co-operative governance
- Create a safe and secure destination that promotes tourism and settlements
- Human Capital Development

The following comparative advantages of Greater Kokstad Municipality are provided in the LED strategy:

- GKM enjoys a competitive advantage because of its relatively **developed infrastructure**. The existence of the railway line within the municipality gives it an added advantage because once rehabilitated it will ensure improved and efficient markets access.
- The **agricultural sector** dominates the municipal economy. The products dominate timber production, citrus farming, livestock (dairy, beef and sheep production) and cropping (potatoes, maize, soya, essential oils).

- The **industrial sector** – opportunity exist in the GKM for processing of agricultural goods in the form of Timber milling and the manufacturing and marketing of wood products.
- The municipality is crossed by a number of **main transportation routes** such at the N2 The Greater Kokstad Municipality is crossed by a number of important transportation routes, such as the N2 Development Corridor that links the area to the major economic hubs such as Port Shepstone and Durban and in the KwaZulu-Natal Province and Umtata in the Eastern Cape Province.
- The **town of Kokstad has a good location** being on the N2 between the north east and Umtata in the South. Other regional access roads include the R56 to Cedarville and Matatiele in the west and the R617 to Franklin, Swartberg, Underberg and Pietermaritzburg in the north of the Municipality.

#### 4.7 Implementation of GKM Local Economic Development Strategy

Whilst opportunities in the municipality are well defined through the LED strategy it should be noted that little progress has been achieved to date with regard to the implementation of the LED Strategy. The specific challenges that hampering the implementation of LED strategy are as follows:

- **Institutional Capacity:-** there is a lack of capacity with the municipality to coordinate and providing appropriate guidance for the longer, sustainable implementation of LED. The net result of current approaches has been the establishment of individual projects with limited to poor institutional capacity for ensuring a continued focus on sustainable implementation and management of LED throughout the municipal area.
- **Coordination:-** the required coordination resulting in uncoordinated developments and duplications of efforts. For example, more than one department funding a specific task on a specific project.
- **SMME's:-** lack of proper business skills and appropriate mechanisms linkage throughout the LED approach.
- **Lack of Funding** – inadequate funding allocation to enable meaningful interventions and impacts: other than micro-level interventions i.e. Micro-projects.

In response to this challenge and as a municipal local economic turnaround strategy, the municipality is in a process of establishing a Local Economic Development Agency which will be known as a “Kokstad Economic Development Agency (KEDA)”.

This Special Purpose Vehicle will be a Development Agency: a Section 21 Company which will be established by the municipality to fulfill economic development functions and implement its strategy. The Agency will address the current institutional, coordination and lack of focus challenges the municipality faces, in addition the agency will be able to focus on macro interventions, secure funds, investors and partners for economic development in a more effective and efficient manner than the Municipality. With the assistance from IDC the process of establishment has commenced and it is envisaged the Agency should be operationalised in the next financial year.

The IDC has assisted various government entities to establish Development Agencies and therefore has substantial experience and provides advice and guidance from their experience. Their assistance is being sought in creating and operationalising KEDA.

## 4.8 Economic Key Issues: concluding summary

The following priority development issues were identified for this section.

### Local Economic Development

- Institutional Development and Management and the development of a Special Purpose Vehicle: KEDA;
- Building Capacity: internally and externally;
- LED contributes to alleviating poverty & job creation;
- Access to financial support & services;
- Support to SMMEs;
- Infrastructure development to support LED;
- Collective ownership by all stakeholders of the way forward (Political, Administrative, Private Sector, Community etc).

### Local Tourism Development

- Institutional development and management
- Harness tourism opportunities
- Tourism operations

### Agricultural Development

- Support Agricultural Development
- Alignment with Department of Agriculture
- Support cooperatives that are involve in agricultural production

### Business & Industrial Development

- Attraction of outside Investment
- Retention of existing investment
- Sustainable Business Development
- Sustainable Industrial Development

### Achievements Attained

Some of the key milestones achieved, during the last year, which have impacted on the situational analysis i.e. Changed the situation - regarding the economic development of the municipality are outlined hereunder:

- Hosting of Women in Business to promote **emerging women entrepreneur and job creation.**
- The Community Tourism Organization which is fully supported by the Greater Kokstad Municipality has been established in Kokstad. The organization is composed different stakeholders including **Historical Disadvantaged Individuals (HDIs).**



**1. Community Garden Projects: Assisted 124 beneficiaries with maize and/or vegetables over 110.5 hectares of land**

- Gobizithwana Project: assisted 15 beneficiaries in the Pakkies area with planting 30 hectares of yellow maize.
- Thuthuka Bafazi Project: assisted 40 beneficiaries in the Pakkies area with the planting of 35 hectares of yellow maize.
- Franklin Community Garden Project: assisted 11 beneficiaries in the Franklin area with the planting 28 hectares of yellow maize.
- Kransdraai Community Garden Project: assisted 9 beneficiaires with planning 5 hectares of yellow maize.
- Evergreen Project: assisted 13 beneficiaries with planting of 4.5 hectares of vegetables.
- Emasothiseni Project: assisted 15 beneficiaries with planting of 3 hectares of vegetables.
- Kraansdraai No 2 project: assisted 7 beneficiaries with planning of 3 hectares of vegetables.
- New Market Project: assisted 14 beneficiaries with the planting of 2 hectares of vegetables.

**2. Bakery Projects: Assisted 26 beneficiaires in 3 bakeries**

- Franklin Bakery Project: 9 beneficiaries;
- Shayamoya Bakery Project: 6 beneficiaries;
- Pakkies Bakery Project: 11 beneficiaries.

**3. Training Facilitated/Enabled: trained 127 people in various business related skills**

- SMME Caterers Trained at Gamalakhe FET on nutrition and catering: 35 people trained.
- Salon Management: 6 people trained.
- Various Technical Skills trained at Umgungundlovu FET: carpentry, welding, painting, motor mechanic : 48 people trained.
- Emerging contractors trained in tendering, occupational health and safety, HIV/Aids: 38 people trained.

## **5. INFRASTRUCTURE**

---

This section of the document gives an overview on the provision of infrastructure in the municipal area. Basic infrastructure within the Greater Kokstad Municipality and in respect of the IDP, core and non-core functions are as follows: Potable Water, Waste Water, Sanitation, Energy, Roads, and Housing, other infrastructure and services including Solid Waste and Cemeteries.

### **5.1 Water**

In terms of The Water Services Act, the Sisonke District Municipality is the Water Services Authority in respect of all local municipalities with its jurisdiction. According to the Community Survey 2007 there has been an increase in the number of households with water inside their dwellings and access to water outside their yards. Dependency on boreholes and springs has been reduced between the 2001 and 2007 census assessments. The following table compares the 2001 and 2001 census results:

**Table 10: Access to Water Sources Households**

Household	Stats 2001	Community Survey 2007
Dwelling	2 831	5856
Inside Yard	11 705	3821
Outside Yard	2 577	3885
Boreholes	70	294
Spring	229	149
Rain Tank	25	0
River/Stream	280	148
Water Vendor	14	0
Other	72	86

Source: Stats 2001 census and Community Survey

### 5.1.1 Water Reticulation

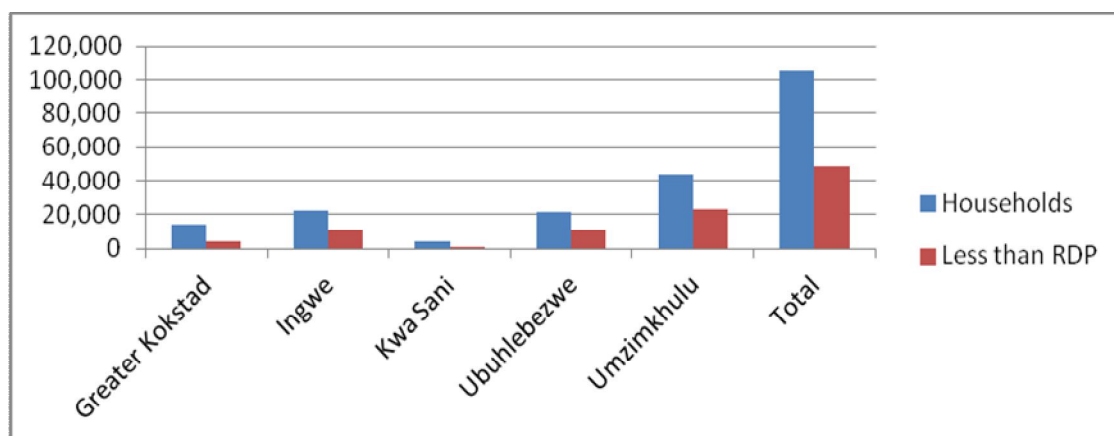
The status quo for water reticulation is presented in the table below, which shows that a total of 47 857 households in Sisonke District Municipality currently do not have sufficient access to water reticulation.

**Table 11: Estimated Water Reticulation Needs (Thousands Households)**

	Households	Less than RDP
Greater Kokstad	14,322	467
Ingwe	22,290	11,501
Kwa Sani	4,420	928
Ubuhlebezwe	21,085	9,245
Umzimkhulu	43,544	25,716
<b>Total</b>	<b>105,661</b>	<b>47,857</b>

Source: Sisonke CIP

### Graph 5: Reticulation Needs comparatively



Source: Sisonke CIP

The total estimated budgets to address reticulation, bulk, treatment and refurbishment are indicated in Sisonke Water Services Plan (WSP). The total investment required in all municipalities with Sisonke District Municipality is R1,344 million. The bulk budget is the largest portion of the total budget.

**Table 12: Total Water Investment Needs (R mill)**

LM/DM Name	Water Needs	Refurbishment	Bulk	Water Treatment Works	Total
<b>Sisonke DM</b>	R366.98	R63.96	R732.25	R181.52	R1,344.70
<b>Ingwe</b>	R0.00	R0.00	R0.00	R0.00	R0.00
<b>Kwa Sani</b>	R0.00	R0.00	R0.00	R0.00	R0.00
<b>Greater Kokstad</b>	R0.00	R0.00	R0.00	R0.00	R0.00
<b>Ubuhlebezwe</b>	R0.00	R0.00	R0.00	R0.00	R0.00
<b>Umzimkhulu</b>	R0.00	R0.00	R0.00	R0.00	R0.00
<b>Total</b>	R366.98	R63.96	R732.25	R181.52	R1,344.70

Source: Sisonke CIP

## 5.2 Sanitation

According to the Comprehensive Infrastructure Plan for Sisonke District Municipality, the sanitation backlog in Greater Kokstad Municipality is 26%: which shows that the majority of population has access to sanitation. The table below shows sanitation backlog in Sisonke District Municipality:

**Table 13: Sanitation Backlogs within Sisonke District**

LM_Name	Ward	Houses	Backlog %	Backlog
	No			
Ingwe		22,290	48%	10,645
Kwa Sani		4,420	17%	746
Greater Kokstad		14,322	26%	3,741
Ubuhlebezwe		21,085	51%	10,851
Umzimkhulu		43,544	52%	22,804
		105,661	46%	48,787

Source: Sisonke CIP

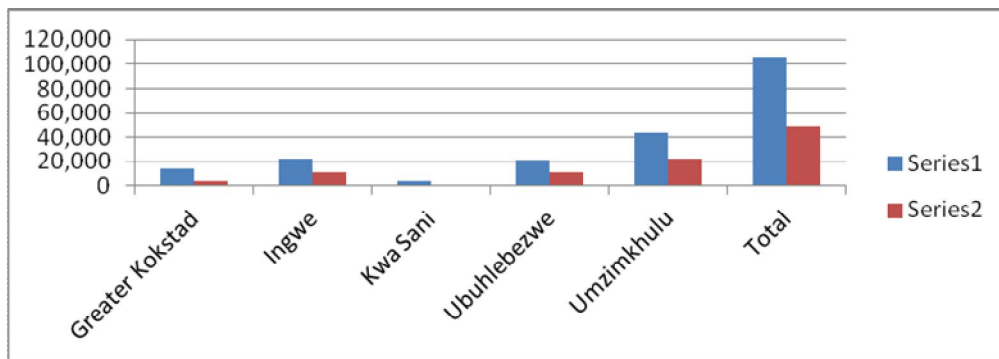
The status quo for sanitation as presented in Table 13 which shows that a total of 3 741 households currently have below RDP levels of services.

**Table 14: Estimated Sanitation needs per Municipality (Thousands Households)**

LM_Name	Households	Less than RDP
Greater Kokstad	14,322	3,741
Ingwe	22,290	10,645
Kwa Sani	4,420	746
Ubuhlebezwe	21,085	10,851
Umzimkhulu	43,544	22,804
Total	105,661	48,787

Source: Sisonke CIP

**Graph 6: Sanitation Needs Comparatively**



**Table 15: Total Sanitation Budget (R mill)**

LM_Name	Retic	Refurbishment	Bulk	Waste Water Treatment Works	Total
Sisonke District Municipality	R320.57	R31.90	R138.81	R157.37	R648.64
Ingwe	R.00	R.00	R.00	R.00	R.00
Kwa Sani	R.00	R.00	R.00	R.00	R.00
Greater Kokstad	R.00	R.00	R.00	R.00	R.00
Ubuhlebezwe	R.00	R.00	R.00	R.00	R.00
Umzimkhulu	R.00	R.00	R.00	R.00	R.00
<b>Total</b>	<b>R320.57</b>	<b>R31.90</b>	<b>R138.81</b>	<b>R157.37</b>	<b>R648.64</b>

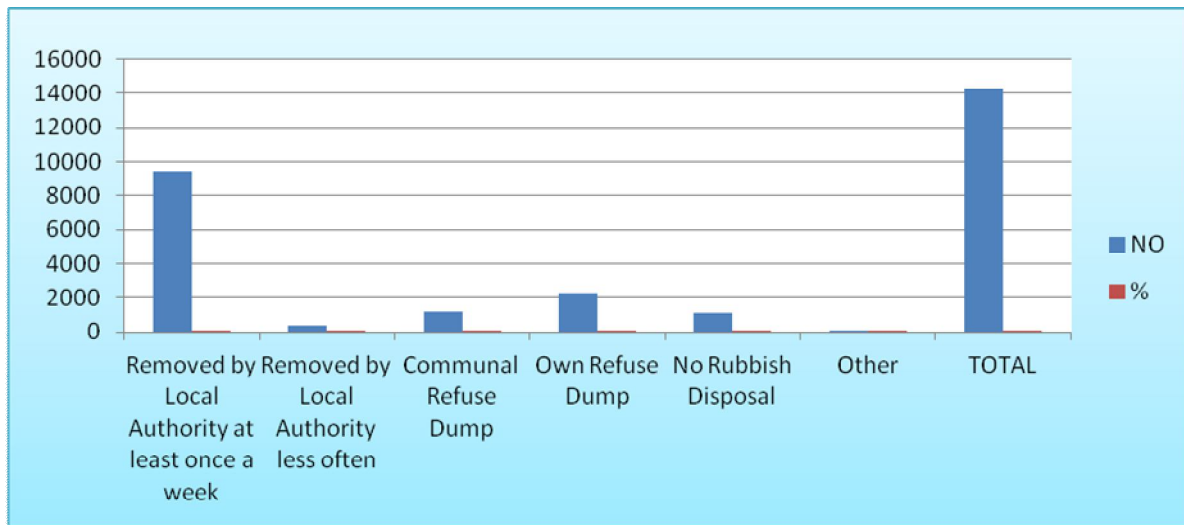
The total estimated budgets for sanitation needs, refurbishment, bulk, and bulk infrastructure are indicated in Table 15. The total investment requirement is R648.64 million. The total sanitation need is 49.42% of the total budget, namely R320 million.

### 5.3 Solid Waste

Table 16: Refuse Removal

REFUSE REMOVAL	NO	%
Removed by Local Authority at least once a week	9396	65.64
Removed by Local Authority less often	347	2.42
Communal Refuse Dump	1181	8.25
Own Refuse Dump	2292	16.02
No Rubbish Disposal	1088	7.60
Other	10	0.07
<b>TOTAL</b>	<b>14314</b>	<b>100%</b>

Graph 7 Refuse Removal



The following status quo information in respect of solid waste was provided by the Manager Community Services for Greater Kokstad Municipality:

### 5.3.1 Areas Covered by Waste Collection

Waste collection services are undertaken in the following areas:

- Kokstad Town
- Franklin Area
- Swartberg Area
- Pakkies Area

### 5.3.2 Waste Management

- In Kokstad Town, Medical Waste is collected and transported to Durban by private contractors;
- Domestic (refuse bags at individual households), Business and Street Sweepings (containers and refuse bags) at Kokstad Town are collected and transported to the Shayamoya Landfill Site by Greater Kokstad Municipality;
- Domestic (refuse bags at individual households), Business and Street Sweepings at Franklin, Swartberg and Pakkies Areas are collected and transported to the Shayamoya Landfill Site by Greater Kokstad Municipality.

### 5.3.3 Waste Collection and Transportation

Currently 80% of urban and semi-urban households within the *whole municipality* are covered by a waste collection system, whilst 0% of rural households are covered. During 2010/2011 a new Compactor truck was acquired which will ensure a more efficient and effective refuse collection service thus enabling a greater amount of waste to be collected and compacted prior to transporting it to the landfill site.

- **Kokstad Town: Method of waste collection**

Waste Type	Collection Method
Domestic	Kerb Site Collection
Business	Skips for Waste Collection
Industrial	Skips for Waste Collection
Garden Waste	Special refuse Collection
Building Waste	By Waste Generators or Private Contractors
Street Sweepings	Kerb Site Collection
Medical Waste	Hospital
Hazardous Waste	Hospital

- **Frequency of municipal waste collection:**

- Residential in Kokstad area - 2x per week
- CBD in Kokstad area - Daily basis
- Franklin, Swartberg and Pakkies - 1x per week

- **Waste Transport Equipment:**

Vehicle Description	Number of vehicles	Average number of crew per vehicle
Tractor and Trailer	X1	3
Compactor Truck	1	3

- **Recycling Facilities:**

Recycling Facility	Principal Material Recycled	Location of Recycling Facility
E.G. Cardboard, Waste Paper and Steal Company	<ul style="list-style-type: none"> <li>▪ Card Board</li> <li>▪ Tins</li> </ul>	Kokstad Town

- **Franklin Area: Method of waste collection:**

Waste Type	Collection Method
Domestic	Kerb Site Collection
Business	Kerb Site Collection
Street Sweepings	Kerb Site Collection

- **Frequency of municipal waste collection:**

- Residential Areas - 1x per week
- Business - As and when required

- **Waste Transport Equipment**

Vehicle Description	Number of vehicles	Average number of crew per vehicle
Bakkie with Trailer	X1	3



- **Swartberg Area: Method of waste collection:**

Waste Type	Collection Method
Domestic	Kerb Site Collection
Business	Skips for Waste Collection
Street Sweepings	Kerb Site Collection

- **Frequency of municipal waste collection:**

Residential area - 1 x per week  
 Business area - As and when required

- **Waste Transportation Equipment**

Vehicle Description	Number of vehicles	Average number of crew per vehicle
LUV and Trailer	X1	3

- **Pakkies Area: Method of waste collection:**

Waste Type	Collection Method
Domestic	Kerb Site Collection

- **Frequency of municipal waste collection:**

Residential area - 1 x per week  
 Business area - As and when required

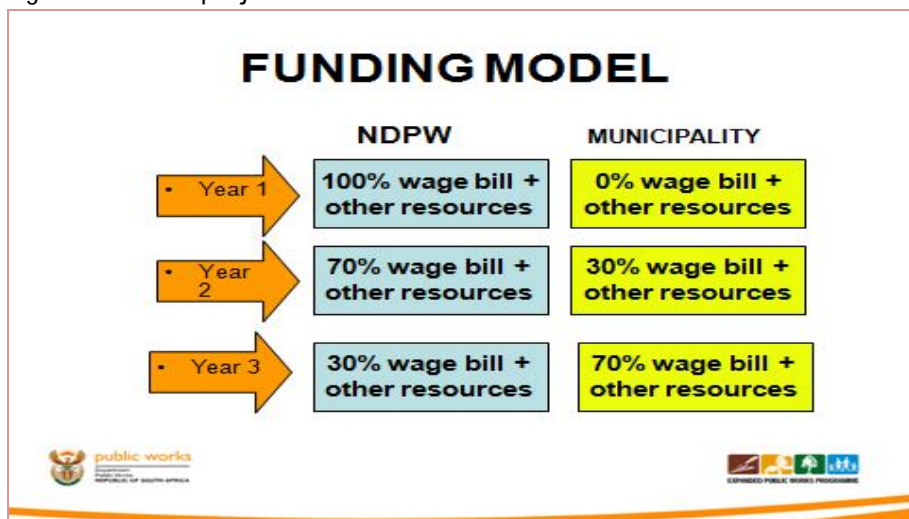
- 

**Waste Transportation Equipment**

Vehicle Description	Number of vehicles	Average number of crew per vehicle
LUV and Trailer	X1	3

### 5.3.4 Food for Waste Programme

Food for Waste Program is a creative method of waste collection in which the Municipality has recruited 100 members of the community to collect waste in exchange of food. The programme is funded by the National Department of Public Works and the Greater Kokstad Municipality. The following table shows the funding model of the project:



Beneficiaries work 3 days per week every month. Each person collects refuse in 60 households once per week then cleans open spaces and streets for two days in the same week. Beneficiaries receive food parcels to the value of R 780 per month. They are divided into two groups that receive food parcels on the last Friday of the month and the last Monday of the month.

The following table shows the number of households that are covered by each beneficiary:

Table 17: Collection Information

Collection Area	No. of Households	Actual households cleaned	Beneficiaries	
			No. Employed/Assigned	Load per Beneficiary*
Horseshoe(Ward 1)	2912	900	15	60
Franklin (Ward 2)	400	240	4	60
Kokstad Town (Ward 3)	1124	720	12	60
Extension 7 (Ward 4)	332	240	6	60
Bongweni (Ward 5)	609	595	18	35
Shayamoya	6985	2700	45	60
<b>Total</b>	<b>12368</b>	<b>5395</b>	<b>100</b>	

## 5.4 Electricity

Greater Kokstad Municipality is licensed to distribute approximately 25 MVA to the residents within the Kokstad town, Bhongweni, Horseshoe, Shayamoya, extension 7 and Kargs Post. The remaining area of Greater Kokstad Municipality is currently assisted by Eskom. According to the Electricity Service Unit of Greater Kokstad Municipality, approximately **80%** of households in Greater Kokstad Municipality have access to electricity.

Both Greater Kokstad Municipality and Eskom have identified the following areas as priority areas for electrification:

- Makhoba (Housing Projects in 2, 3, 5, and 6 of the Farm Springfontein No.112 in New Amalfi comprising 994 units and on the Farm Argyll No.337, located adjacent to the L270 Gravel road which comprises of 418 units).
- Franklin (Housing Projects in Franklin which comprises of 450 units)
- R56 Kokstad Integrated Sustainable Settlement Project comprises of 600 – 800 mixed housing units.
- Shayamoya Social Precinct. Services will include a care clinic, pre-school, training centre, centre for the aged, nutrition programme and sports facilities.
- Willowdale (Willowdale housing project)
- Slums Clearance Project which will yield 236 housing units.

As Greater Kokstad Municipality is rapidly growing with new investors coming to the area, the municipality is anticipating  $\pm$  **15MVA** as a further demand of electricity supply within the municipality.

### 5.4.1 Electricity Conversion

The Municipality is currently engaged in electricity conversion from metered electricity to prepaid. This will reduce the debtor's book.

#### Milestones attained

- Through the funding obtained from the Department of Mineral and Energy the Municipality has successfully constructed and commissioned a 5MVA Substation which eased the load from the current major substation which was catered for Kokstad town, Bhongweni and new development of Shayamoya and Horseshoe.

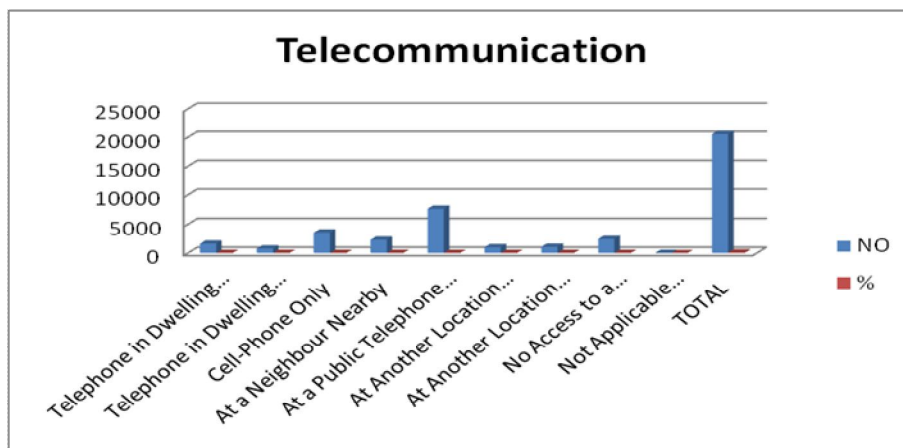
## 5.5 Telecommunication

Table 18: Telecommunications (2001)

TELECOMMUNICATIONS (2001)	NO	%
Telephone in Dwelling and Cell-Phone	1626	7.91
Telephone in Dwelling Only	787	3.83
Cell-Phone Only	3586	17.44
At a Neighbour Nearby	2321	11.29
At a Public Telephone Nearby	7658	37.23
At Another Location Nearby	1009	4.9
At Another Location Not Nearby	1090	5.3
No Access to a Telephone	2451	11.92
Not Applicable (institutions)	34	0.17
<b>TOTAL</b>	<b>20562</b>	<b>100</b>

Source: Statistics South Africa, Census 2001

Graph 8: Telecommunications



The town of Greater Kokstad Municipality is serviced with telephone lines, however, only some residents, school, government offices and shops have access to telephones. A total of 11.92% of households in the entire Greater Kokstad Municipality do not have access to telephones.

## 5.6 Transport Network

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

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

- The N2 corridor that links the area of Kokstad to the major economic hub such as Port Shepstone and Durban in KwaZulu-Natal Province and Umtata in the Eastern Cape Province.
- The R56 which links the Greater Kokstad Municipality with Matatiele and Cedarville in the western side of the municipality. This road plays an important transport route from both transportation and an economic development perspective.
- The R617 which links western part of the municipality with Underberg and Pietermaritzburg.
- Other than the above, the municipal area is crisscrossed by a number of district traffic routes, often in a poor condition and making effective transportation problematical.
- Lowest in the ranking of transportation routes are the so-called agricultural roads which provide access to agricultural crops and link with the district roads.

## 5.7 Roll-Out of Free Basic Services

The Municipality provides subsidized services to indigent households after their applications meet the criteria and are approved by the Council. 50kWh of free electricity is issued to both prepaid and credit meter customers. The Municipality also offers a subsidized refuse removal for indigent households on a monthly basis. To ensure the roll-out of free basic services the municipality has budgeted an amount of R3 000 000 (three million rand) in its 2011/2012 financial year budget.

## 5.8 Operational and Maintenance

The Municipality has allocated an amount of R6 793 200 (six million, seven hundred and ninety three thousand rand) for operational and maintenance in its 2011/2012 budget. This is the amount that the municipality can afford, although it is insufficient - as the existing infrastructure is deteriorating constantly. New infrastructure is also being created which places further pressure on maintenance resources. There is a Provincial road (Hope Street) running through the Kokstad town. Significant problems are currently encountered with the maintenance of this road since Province lacks the necessary funds to maintain or upgrade this road.

## 5.9 Housing

### 5.9.1 Current Housing Demand

The following has been extracted from the Greater Kokstad Municipality Housing Sector Plan prepared by Makhosi Nyoka and Associates and updated with the SDBIP (Service Delivery and Budget Implementation Plan) Report submitted to Council in February 2011.

The housing backlog in the Greater Kokstad Municipality is standing at 9 000 (where there is total number of 19 633 household in terms of census 2001 – almost 46% backlog). It is estimated that a budget of R486 million is required (assuming that a housing project of 1 000 units will cost R54 million) in order to reduce backlogs. The housing needs can be further categorized as in Table 18.

**Table 18: Housing Categories and Needs**

Housing Category	Housing Need (number of units)
Slum Clearance	3050
Rural Housing	2100
Rural Land Reform	2100
Rental Housing	1400
Hostel Redevelopment	200
Farm Worker Housing	150
<b>Total</b>	<b>9000</b>

### 5.9.2 Housing Demands in Greater Kokstad Municipality

Based on the current housing demand database for Greater Kokstad Municipal area the demand is estimated to be 4 450 in the urban areas and houses, whereas a quantified figure in the rural areas is estimated to be an average of 49.9% of the total demand which is 9 000 households not residing in a formal dwelling within the rural areas. It is therefore imperative that this housing shortage be addressed as soon as possible in order to avoid pressures building up to an uncontrollable level.

According to the Greater Kokstad Municipality Integrated Development Plan there is an emergence of Slums Clearance in the area, which is based on the formalization by relocation of the existing informal settlements to an area that is conducive for proper formal housing development. The relocation of squatter shacks in the Bhambayi and Mphela has been identified as a high-rank priority in the area.

### **5.9.3 Housing Demand in Kokstad Urban Area**

Like most urban areas in South Africa, Greater Kokstad faces a low and middle income housing crisis. Currently, there is a need for over 1 000 low income (fully subsidized) houses as identified in the municipal IDP. Greater Kokstad also has a highly constrained, demand-driven private housing market with inflated housing prices in all market segments. The demand for housing is therefore across the board, ranging from single-person rented accommodation, through basic fully-subsidized housing units, to middle and upper-income bonded accommodation. The lack of accommodation contributes to pressure on existing housing, with the negative outcomes of squatting, overcrowding of existing houses, down-market "raiding" by higher income households and escalating of rentals and sale prices of houses.

### **5.9.4 Housing Demand in the Franklin Secondary Node**

Franklin is one of the Secondary nodes within Greater Kokstad Municipality. The immediate housing demand in respect of the area is 450 units according to the Municipal Housing Plan. The housing demand in Franklin is expected to be higher than the figure indicated due to the ongoing movement of people into the area. For the financial year 2010/2011 and 2011/2012; there are 200 housing units planned with the required services as the commencement of addressing the housing demand/need.

### **5.9.5 Housing Demand in the Rural Areas**

It is difficult to ascertain the housing demand in the rural areas as many households reside in dwellings such as informal or traditional houses or shelter. The Municipality will conduct a quality of life survey to which the counting of households not residing in formal dwellings (housing backlog) within the rural areas is part of study.

### **5.9.6 Current and Planned Housing Projects**

#### **Current Housing Projects**

These are projects which have been approved by the MEC; are being implemented currently and have been budgeted for by the Department of Human Settlement.

**Table 19: Slums Clearance Project**

<b>LOCATION</b>	Shayamoya located in northern part of Kokstad town
<b>OWNERSHIP</b>	Greater Kokstad Municipality
<b>CURRENT LAND USE</b>	Special Residential as per draft LUMS
<b>PROPOSED NUMBER OF UNITS</b>	214 Housing Units
<b>PRIORITY</b>	This is a slum clearance project and is therefore prioritized in order to be in line with the Provincial target to clear all slums.
<b>STATUS OF PROJECT UPDATED</b>	The development site has been identified and funding has been approved by the KZN Department of Human Settlement.  The Implementing Agent has been appointed (18/02/2011) and is undertaking geotechnical investigations; followed by designing.
<b>SOCIAL ENVIRONMENT</b>	The proposed site is in within reasonable distance of public amenities, schools, transport routes and employment opportunities.
<b>BULK SERVICES</b>	All bulk services are in close proximity to the proposed site.
<b>IDP AND SPATIAL FRAMEWORK COMPATIBILITY</b>	The proposed development is within the IDP and Spatial development Framework.
<b>OTHER REMARKS</b>	None
<b>RESPONSIBLE DEPARTMENT</b>	Housing Facilitator: Department of Infrastructure, Planning and Development.



**Table 20: R56 Kokstad Integrated Sustainable Settlement Project**

<b>LOCATION</b>	The site is located in Kokstad town.
<b>OWNERSHIP</b>	Greater Kokstad and Respond Housing Association from Ireland (Public Private Partnership)
<b>CURRENT LAND USE</b>	This project will be developed on vacant land, currently un-proclaimed municipal owned land proximate to the existing residential area of Kokstad.
<b>PROPOSED NUMBER OF UNITS</b>	600- 800 units.
<b>PRIORITY</b>	The Kokstad Integrated Sustainable Settlement (KISS) is a 600 -800 units mixed income, mixed tenure development based on sound sustainable development and integrated human settlement principles.
<b>STATUS OF PROJECT</b>	Pre-feasibility assessments have been completed, including planning and services assessments, a bulk services assessment, and first phase demand assessment, geotechnical evaluation and environmental impact assessment.
<b>SOCIAL ENVIRONMENT</b>	KISS will cater for a wide range of social culture requirements, given current constraints on facilities in Kokstad, including education recreation and sporting facilities, special needs housing support (aged and infirm, orphaned and vulnerable children) and training facilities.
<b>LINK WITH BULK SERVICES</b>	All bulk services such as water and sanitation is still to be confirmed by Sisonke District Municipality. With regard to electricity supply the municipality has confirmed that there will be sufficient electricity to supply the proposed development.
<b>IDP AND SPATIAL FRAMEWORK COMPATIBILITY</b>	The proposed development is within the IDP and Spatial development Framework.
<b>OTHER REMARKS</b>	According to the Project Facilitator there appears to be no positive commitment from the Department of Human Settlement
<b>RESPONSIBLE DEPARTMENT</b>	Executive Manager: Corporate Services

**Table 21: Franklin Residential Development**

<b>LOCATION</b>	The site is located at the T-junction between the road into Franklin and the R617 between Swartberg and Kokstad, approximately 30km outside Kokstad. The site is bounded by the R617 to the south-west, the Franklin/Umzimkulu road to the south east, by a railway line to the east and adjacent properties to the north.
<b>OWNERSHIP</b>	Franklin Village Property Holdings
<b>CURRENT LAND USE</b>	Land is currently vacant
<b>PROPOSED NUMBER OF UNITS</b>	450 units (200 currently)
<b>PRIORITY</b>	This is a slums clearance as well as a Greenfields project and therefore has Presidential priority.
<b>STATUS OF PROJECT UPDATED</b>	The following has been completed: <ul style="list-style-type: none"> <li>✓ Pre-planning studies;</li> <li>✓ geo-technical investigation;</li> <li>✓ design of civil engineering services;</li> <li>✓ environmental authorization has been granted;</li> <li>✓ Installation of underground services including water and sewer pipes is well underway (70% March 2011) with planned finalization April 2011.</li> </ul>
<b>SOCIAL ENVIRONMENT</b>	The proposed site is in within reasonable distance of public amenities, schools, transport routes and employment opportunities within the Kokstad urban node.
<b>LINK WITH BULK SERVICES</b>	Bulk services are in fairly close proximity to the proposed site however transfer of sewerage ponds is still required from Spoomet.
<b>IDP AND SPATIAL FRAMEWORK COMPATIBILITY</b>	The proposed development is within the IDP and Spatial development Framework.
<b>OTHER REMARKS</b>	Approval in terms of Less Formal Township Establishment Act from Department of Cooperative Governance is still awaited.
<b>RESPONSIBLE DEPARTMENT</b>	Housing Facilitator: Infrastructure, Planning and Development

**Table 22: Makhoba Housing**

<b>LOCATION</b>	There are two sites:- Site No. 1 is located on portion 2, 3, 5, and 6 of the Farm Springfontein No.112 in New Amalfi. The site is bounded by the remainder of portion 6 to the south, the old homestead and the remainder portion 5 to the west. Site No.2 is located on the Farm Argyll No.337, located adjacent to the L270 Gravel road.
<b>OWNERSHIP</b>	Mzabane Makhoba Trust
<b>CURRENT LAND USE</b>	Agriculture
<b>PROPOSED NUMBER OF UNITS</b>	Farm Springfontein : 994 units, Farm Argyll : 418 units
<b>PRIORITY</b>	This is a rural housing project prioritized by the municipality to cater the identified needs of the Community through the Integrated Development Plan.
<b>STATUS OF PROJECT UPDATED</b>	The following has been completed: <ul style="list-style-type: none"> <li>✓ Pre-feasibility assessments, including planning and services assessments, a bulk services assessment, and first phase demand assessment, geotechnical evaluation and environmental impact assessment.</li> <li>✓ EIA of revised layouts approved in January 2011.</li> <li>✓ Site establishment for civil works commenced March 2011.</li> <li>✓ Construction of Services commenced April 2011.</li> </ul>
<b>SOCIAL ENVIRONMENT</b>	The housing development in the area will be a catalyst for other development in the area.
<b>LINK WITH BULK SERVICES</b>	Bulk services will be required to be installed and confirmation of the provision of water and sewerage has been confirmed from the District Municipality.
<b>IDP AND SPATIAL FRAMEWORK COMPATIBILITY</b>	The proposed development is within the IDP and Spatial development Framework.
<b>OTHER REMARKS</b>	There was an appeal lodged against Environmental authorization granted for the project. EIA approval of the revised layouts was granted in January 2011.

<b>RESPONSIBLE DEPARTMENT</b>	Housing Facilitator: Infrastructure, Planning and Development
-------------------------------	---

Table 23: Willowdale Housing Project

<b>LOCATION</b>	Melk Spruit Farm No. 293, Kargs Post , southern part of Kokstad
<b>OWNERSHIP</b>	Greater Kokstad Municipality
<b>CURRENT LAND USE</b>	Agriculture
<b>PROPOSED NUMBER OF UNITS</b>	The potential yield of the entire area is 87 units.
<b>PRIORITY</b>	This is project has been prioritized for the Willowdale community and is partially a slum clearance project and is therefore prioritized in order to be in line with the Provincial target to clear all slums.
<b>STATUS OF PROJECT</b>	Application has been made to the Department of Rural Development and Land Reform to assist in respect of the acquisition of privately owned farm land. The development site has been identified and the project facilitator has been identified (K & T Consulting Engineers).  DRDLR has not assisted yet with the purchase of the land.
<b>SOCIAL ENVIRONMENT</b>	The proposed site is in within reasonable distance of public amenities, schools, transport routes and employment opportunities.
<b>BULK SERVICES</b>	District Municipality to confirm the provision of services.
<b>IDP AND SPATIAL FRAMEWORK COMPATIBILITY</b>	The proposed development is within the IDP and Spatial development Framework.
<b>OTHER REMARKS</b>	Full environmental impact assessment and the preparation of the preliminary layout are still to be completed.
<b>RESPONSIBLE DEPARTMENT</b>	Housing Facilitator: Infrastructure, Planning and Development

Key focus areas for these aforesaid housing projects will be urban design for sustainability, sustainable approaches to water, sanitation and energy systems, early childhood development processes, sustainable livelihood and local economic development strategies and training requirements, sustainable agriculture.

## **5.10 Cemeteries**

There is an under-supply of cemeteries in the area, especially considering the expected number of HIV/AIDS related deaths over the next 10 years. Appropriate facilities need to be provided throughout the area with due cognizance of religion, culture and tradition. Currently, the municipality is in the process of establishing one additional cemetery having obtained land and prepared the land, an environmental impact assessment will be done and so on. This however is inadequate to address the future predicated needs for burials. In addition, for cultural reasons it is required that cemeteries be located relatively "close" to inhabitants.

## **5.11 Infrastructure Key Issues: Summary**

The following priority development issues were identified for this section.

### **Water and Sanitation**

- Whilst household access to water and sanitation is being addressed, there remains substantial backlogs that need to be addressed/eradicated.
- Water services infrastructure in Greater Kokstad Municipality needs upgrading and ongoing maintenance.
- Ways of reducing inefficiency, waste and water loss need to be investigated.
- The urban areas have proper water borne sanitation systems, whilst rural areas are reliant on pit latrines or no system at all; placing strain on the environment and posing health risks.

### **Waste Disposal**

- Currently 100% of urban households are covered by a waste collection system; whilst no rural households are covered. The acquisition of a Refuse Compactor Truck in 2010/2011 will increase effectiveness and efficiency with collection in the urban areas.
- Dumping of refuse is a major problem; particularly in areas outside the Kokstad town; posing environmental problems and risks. Efforts are needed to increase people's awareness of the advantages of good waste management practices.
- The projected population increase implies an increase in the amount of refuse to be generated; therefore serious attention should be given to refuse management.
- The inability to identify suitable available land for a future land fill site is a challenge. The municipality will consider exploring the option of expropriating suitable land for a land fill.

## **Electricity**

- The Greater Kokstad Municipality's predominant source of energy for lights is electricity followed by candles.
- The bulk of the urban households have access to household electricity. Very few settlements in farms have this luxury.
- Electricity provision at schools and health facilities are especially critical.
- To ensure the electricity required capacity and the provision of alternative energy the municipality needs to develop an energy master plan

## **Transport**

- The poor condition of provincial, district and town roads are due, in large, to the poor standard of storm water management drainage and lack of maintenance thereof.
- There are many district roads and smaller farm roads; which are in a poor condition and in need of upgrading and maintenance.
- The relatively poor road network and related infrastructure makes access to farms, markets and other business centre's difficult and essentially will create delays in the delivery of goods and production of goods: impacting on economic development.
- There has been a decline in the transport sector with the closure of the Railway.

## **Housing**

- A lack of land to build houses and where private land is available, the landowners (farmers) are asking very high prices, posing housing challenges.
- Some landowners within the municipality are encouraging shack settlements as an income-generating activity. In most of the cases these people are staying in very unfavorable and squalor conditions, with no access to water and basic sanitation.
- The rapid growth of Kokstad town has attracted many people, especially from outside the borders of Greater Kokstad, in search for employment opportunities. This has resulted in the growing number of informal settlements.
- Up-market housing is a lucrative market in the certain parts of Kokstad town and is characterized by speculation. However, this occurs outside any strategic development framework, resulting in ad hoc development and cost inefficiencies. It has become critical to earmark development boundaries to facilitate more effective and efficient delivery of infrastructure and services.
- The lack of funding and the non-alignment of municipal and government department budgeting processes, poses challenges.
- The lack of undertaking to provide the required bulk services for housing needs delays housing developments.

## Cemetery

- New housing developments necessitate the need for more cemeteries in the area.
- Need for cemetery development plan.

## 6. SOCIAL AND COMMUNITY DEVELOPMENT

---

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

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

### 6.1 Health Services

Major constraints facing the communities within the municipal area are as follows:

- Insufficient easily accessible health care facilities in terms of location: where there are facilities they are not conveniently located for many community members and therefore transport costs are high.
- Insufficient mobile clinics servicing the area, to address health care needs.
- Road infrastructure, especially rural roads being in a poor condition and therefore making access to health care facilities a challenge.

The municipality has made land available to the Department of Health to erect new clinic in Shayamoya area. This is regarded as one of the community priority projects in the Greater Kokstad Municipality.

### 6.2 Disaster Management

**Disaster Management** is regarded as a key issue due to the fact that the municipality is prone to fires and floods. The Greater Kokstad Municipality has a **Disaster Management Plan** which was prepared in terms of Section 42 of the Disaster Management Act 2002. The objectives of the Disaster Management Plan are to:

- Establish effective and efficient institutional arrangements based on joint cooperation and collateral support which will give effect to the principles of cooperative governance and wide stakeholder participation.
- Facilitate Council's cooperation with National and Provincial Spheres including Sisonke District municipality.
- Establish joint standards of practice amongst stakeholders;

- Provide an initial macro qualitative assessment for the Municipality as a whole which will, as a point of departure, produce a profile by which the extent and nature of disaster risk in the area can be determined. The assessment will be conducted by accessing indigenous knowledge, studying weather patterns and the history of past events to identify potential hazards and evaluate existing conditions of vulnerability that pose a potential threat to people, property, livelihoods and the environment in the area.
- Direct the initial prioritization of disaster risk reduction measures for integration into Council's IDP which are aimed at reducing existing conditions of vulnerability in disaster prone areas in the municipal area.
- Provide the framework for commissioning a scientifically conducted risk assessment to identify areas and communities at risk (CARs) and to inform the development of a comprehensive disaster risk reduction strategy based on the outcomes of the assessment.

### **6.3 Community and Sport Facilities**

Greater Kokstad Municipal area has a number of community facilities i.e. community halls, and sport fields. Key issues emerging from these facilities are the following:

- Many facilities are underutilized – or not optimally utilized;
- There is low community ownership;
- There is lack of effective and efficient management of the facilities;
- Many facilities have no Electricity and/or challenges with electricity connections are experienced;
- Many facilities have no Water; and/or challenges with water connections are experienced;
- Many facilities have problems with sanitation connections
- Some of the Infrastructure/Facilities have been vandalized (predominantly broken windows);
- Some of the infrastructure/Facilities have damaged roofs and/or cracked walls.
- Some of the facilities are not optimally located, and in one instance a sports field is located on a piece of land that is continually water-logged.

As a result of the high number of facilities that will require funding for new or improved infrastructure and/or services, it was decided to prioritise/focus on facilities within the primary and secondary nodes identified in the municipal Spatial Development Framework.



**Table 24: Community and Sport Facilities requiring upgrading**

Community Facility	Location	Amount Required for Upgrading (from IDP 2010)	Budget Allocated 2011/2012	Status as at End February 2011
Franklin Community Hall	Ward 2	R100,000	Nil	
Kransdraai Community Hall	Ward 2	R50,000	Nil	
Kokstad Town Hall & Chambers	Ward 3	R500,000	7,000,000	BOQ/Specs
Murray Park Sportfield	Ward 3	R1 000 000	Nil	
Thuntulwane Community Hall	Ward 5	R50,000	Nil	
Pakkies Community Hall	Ward 6	R200,000	Nil	
Riverview Sportfield	Ward 6	R1 000 000	200,000	25% Completed
Riverview Stadium upgrade			500,000	
Youth Indoor Centre	WHAT WARD	4,000,000	4,000,000	
<b>TOTAL</b>		<b>R2 900 000</b>	<b>R11,700,000</b>	

## 6.4 Impact of HIV/Aids

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

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

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

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

The effect of HIV/AIDS economically is:

- A shift from savings to current expenditure, thus limiting fixed investment and economic growth;
- Possibility of technological deepening of the economy as a result of higher absenteeism rates;
- Withdrawal of healthy workers to care for ill family members;
- Increased spending on pharmaceuticals and funerals.

The likely effect of HIV/AIDS on planning:

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

## **6.5 Education**

The Department Of Education has administrative regions that bear no resemblance to the boundaries of the Local Municipality. This complicates the coordination of planning and development related to school based education.

The primary challenges are the poor condition of class rooms and the lack of utility services linked to these classrooms. In the rural areas specifically, the quality of classrooms is not conducive to achieving appropriate education levels.

A need exists to ensure that the range of subjects offered at schools are in line with the general economic development strategies of the Municipality, e.g. should agriculture and tourism be viewed as growth sectors in the economy. The DOE should consider approaches to introducing related subjects at schools. Entrepreneurial development and access to information technology are seen as essential for ensuring the future integration of the economy of the Local Municipality & District into the global economy.

Schools, specifically in the rural areas, do not have access to appropriate facilities and expertise to offer a wide range of sport and recreation opportunities to the youth of the area. To provide access to such facilities and expertise greater levels of coordination will be required, specifically in relation to the provision of sport facilities and community halls, i.e. these facilities must not only be utilized by the broader community, but should also be available to the schools in the area.

## **6.6 Safety and Security**

Being mindful that Crime levels have an impact on economic development, safety and security are an area requiring focused attention to align with the economic objectives and their related impacts/outcomes for the municipal area. The dominant type of crime currently is burglaries, especially in areas of high population density. Inadequate police presence, lack of police stations in rural areas needs to be addressed, in addition to a more visible municipal traffic police.

## **6.7 Peace Officers “GKM, Alufakwa Lubuya Nawe”**

In strengthening the law enforcement in the Greater Kokstad Municipal area the Municipality funded the training over 60 staff and community members who are now qualified Peace Officers. This project was established to assist the law enforcement in Kokstad, and to empower the employees to enforce municipal by-laws. These Peace Officers is assisting vastly in the traffic management matters and enforcement of By-laws. The entity to this programme is to make sure that everyone being a visitor or a resident feels safe as possible in the area. This was done after research was conducted which revealed that people in Kokstad area still fail to obey the rules and the number of criminals are increasing daily.

## **6.8 Welfare**

The main component of the Social Security Programme implemented within Greater Kokstad Municipal area is the distribution of social pensions which comprise a large part of the overall welfare budget. A number of pensions are included in this programme, most notably old age pensions, child support grants and disability grants. A key issue impacting on planning and development is the general dissatisfaction of pensioners regarding access to pension payment points, both in terms of location and number.

The Social Welfare Services Programme is aimed at directly addressing social support needs at an individual, group or community level. Social workers assist individuals and groups to address a variety of problems and situations, the focus being on the youth, elderly, victims of crime, people with disabilities, substance abuse, special needs such as HIV/AIDS, and women. Access to these services and programmes seems to be limited and not well coordinated.

In addition, there is a lack of alignment between various sectors including municipality with Social Development to have necessary impact (i.e. special programmes done by municipality but not aligned with Social Development and other stakeholders programme and projects).

## **6.9 Poverty Alleviation**

There is no coordinated, targeted approach towards poverty alleviation by the various stakeholders within the municipal area. Different departments are implementing their poverty alleviation programmes in isolation of one another. The impact therefore not what it could be if there was a coordinated, integrated and targeted approach towards poverty alleviation.

## **6.10 Marginalized Groups**

The municipality has special programmes to address the needs of marginalized groups, these, however focus predominately on “events” rather than sustainable developmental programmes. In addition there is no coordinated, integrated approach between the different stakeholders in their strategies and approaches and interventions regarding marginalized groups.

## 6.11 Improved Community Involvement

To ensure that community involvement is improved the following will be undertaken:

- IDP Road-shows, two to three per ward depending on size of ward are held, and will continue to be held annually;
- Monthly ward committee meetings with support from ward committee clerks;
- Use of local newspapers (Advertiser and East Griqualand Fever) for placing of public notices;
- The Council meetings are open for members of the public to attend.
- IDP related programmes are published in the quarterly GKM Newsletter
- Regular updating of the website and utilization of it as medium of communication, and to encourage participation.
- Public notices locating within strategic locations of the municipality.
- IDP Alignment Stakeholder Forum meetings
- Greater Kokstad Municipality publishes its Annual Report.

## 6.12 Social and Community Key Issues needing to be addressed: summarised

The following priority development issues were identified for this section.

### Health

- A need to fast-track development of the clinic in Shayamoya.
- A need to fast-track mobile clinics in rural areas where there are no nearby clinics or hospitals.
- A need to coordinate with Sisonke District Municipality to extend water supply schemes and sanitation to areas that do not have access to potable water and sanitation.
- The upgrading of access roads in order to make existing health facilities more easily accessible.

### Education

- Department of Education to consider re-aligning its operations to municipal delineations.
- Classrooms and related facilities within schools require attention to enable conducive learning.
- A need exists to ensure that the range of subjects offered at schools is in line with the general economic development strategies of the Municipality, e.g. should agriculture and tourism be viewed as growth sectors in the economy. The DOE should consider approaches to introducing related subjects at schools. Entrepreneurial development and access to information technology are seen as essential for ensuring the future integration of the economy of the Local Municipality & District into the global economy.
- Sports and Recreation facilities of areas should be linked to enable schools usage and benefit.

## **Safety and Security**

- Combined strategy necessary to address safety and security; education & partnership alignment, inter-governmental liaison – to lower crime rates.
- Police Presence in rural areas is required: even if not permanent stations.
- Higher visibility of municipal traffic police: as a deterrent to contraventions.

## **Community Services and Facilities**

- The Municipality needs to develop sport facilities that accommodate all sporting codes.
- The Municipality needs to consider developing multi-purpose centers instead of developing a single unit of a community hall.
- There is a need for project collaboration between the district and local municipality regarding the construction of sports fields.
- Department of Sport and Recreation has to align with local government on a number of issues

## **Disaster Management**

- Public awareness programmes: to empower communities with regards to reducing risks and how to respond and act for various disaster situations. Such programmes should ensure that communities heed early warnings, recognize risk situations, and take appropriate remedial or evasive action.

## **Welfare**

- Accessibility of pension payment points, both in terms of location and number to communities needs to be improved upon.
- Lack of alignment between various sectors including municipality with Social Development to have necessary impact. (i.e., special programmes done by municipality but not aligned).
- Social Welfare programmes need to be more rigorously implemented and profiled.

## **Poverty Alleviation**

- Coordination and alignment of programmes between various sectors to have any meaningful impact needs to be given attention.

## **Marginalized Groups**

- Focus more on development than just supporting events
- Alignment needed with the Department of Welfare & Population Development

## **HIV/Aids**

- Incidence of HIV/Aids has an impact on economic development
- Support needed for centre's in the municipality, i.e. World Vision, Home of Comfort

## 6.13 Milestones Attained

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

- In attempt to minimize the spread of HIV/Aids in Greater Kokstad Municipality, the municipality has successfully appointed a Special Programme Manager who is responsible, inter alia, but not limited to the following functions:
- Coordinate HIV/Aids programme in the area;
- Establish HIV/Aids Council that will coordinate HIV/Aids in the area
- Develop and implement HIV/Aids strategy;
- Ensure integration of HIV/Aids programme (District, Provincial and National programmes)
- Provide support to children who are orphans as a result of HIV/Aids
- Conduct education and awareness of school children on the HIV/Aids pandemic across Greater Kokstad Municipality
- The municipality set aside an amount of R400 000 in its 2011/2012 budget for the HIV/Aids support programme.
- The municipality has established HIV/Aids council that is work closely with the Special Programmes Manager in coordinating the HIV/Aids programme in the area.
- Participating in the KWANALOGA Games.
- Launch of District Youth Forum.
- Completed Bhongweni sports field.

## 7. Institutional Arrangements

---

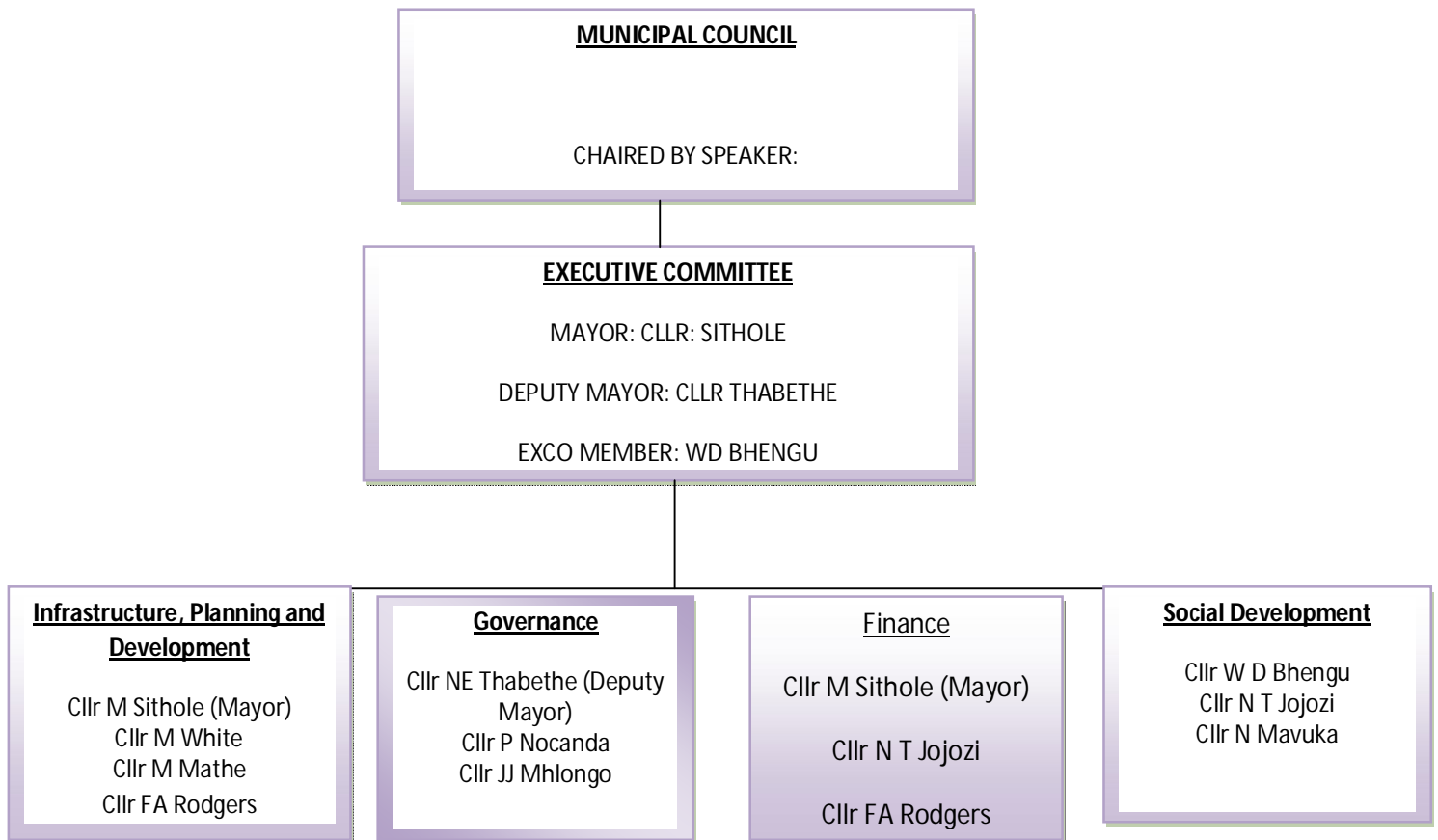
### 7.1 Political Context

Greater Kokstad Municipality has 11 Councillors of which 6 are directly elected ward councilors, and 5 are proportional representative councilors. Greater Kokstad Council meets on a quarterly basis while the EXCO meets once a month. Members of the public and media are also encouraged to attend some of the Council meetings.

In response to Section 79 of the Local Government: Municipal Systems Act, Act No.32 of 2000 the Municipality has established the following Committees:

- Infrastructure, Planning and Development
- Social Development
- Governance
- Financial services

## POLITICAL LEADERSHIP STRUCTURE OF GREATER KOKSTAD MUNICIPALITY



These committees are structured in accordance with the national guidelines: and all fulfill oversight functions. Each committee meets once per month. Their core function is to look at the specific issues that relates to each committee, research those issues and find all the necessary facts before these issues are discussed by Councillors that sit in each of the committee. These committees deliberate issues and then make recommendations to EXCO and full Council, for resolutions.

Public attendance at Council meetings is encouraged to enable citizens to observe and experience the work of senior decision making body in the municipality.

The Audit Committee, which includes performance audit functions, is functional, with terms of reference and meets quarterly. Reports from the Audit Committee are submitted to Exco quarterly.

An Oversight Committee exists to consider the Annual Report prior to finalization. This committee provides additional assurance of credibility to the Annual Report.

## **7.2 Traditional Structure**

There is one traditional area known as Makhoba Rural Area represented by Inkosi Makhoba. Interestingly in Greater Kokstad Municipality is that, there is a good working relationship between Chief Makhoba and political structures of the municipality.

## **7.3 Good Governance and Public Participation**

The municipality has a communication and public participation strategy which aims at ensuring that its decision making systems balance the need for efficiency and speed with transparency and meaning full participation of citizens and other stakeholders. The Municipality has a website ([www.kokstad.org.za](http://www.kokstad.org.za)) in ensuring customer care and making Batho Pele a reality.

The establishment of a municipal level public accounts committee was considered during 2009/2010 and is currently operational.

## **7.4 Ward Committee Systems**

The Ward Committees that were established in term of Municipal Structures Act, No.117 of 1998 are still functioning effectively in terms of holding meeting on a monthly basis, mobilizing community participation in IDP engagements. A challenge is to improve Ward Committee understanding of the IDP processes and municipal systems and policies.

## **7.5 Location of IDP**

In terms of the Municipal Systems Act the Mayor is politically responsible for the IDP whilst the Municipal Manager is administratively responsible for the driving the IDP process. In the case of Greater Kokstad Municipality the Municipal Manager has delegated some of the responsibilities to the Manager: Planning and Development Planning.

## **7.6 Inter-governmental Relations**

Inter-governmental relations with most sector departments is not so good, however there is room for improvement with the District Municipality and in the planning and budget alignment of programmes and projects. There is a framework for intergovernmental relations, however, that exists. In addition there are various for a within the municipal area which within specific areas are inter-governmental such as the Development and Planning Forum, LED Forum and the IDP alignment forum.

### **i) THE PREMIER'S COORDINATION FORUM (PCF)**

In accordance with the Intergovernmental Relations (IGR) Act (2005), the Mayor participates in the PCF. This forum is coordinated by the Provincial Office of the Premier.



**ii) THE MAYOR'S FORUM**

In the district there is a Mayors Forum

**iii) THE MUNICIPAL MANAGER'S FORUM**

In the district there is a Municipal Manager's forum.

**iv) THE SPEAKER'S FORUM**

Such a forum has not been established.

**v) DISTRICT PLANNING AND DEVELOPMENT FORUM**

The District Planning and Development Forum (DPDF) was established and is functional for the co-ordination of development processes within the district. The DPDF plays oversight on issues relation town planning matters, environmental management, strategic planning, spatial information management and organizational performance management system. Moreover, this Forum has been tasked with the responsibility of coordinating Urban Renewal Programme within the district.

Although the primary responsibility of this Forum is coordinate development, Local Municipalities exercise their constitutional mandate in administering and processing development applications, the DPDF plays a vital role in providing support and capacity throughout the district. This support enables speedy processing of development application of proposed development. The SDM has also committed itself to the District Planning Shared Services (DPSS). The DPSS is aimed at increasing and shearing planning capacity within the district. The model has been developed and commenced application in 2009/10 financial year. Both the DPF and DPSS are aimed at increasing the planning capacity within the district in order to meet the current development needs and the requirement of the new Development Planning Act (PDA) (Act 6 of 2008) which was effective as from 01 April 2010.

Although there seems to have been some improvements towards the readiness for the implementation of the PDA, there is still some technical and administrative work that still needs to be done. This involves the development of planning tariffs, proper administrative systems and the implementation of the approved DPSS model.

## 7.7 Powers and Functions

The municipal powers and functions assigned in the Local Government in terms of Municipal Demarcation Board and the ones that the municipality is currently carrying out are as follows:

<ul style="list-style-type: none"><li>▪ Building Regulations</li><li>▪ Child care facilities</li><li>▪ Fire fighting</li><li>▪ Storm water</li><li>▪ Trading regulations</li><li>▪ Billboard and Display advertisement</li><li>▪ Cemeteries, Funeral Parlour and Cremation</li><li>▪ Cleaning</li><li>▪ Control of Public Nuisance</li><li>▪ Control undertaking that sells liquor to public</li></ul>	<ul style="list-style-type: none"><li>▪ Accommodation, care and burial of animal</li><li>▪ Fencing and fence</li><li>▪ Licensing for dogs</li><li>▪ Licensing and control undertaking that sell food to the public</li><li>▪ Local amenities</li><li>▪ Local sport facilities</li><li>▪ Markets</li><li>▪ Municipal Abattoir</li><li>▪ Municipal roads</li><li>▪ Air and Noise pollution</li><li>▪ Pounds</li><li>▪ Public places</li></ul>
--	---

Although the Municipality is currently carrying out most of its assigned powers and functions it lacks this ability in certain areas e.g. Billboard and Display advertisement, Cremation, Accommodation and burial of animals. However, the Municipality has responded to situation in various ways. In the case of Billboard and Display advertisement and Accommodation and burial of animal, for example the Municipality has formed Public-Private Partnership where an external agency has been contracted to undertake these functions on a contract basis.

## 7.8 Administration

To assist the Greater Kokstad Municipality with implementing the objective of the local government as contained in the White Paper on Local Government, a strong, dynamic and charismatic leadership that provides direction for the success of organization is in place. The Greater Kokstad Municipality has been structured in a manner that helps in addressing challenges that it faced with.

## 7.9 New Greater Kokstad Municipal Offices: Furnished & Fitted

2009 saw the completion of the new Greater Kokstad Municipal Offices. 2010 saw the Policy of Office Furniture and Equipment implemented: with the new offices appropriately furnished and fitted.

## 7.10 Organizational Structure

The Greater Kokstad Municipality organizational structure provides for five departments to be managed by the Municipal Manager. During 2010 the structure was amended to meet the current circumstances, with the following key changes (smaller changes are not mentioned hereunder):

1. A Chief Operations Officer Post was created, within the office of the Municipal Manager. This post will provide much needed capacity in the Office of the Municipal Manager.
2. Local Economic Development and Poverty Alleviation Division was moved from the Office of the Municipal Manager to the Infrastructure Planning and Development Services Department.

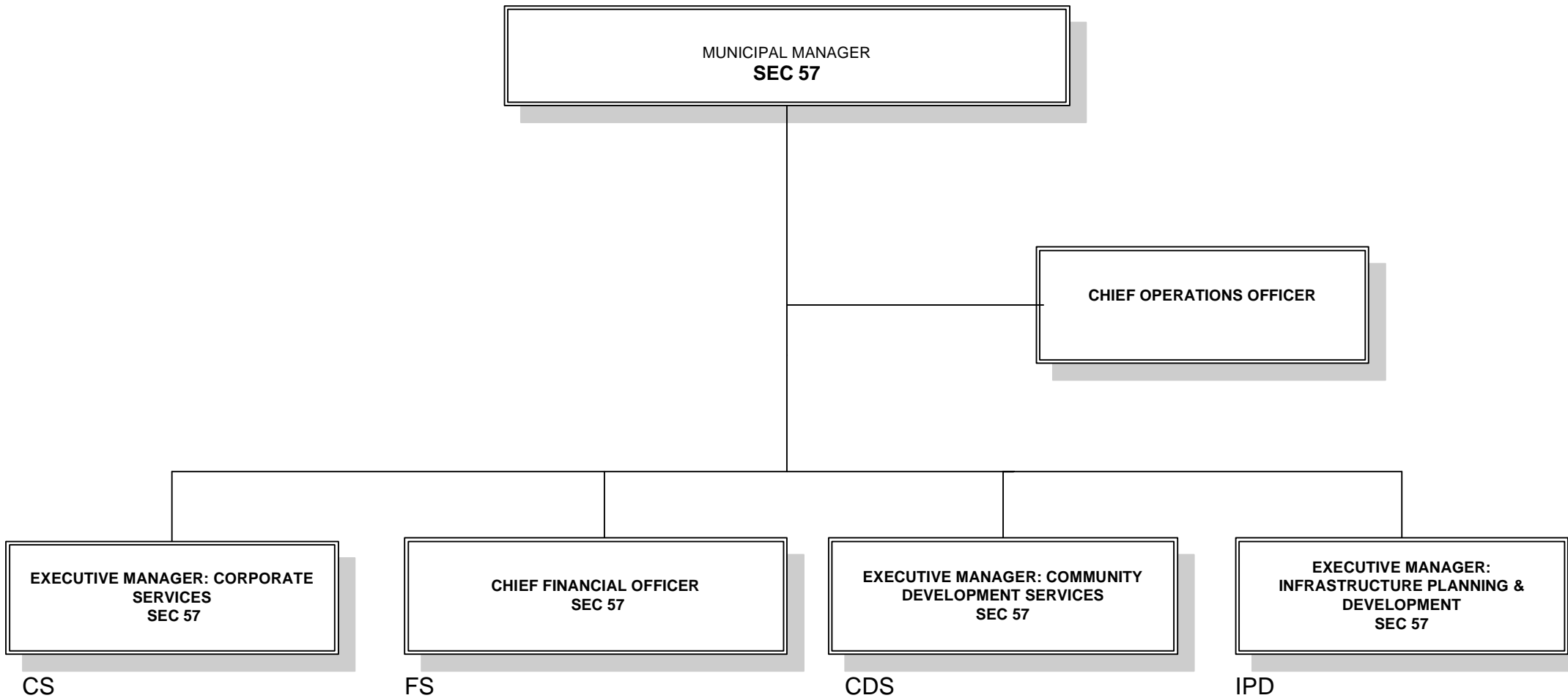
The five departments are:

- Office of the Municipal Manager
- Infrastructure, Planning and Development Services Department
- Community Development Services Development
- Finance Management Department
- Corporate Services Department

These departments are headed by the Departmental Head who are appointed in terms of Section 57 of the Local Government Municipal Systems Act. Within these departments there are business units established in line functions articulated in the IDP. Each Directorate is further divided into divisions headed by the Managers.

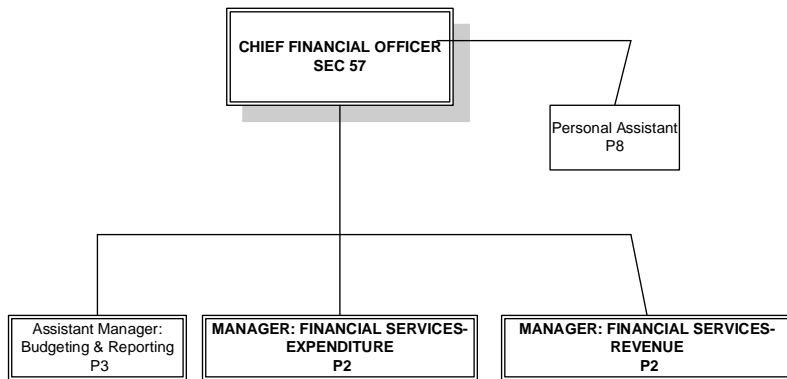
# GREATER KOKSTAD MUNICIPALITY

ORGANOGRAM ADOPTED ON 25 NOVEMBER 2010

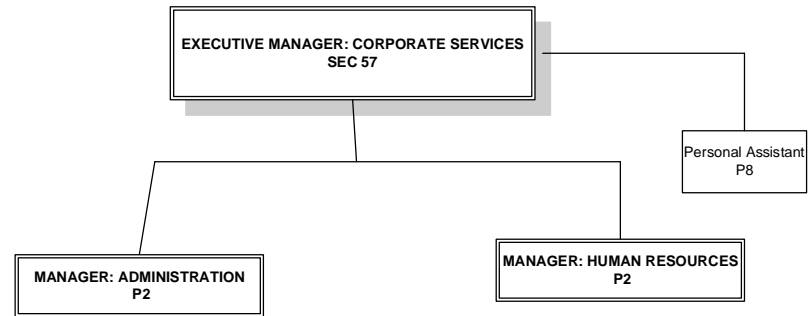


**TOTAL NO. OF POSTS ON ORGANOGRAM= 518**

## FINANCIAL SERVICES

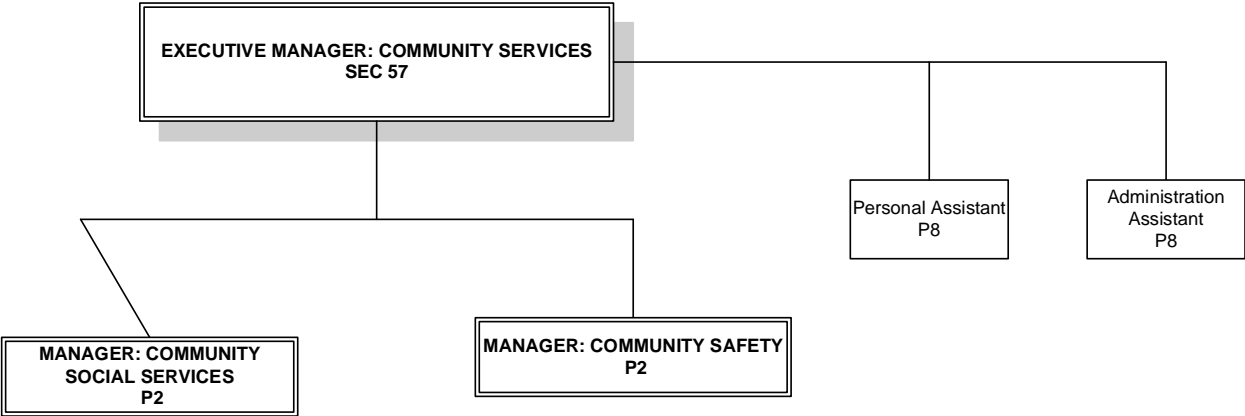


## CORPORATE SERVICES



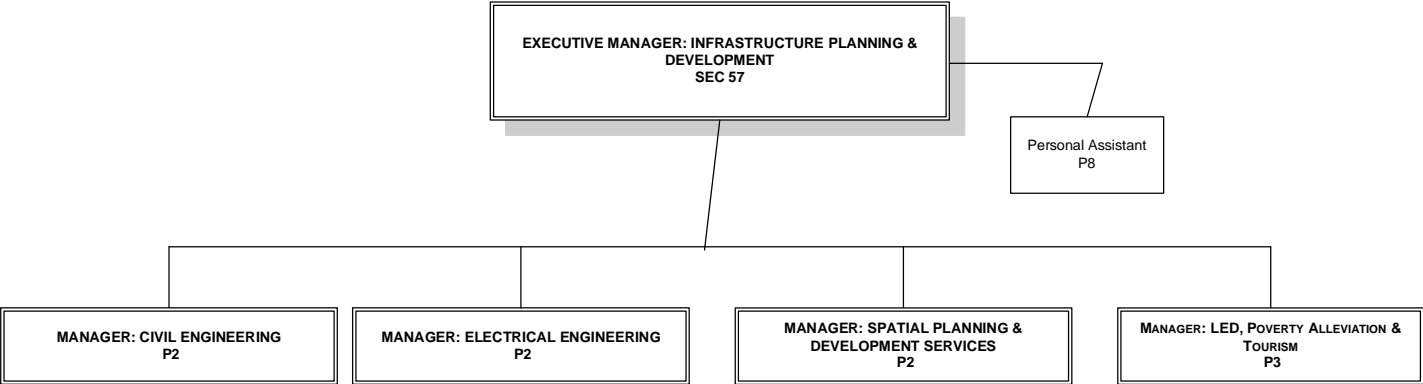
# COMMUNITY DEVELOPMENT SERVICES

CDS



IPD

# INFRASTRUCTURE PLANNING & DEVELOPMENT



### 7.11.1 Functional List

A table below provides a summary of the Business Unit, Business Functions and Strategic objectives for each and every business units within the Municipality:

**Table 25: Summary of the Business Unit, Business Functions and Strategic objectives for each business unit within the municipality:**

BUSINESS UNIT	BUSINESS FUNCTIONS	STRATEGIC OBJECTIVES
Office of the Municipal Manager	Strategic planning, development and inter-governmental relations	<p><b>PURPOSE: TO PROVIDE STRATEGIC PLANNING, DEVELOPMENT AND IGR SERVICES.</b></p> <ol style="list-style-type: none"> <li>1. The facilitation of the annual Integrated Development Planning strategic planning process.</li> <li>2. The development of appropriate strategies to address the municipal KPA's.</li> <li>3. The development and implementation of an organizational performance management system.</li> <li>4. Monitoring and evaluation of the implementation of municipal programmes, policies, and projects.</li> <li>5. The provision of IGR and public relations services.</li> </ol>
	Political office bearer support	<p><b>PURPOSE: TO PROVIDE EXECUTIVE AND POLITICAL OFFICE BEARER SUPPORT SERVICES.</b></p> <ol style="list-style-type: none"> <li>1. The Provision of support services to Political Office Bearers.</li> <li>2. The Provision and promotion of community participation services.</li> </ol>
	Youth	<p><b>PURPOSE: TO RENDER YOUTH, SPORTS AND RECREATION PROGRAMMES.</b></p> <ol style="list-style-type: none"> <li>1. The management and coordination of activities related to youth.</li> <li>2. The identification, support and coordination of sporting activities within the municipality.</li> </ol>
Office of the Municipal Manager	Special programmes	<p><b>PURPOSE: TO RENDER SPECIAL PROGRAMMES</b></p> <ol style="list-style-type: none"> <li>1. The management and coordination of activities related to the children, disabled, aged, HIV &amp; Aids, gender, women and other projects.</li> <li>2. The identification, support and coordination of activities related to the above, within the municipality.</li> </ol>

<b>BUSINESS UNIT</b>	<b>BUSINESS FUNCTIONS</b>	<b>STRATEGIC OBJECTIVES</b>
	<b>Internal Audit and Risk Management</b>	<p><b>PURPOSE: TO PROVIDE INTERNAL AUDIT AND RISK MANAGEMENT SERVICES</b></p> <ol style="list-style-type: none"> <li>1. The rendering of regulatory and it audits.</li> <li>2. The performing of special audits/investigations.</li> <li>3. The rendering of comprehensive or compliance financial, operations, performance and fraud-risk review audits.</li> <li>4. The reporting of audit results.</li> </ol>
<b>Financial Services Department</b>	<b>Compliance, Budgeting &amp; reporting</b>	<p><b>PURPOSE: TO MANAGE THE MUNICIPAL BUDGETING AND RPEORTING PROCESS.</b></p> <ol style="list-style-type: none"> <li>1. The undertaking of management accounting and financial compliance services.</li> <li>2. The management of the budgeting process.</li> <li>3. The management of municipal assets and liabilities.</li> <li>4. The provision of financial reporting services.</li> </ol>
	<b>Expenditure management</b>	<p><b>PURPOSE: TO MANAGE AND CONTROL MUNICIPAL EXPENDITURE</b></p> <ol style="list-style-type: none"> <li>1. The development, implementation and management of procedures, systems and controls related to salaries and expenditure.</li> <li>2. The development, implementation and management of procedures, systems and controls related to the procurement of goods and services.</li> </ol>
	<b>Revenue management</b>	<p><b>PURPOSE: TO COLLECT, MANAGE AND CONTROL MUNICIPAL REVENUE</b></p> <ol style="list-style-type: none"> <li>1. The collection of municipal revenue.</li> <li>2. The development and implementation of procedures, systems and controls related to credit control and debt collection.</li> </ol>
<b>Community Development Services</b>	<b>Community social services</b>	<p><b>PURPOSE: TO RENDER COMMUNITY SOCIAL SERVICES</b></p> <ol style="list-style-type: none"> <li>1. The management, maintenance and control of facilities and amenities.</li> <li>2. The management, maintenance and control of solid waste, landfill sites and parks and cemeteries.</li> </ol>



<b>BUSINESS UNIT</b>	<b>BUSINESS FUNCTIONS</b>	<b>STRATEGIC OBJECTIVES</b>
<b>Department</b>	<b>Community safety</b>	<p><b>PURPOSE: TO RENDER COMMUNITY SAFETY SERVICES</b></p> <ol style="list-style-type: none"> <li>1. The provision of traffic control and licencing services.</li> <li>2. The provision of fire fighting, fire prevention and disaster management services.</li> </ol>
<b>Corporate Services Department</b>	<b>Administration services</b>	<p><b>PURPOSE: TO PROVIDE ADMINISTRATIVE SUPPORT AND INFORMATION TECHNOLOGY SERVICES</b></p> <ol style="list-style-type: none"> <li>1. The provision of secretariat services.</li> <li>2. The provision of general administrative services.</li> <li>3. The provision of Information Technology and reception services</li> </ol>
	<b>Human resource management</b>	<p><b>PURPOSE: TO PROVIDE HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT SERVICES</b></p> <ol style="list-style-type: none"> <li>1. The provision of HRM and development services.</li> <li>2. The provision of general HR administrative support services.</li> </ol>
<b>Infrastructure, Planning and Development Services Department</b>	<b>Civil engineering</b>	<p><b>PURPOSE: TO DEVELOP, OPERATE AND MAINTAIN CIVIL INFRASTRUCTURE:</b></p> <ol style="list-style-type: none"> <li>1. The management of municipal infrastructure grant-funded projects.</li> <li>2. The maintenance of municipal infrastructure, plant and equipment.</li> </ol>
	<b>Electrical engineering</b>	<p><b>PURPOSE: TO CONSTRUCT, OPERATE AND MAINTAIN ELECTRICAL INFRASTRUCTURE NETWORKS:</b></p> <ol style="list-style-type: none"> <li>1. The planned and predictive maintenance and repair of medium/low voltage electrical infrastructure networks.</li> <li>2. The management of electrical infrastructure installation projects.</li> </ol>
	<b>Spatial planning &amp; development services</b>	<p><b>PURPOSE: TO PROVIDE SPATIAL PLANNING AND DEVELOPMENT SERVICES.</b></p> <ol style="list-style-type: none"> <li>1. The rendering of spatial planning and LUMS services.</li> <li>2. The facilitation and management of municipal housing allocation.</li> <li>3. The provision of building control services.</li> <li>4. The provision of GIS administration services.</li> </ol>

BUSINESS UNIT	BUSINESS FUNCTIONS	STRATEGIC OBJECTIVES
	LED, poverty alleviation & tourism	<p><b>PURPOSE: TO PROMOTE LOCAL ECONOMIC DEVELOPMENT AND POVERTY ALLEVIATION INITIATIVES.</b></p> <ol style="list-style-type: none"> <li>1. The implementation, monitoring and evaluation of municipal LED strategy and projects.</li> <li>2. The implementation of municipal poverty alleviation strategy and projects.</li> <li>3. The promotion and support of SMME's.</li> <li>4. The provision of tourism development services.</li> <li>5. The provision of informal traders administration services.</li> </ol>

### 7.11.2 Staffing

The following table indicates the current staff compliment and vacancies as per each department/vote for permanent and contract staff:

**Table: 25: Staff Complement**

DEPARTMENT	DIVISION/SECTION	BUDGETED STAFF 10/11	CURRENT STAFF 10/11	VACANCIES
	<b>PERMANENT</b>			
Office of the Municipal Manager	PA to Municipal Manager	1	0	1
	Planning and Development	1	1	0
Corporate Services	Administration	25	22	3
	Human Resources	14	7	3
Finance Services	Financial Services	137	34	16
Infrastructure	Electrical and Civil	136	103	133
Social Development	Social Development	138	105	33
<b>TOTAL PERMANENT</b>		<b>452</b>	<b>272</b>	<b>189</b>
<b>CONTRACT (SECTION 57)</b>				
Office of the Municipal Manager	Municipal Manager	1	1	0
Corporate Services	Executive Manager : Corporate Services	1	1	0
Infrastructure	Executive Manager: Infrastructure	1	1	0
Finance Services	Executive Manage: Finance Services	1	1	0
Social Development	Executive Manager: Social Development	1	1	0
<b>OTHER CONTRACT</b>				
Office of the Municipal Manager	IGR and Communication	1	1	0
	Public Participation	1	1	0
	Strategic Planning and IGR	2	1	2
	Special Programme	2	2	0
	Local Economic Development	1	1	0
	Executive Support	1	1	0
	Political Office Bearer	1	0	1
	Internal Auditor	0	0	1
Corporate Services	Administration	2	3	0

DEPARTMENT	DIVISION/SECTION	BUDGETED STAFF 10/11	CURRENT STAFF 10/11	VACANCIES
	Human Resources	2	2	0
Infrastructure, Planning and Development	Electricity	2	2	0
	Civil	2	2	0
	Building Inspectorate	1	1	0
Finance Services	Finance Services	5	5	0
Social Development	Community Safety	2	2	0
	Community Services	1	1	0
<b>TOTAL CONTRACT</b>		<b>31</b>	<b>29</b>	<b>2</b>
<b>TOTAL</b>		<b>483</b>	<b>301</b>	<b>191</b>

## 7.12 Human Resources Policies

### 7.12.1 Code of Conduct

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

### 7.12.2 Human Resources Strategy

As an over-arching framework aligned to its strategic plan and organizational structure the municipality has a Human Resources Strategy.

### 7.12.3 Workplace Skills Plan: Five year and Annual

As part of human resources development plan the Municipality has developed its five year and annual Work Skills Plan aligned to the strategic plans/IDP of the Municipality and addresses scarce skills training/capacity enhancement and responds to capacity challenges faced by the Municipality. Amongst, other things, the Skills Development Plan of the Municipality is focusing, inter alia, on the following:

- ✓ Employment Profile
- ✓ Employee qualification profile
- ✓ Annual training and skills priorities
- ✓ Beneficiaries to be trained
- ✓ Learner ship, Skills programme and apprenticeship
- ✓ Quality assurance – Service providers to be used for planned training and development activities

#### **7.12.4 Employment Equity Plan**

The Employment Equity Plan is in place, and a forum has been established to review the plan annually, to monitor its implementation and consider employment equity matters. A current challenge facing the municipality is the non-representation of certain race groups within the staff, and its inability to attract these race groups during recruitment processes.

#### **7.12.5 Human Resources Policies adopted**

During 2009/2010 and 2010/2011 human resource policies were given focused attention; an audit of policies was done and gaps identified were addressed. In addition the Discipline and Grievance Policies were work shopped with each department within the Municipality as part of awareness of the policies and their procedures. 2011/2012, is therefore the year of implementation of the policies.

During the year the following two policies were development, over and above the current policy register:

- ✓ Internship Programme Policy
- ✓ Sexual Harassment Policy

#### **7.12.6 Municipal By-laws**

During 2009/2010 and 2010/2011 by-laws were promulgated. In addition the Rules and Orders were gazetted.

#### **7.12.7 Performance Management System**

The Organisational Performance Management System is operational, with support provided by the Department of Cooperative Governance and Traditional Affairs. The OPMS is compliant and adds value to service delivery through enabling monitoring, evaluation and reporting; and timeous interventions if necessary.

### **7.13 District Planning Shared Services (DPSS)**

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

- Spatial Planning
- Strategic Planning
- Development Administration
- Performance Management System
- Information Management and Systems Development

#### **7.14 Local Government Turn-around-Strategy**

The Municipality has adopted a principal position, in line with the National call that the municipalities must develop a turnaround strategy to ensure effective service delivery. Hereunder are the adopted 15 priorities:

1. Access to electricity, management and maintenance;
2. Refuse removal and solid waste disposal;
3. Access to water and sanitation, management and maintenance;
4. Ensure formalization of informal settlement;
5. Set-up a Complaint management system;
6. Set-up with front desk interface;
7. Ensure functional of ward committees;
8. Appointment of Additional CDWs;
9. Training of Councillors;
10. Strengthening Communication between Councillors and Communities;
11. Prepare, adopt and implement Human Resources Policies;
12. Ensure functional Local Labour Forum;
13. Review Employment Equity Plan;
14. Adopt and Implement Revenue Enhancement Strategy;
15. Debtor Management

Over and above, the municipality has also adopted the following as additional priorities:

16. Cash flow management;
17. Operation and maintenance;
18. Acceleration of capital expenditure;
19. Continue ensuring clean audit;
20. Submission of annual financial statement;
21. Ensure asset management;
22. Ensure credibility and transparent Supply Chain Management;
23. Capacity Building Programme;
24. Review Local Economic Development Strategy;
25. Ensure alignment of LED and PGDS
26. LED Manager be appointed

The greater details on Local Government Turn-Around Strategy are discussed per National Key Performance Areas in Section C of this IDP.

## **7.15 Financial Stability & Financial Related Matters**

Below is a snap-shot summary of the financial status of the Municipality:

- Total capital budget for 2011/2012: R100,355,300
- Total operational budget for 2011/2012: R237,530,369
- Total amount of grants received for 2011/2012: R44,986,000

In terms of Revenue Enhancement: the municipality developed a Revenue Enhancement Strategy which it is implementing.

In summary the finances of Greater Kokstad Municipality are relatively healthy by comparison with many other Municipalities in the sense that grant dependency rate is low. Grants and subsidies only constitute 14,24% of operating revenue. However, key financial trends prevailing the Municipality, driven in particular by personnel costs and rising areas, are placing an undue pressure on the Municipality's finances. Important services are being squeezed out by expenditure increases elsewhere.

### **7.15.1 GRAP**

Greater Kokstad Municipality is GRAP compliant.

### **7.15.2 Indigent Support**

The number of people that are registered as indigent and the total budget that is allocated towards the indigents R3 000 000 has been provided in the 2011/2012 budget. The indigent register has 3 000 indigent households registered in the current financial year.

### **7.15.3 Implementation of MPRA**

The municipality compiled a new General Valuation Roll in line with MPRA requirements. This new GVR was subsequently implemented from 01 July 2008. A second supplementary valuation roll was issued towards the end of the third quarter of 2009/2010 Financial year. The Appeals Board to deal with the objections has been established: and has dealt with one appeal.

#### **7.15.4 Supply Chain Management**

Greater Kokstad Municipality Tenders comply with the MFMA regulations. Supply Chain Management Policy is in place and is being implemented in line with National Treasury Regulations on Supply Chain Management. The Bid Committees are operating efficiently and effectively.

#### **7.15.5 Annual Report for 2009/10 Financial Year**

The Annual Report for 2009/10 Financial Year was developed and submitted to the Department of Cooperative Governance and Traditional Affairs as per the legislative requirements. It covers the Annual Financial Statements and Annual Performance Report. The 2010 Financial Statements were prepared in accordance with the IMFO standards. Greater Kokstad Municipal received a Unqualified Opinion from the Auditor General, once again, for 2009/2010.



### 7.15.6 Auditor-General Report

The Municipality received an unqualified audit opinion from the Auditor General for 2009/2010 financial year (for 3 consecutive years). There were however, a few matters of emphasis which have been incorporated into a detailed implementation plan to address them.

The following table indicates the assessment of the AG, and provides for corrective steps planned to be undertaken by the GKM:

**Table 26 – AG Assessment**

	<b>MATTER RAISED</b>	<b>ACTION TO BE TAKEN</b>	<b>RESP OFFICIAL</b>	<b>COMPLETION DATE</b>
<b>Emphasis of matters</b>	<p><b><u>Restatement of corresponding figures</u></b> As disclosed in note 35 to the financial statements, the corresponding figures for 30 June 2009 have been restated as a result of a change in accounting policies due to application of Standards of GRAP in the financial statements of the municipality at, and for the year ended, 30 June 2009.</p>	<p>These adjustments were made to amounts previously reported in the annual financial statements of the municipality arising from the implementation of new accounting policies and changes to existing policies. There will be no future changes due to GRAP conversion being implemented for the first time at 30 June 2010.</p>	CFO	30 JUNE 2011
	<p><b><u>Fruitless and wasteful and irregular expenditure</u></b> As disclosed on note 41.1 to the financial statements, the municipality incurred fruitless and wasteful expenditure due to late submission of tax returns amounting to R33, 084 that was condoned by the council during the year. Furthermore, fruitless and wasteful expenditure of R16 997 was incurred for salary overpayments not recovered. As disclosed in note 41.2 to the financial statements, irregular expenditure to the amount of R478 136 was incurred, as a proper supply chain management process had not been followed and awards were made to entities owned by persons in the</p>	<p>The municipality is now adhering to statutory deadlines where the tax returns are submitted on time to avoid penalties for late submission. Furthermore, necessary procedures will be followed to recover the monies paid in excess for leave pay as well as that of a lost laptop by a former municipal official, debt collection will be instituted. Acquisition of goods and services is done in line with the Supply Chain Management Policy so as to avoid incurring any irregular expenditure. Also, the SCM Policy has been reviewed in line with the Municipal Supply Chain Regulations.</p>	CFO	30 June 2011

	MATTER RAISED	ACTION TO BE TAKEN	RESP OFFICIAL	COMPLETION DATE
	service of the state.			
	<p><b><u>Material losses</u></b></p> <p>As disclosed in note 48 to the financial statements, material loss of electricity to the amount of R5,370 million was incurred by the municipality during the year.</p>	<p>The municipality is in a process of trying to cut down the system losses, bulk metering will be installed in all the Streetlight feeders, Robots, Mini subs and Major substations so as to get the total electricity drawn by each of these circuits. A service provider has been appointed for the meter auditing so as to detect any tempering. The municipality is also in a process of changing all credit meters to pre payment metering which will also assist the municipality in selling cash electricity instead of credit to overcome the challenges of debt collection.</p>	EXIPD	30 June 20
<b>Additional matters</b>	<p><b>Unaudited supplementary schedules</b> information in the financial statements on whether resources were obtained and used in accordance with the legally adopted budget, in accordance with GRAP 1, <i>Presentation of Financial Statements</i>. The supplementary budget information does not form part of the financial statements and is presented as additional information. Accordingly, I do not express an opinion thereon.</p> <p>The other supplementary information does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.</p>	<p>Supplementary budget schedules and other additional supplementary information were included as Annexures / Appendices to the AFS. AG did not express an opinion on these.</p>	AG	30 November 2010

	<b>MATTER RAISED</b>	<b>ACTION TO BE TAKEN</b>	<b>RESP OFFICIAL</b>	<b>COMPLETION DATE</b>
	<p><b><u>REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS</u></b></p> <p>As required by the PAA and in terms of <i>General Notice 1570 of 2009</i> issued in <i>Government Gazette 32758 of 27 November 2009</i>, I include below my findings on the report on predetermined objectives, compliance with the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA), the Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000) (MSA), the Municipal Supply Chain Management Regulations of South Africa, 2005 (GNR.868 of 30 May 2005)(SCM Regulations) and financial management (internal control):</p>			
<p><b>Predetermined objectives:</b></p> <p><b>Non-compliance with regulatory and reporting requirements</b></p>	<p><b><u>Lack of implementation of a performance management system</u></b></p> <p>The municipality did not have documented and approved internal policies and procedures to address the process of collection, recording, processing, monitoring and reporting of performance information, as required in terms of sections 36, 38 and 41(2) of the MSA, and regulations 7 and 8 of the Municipal Planning and Performance Management Regulations, 2001.</p>	<p>Management has noted comments from the Auditor General regarding overall monitoring and evaluation of performance. Procedures will be developed for the next financial year.</p>	<p>MM &amp; MPD</p>	<p>30 June 2011</p>
	<p><b><u>Internal auditing of performance measurements (predetermined objectives)</u></b></p> <p>The internal auditors of the municipality did not audit the performance measurements on a continuous basis and/or did not submit quarterly reports on their audits to the municipal manager and the performance audit committee as required by section 45 of the MSA and regulation 14(1)(c) of the Municipal Planning and</p>	<p>Management agrees with the audit findings however an extensive internal audit on performance management was conducted with the assistance of the Provincial Treasury and its findings were presented to the Audit Committee and Council. Management has implemented all the recommendations of the findings during the finalisation of the performance contracts for the</p>	<p>MM &amp; MPD</p>	<p>30 June 2011</p>

	MATTER RAISED	ACTION TO BE TAKEN	RESP OFFICIAL	COMPLETION DATE
	Performance Management Regulations, 2001.	2010/11 financial year		
	<p><b><u>Usefulness of reported performance information</u></b>  <i>The following criteria were used to assess the usefulness of the planned and reported performance:</i></p> <ul style="list-style-type: none"> <li>• <i>Consistency: Has the municipality reported on its performance with regard to its objectives, indicators and targets in its approved integrated development plan, i.e. are the objectives, indicators and targets consistent between planning and reporting documents?</i></li> <li>• <i>Relevance: Is there a clear and logical link between the objectives, outcomes, outputs, indicators and performance targets?</i></li> <li>• <i>Measurability: Are objectives made measurable by means of indicators and targets? Are indicators well defined and verifiable, and are targets specific, measurable and time bound?</i></li> </ul>			
	<p><b><u>Inadequate content of integrated development plan</u></b>  The integrated development plan of the municipality did not include the performance targets determined in terms of its performance management system, as required by sections 26(i) and 41(1)(b) of the MSA and regulation 12 of the Municipal Planning and Performance Management Regulations, 2001.</p>	It is the management view that whilst the IDP is a five year strategic planning document, it is the SDBIP is annual extract of the IDP and should therefore be read with the IDP. The inclusion of the outputs and outcomes in the SDBIP therefore means that the municipality has complied. However, we have noted the comments from the Auditor General and after the completion of the Audit; Management will sit with the office of the AG to look at this matter.	MM & MPD	30 June 2011

	MATTER RAISED	ACTION TO BE TAKEN	RESP OFFICIAL	COMPLETION DATE
	<p><b><u>Reliability of reported performance information</u></b>  The following criteria were used to assess the usefulness of the planned and reported performance:</p> <ul style="list-style-type: none"> <li>• Validity: Has the actual reported performance occurred and does it pertain to the entity, i.e. can the reported performance information be traced back to the source data or documentation?</li> <li>• Accuracy: Have the amounts, numbers and other data relating to reported actual performance been recorded and reported appropriately?</li> <li>• Completeness: Have all actual results and events that should have been recorded been included in the reported performance information?</li> </ul> <p>The following audit findings relate to the above criteria:</p> <p><b><i>Reasons for major variances between planned and actual reported targets were not explained</i></b></p> <p>Adequate explanations for major variances between the planned and the actual reported targets for the selected programmes were not reported, as required in terms of the relevant reporting guidance. In total 100% of the reported targets with major variances had no explanation for such variances.</p> <p><b>Planned and reported indicators and measures not well defined</b></p> <p>For the selected programmes, 100% of the planned and reported indicators and measures were not well defined in writing to allow for data to be collected consistently.</p>	<p>The corrective measures for all performance achievements below 75% have been document with corrective measures and included in the annual report for the year ended 30 June 2010.</p>	<p>MM &amp; MPD</p>	<p>31 January 2011</p>

	<b>MATTER RAISED</b>	<b>ACTION TO BE TAKEN</b>	<b>RESP OFFICIAL</b>	<b>COMPLETION DATE</b>
<b>Compliance with laws and regulations:</b>  <b>Local Government Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003)(MFMA)</b>	<b>Expenditure was incurred not in accordance with applicable legislation resulting in fruitless and wasteful expenditure</b>  Contrary to the requirements set out in section 62(1)(d) of the MFMA, fruitless and wasteful expenditure was incurred, as it was made in vain, and could have been avoided based on the fact that reasonable care had been exercised, as defined in section 1 of the MFMA.	Acquisition of goods and services is done in line with the Supply Chain Management Policy so as to avoid incurring any irregular expenditure. Also, the SCM Policy has been reviewed in line with the Municipal Supply Chain Regulations	CFO	30 June 2011
	<b>Payments were not made within the parameters set by the applicable legislation</b>  Contrary to the requirements of section 65(2)(e) of the MFMA, the accounting officer did not ensure that the invoices or statements were paid within 30 days of receipt of such invoices and statements.	Invoices are paid within 30 days from the receipt of such. Also, a register as a control measure has been put in place to record and keep track of invoices that have matters to be clarified or queried.	CFO	30 June 2011
	<b>The financial statements were not prepared in accordance with applicable legislation</b>  Contrary to the requirements of section 122(1) of the MFMA, the financial statements submitted for audit were subject to material adjustments due to errors noted during the audit.	The majority of the major and material adjustments were mainly matters relating to GRAP conversion since the municipality implemented GARP for the first time in 2010, there will be no such in the future.	CFO	30 June 2011
<b>Compliance with laws and regulations:</b>  <b>Municipal Supply Chain Management</b>	<b>Supply Chain Management legislative requirements were not adhered to (resulting in irregular expenditure)</b>  Irregular expenditure was incurred due to supply chain management (SCM) processes not being followed, in contravention of regulation 12 and 16 of the SCM	Acquisition of goods and services is done in line with the Supply Chain Management Policy so as to avoid incurring any irregular expenditure. Also, the SCM Policy has been reviewed in line with the Municipal Supply Chain Regulations.  Treasury will be engaged to assist with verifying	CFO	30 June 2011

	MATTER RAISED	ACTION TO BE TAKEN	RESP OFFICIAL	COMPLETION DATE
<b>Regulations of South Africa, 2005 (GNR.868 of 30 May 2005)(SCM Regulations)</b>	Regulations.Contrary to the requirements of regulation 44 of the SCM Regulations, the municipality made awards to entities whose owners were in the service of the state.	supplier members in the municipal database to determine if they are in the service of the state.		
<b>Internal Control</b>	<p>I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives, as well as compliance with the MFMA and the MSA, but not for the purpose of expressing an opinion on the effectiveness of internal control.</p> <p>The matters below are limited to the significant deficiencies regarding the findings on the report on predetermined objectives and the findings on compliance with laws and regulations:</p> <ul style="list-style-type: none"> <li>• <b>Leadership</b> <p>The accounting officer did not exercise oversight responsibility over reporting and compliance with laws and regulations and internal control of ensuring that the financial statements were free from material errors and omissions as required by the MFMA. Actions were not taken to address risks relating to the achievement of complete and accurate financial reporting, with the result that material misstatements were identified in the financial statements.</p> </li> <li>• <b>Financial management</b> <p>The financial systems in place were not effective to facilitate the preparation of and reporting on</p> </li> </ul>	<p>Management has noted the findings; necessary adjustments have been made in the Annual Financial Statements. Weaknesses identified by the auditors were due to GRAP conversion from IMFO.</p> <p>Management agrees with the audit findings however an extensive internal audit on performance management was conducted with the assistance of the Provincial Treasury and its findings were presented to the Audit Committee and Council. Management has implemented all the recommendations of the findings during the finalisation of the performance contracts for the 2010/11 financial year</p>	MM	30 June 2011

	<b>MATTER RAISED</b>	<b>ACTION TO BE TAKEN</b>	<b>RESP OFFICIAL</b>	<b>COMPLETION DATE</b>
	<p>financial statements in compliance with the MFMA and Standards of GRAP as the financial response statements were subject to material adjustments as a result of the audit.</p> <ul style="list-style-type: none"> <li>• <b>Governance</b></li> </ul> <p>The municipality did not identify risks relating to the achievement of financial and performance reporting objectives to ensure compliance with laws and regulations.</p>			
<b>Other Reports</b>	<p><b>Investigation</b></p> <p>An investigation on fleet card utilisation was conducted during the year. No action was taken against the transgressors based on the legal advice that the municipality obtained after receiving the investigation report.</p>	Disciplinary processes against the transgressors are in progress in respect of fuel card utilisation are in progress.	EMCS & MHR	30 June 2011

This plan will ensure that all these matters of emphasis are dealt with before the end of 2011 financial year that is as at 30 June 2011. This will be done to ensure that they do not appear in the Audit Report for 30 June 2011.



### 7.15.7 2010/2011 Adjustment Budget

The table below shows that the Adjusted Operating and Capital Budgets for 2010/2011 which have been tabled and adopted by Council in terms of section 16 (2) of the Municipal Finance Management Act 56 of 2003 and Section 26 of the Budget and Reporting Regulations on in February 2011, as set out below:

DEPARTMENTS	INCOME			EXPENDITURE		
	ORIGINAL BUDGET	ADJUSTMENT BUDGET	INCREASE/ DECREASE	ORIGINAL BUDGET	ADJUSTMENT BUDGET	INCREASE/ DECREASE
	2010/2011	2010/2011	%	2010/2011	2010/2011	%
Councillor Administration	-	-	0	3,817,725	4,031,668	10
Municipal Manager	-	578,000	100	13,444,505	17,005,425	26
Corporate Services	300,000	1,080,000	72	17,271,045	17,255,664	0.08
Budget and Treasury	134,370,992	134,307,717	(0.04)	55,619,383	52,364,317	(5.8)
Social Development	-	-	-	2,359,653	2,641,877	11.9
Library	96,480	18,700	(80)	1,829,471	1,865,921	1.8
Cemetery	216,000	150,000	(31)	2,283,252	1,910,030	(16.0)
Public Amenities	243,000	206,502	(15)	900,358	796,036	(11.5)
Protection Services	9,660,467	7,660,467	(20,7)	8,696,494	11,022,808	26.8
Fire	820,112	820,112	-	3,996,508	3,999,371	0.07
Parks & Recreation	108,000	214,556	99	4,168,275	4,216,157	(1.1)
Engineering Department	40,184,404	16,735,493	(58)	44,973,052	21,046,625	(53)

DEPARTMENTS	INCOME			EXPENDITURE		
	ORIGINAL BUDGET	ADJUSTMENT BUDGET	INCREASE/ DECREASE	ORIGINAL BUDGET	ADJUSTMENT BUDGET	INCREASE/ DECREASE
	2010/2011	2010/2011	%	2010/2011	2010/2011	%
Estates	523,002	598,051	14	2,585,356	2,766,466	(7)
Roads & Streets Works	20,695,000	18,309,118	(11.5)	51,704,439	46,471,987	(10.1)
Workshop	-	-	-	1,446,458	1,378,352	4.7
Cleansing	14,057,274	12,000,000	(14,6)	11,561,542	11,341,791	1.9
Electricity	77,145,638	73,013,762	(5,3)	71,762,853	67,972,710	(5.2)
<b>TOTAL</b>	<b>298,420,369</b>	<b>268,094,727</b>	<b>(10.1)</b>	<b>298,420,369</b>	<b>268,087,205</b>	<b>(10.1)</b>

#### ADJUSTED CAPITAL BUDGET

	<i>Original</i>	<i>Adjusted</i>
Electrical	9 748 000	9 748 000
Roads and Streets	43 419 700	38 479 545
Housing	39 700 000	15 400 000
Cemetery	900 000	680 000
Rates and General	<u>6 587 600</u>	<u>6 994 404</u>
<b>TOTAL</b>	<b><u>100 355 300</u></b>	<b><u>71 301 949</u></b>

## **7.16 Policies Reviewed and/or Under Review**

Policies under reviewed are as follows:

- Debt Collection and Credit Control
- Rates
- Indigent
- Supply Chain Management
- Asset

## **7.17 Institutional Arrangement Key Issues needing to be addressed: summarized**

The following priority development issues were identified for this section:

### **7.17.1 Human Resources**

- Lack of Employee Assistance Programme towards municipal staff;
- High municipal staff turnover;
- Lack of HIV/Aids programme for municipal staff;
- Non-representivity of certain race groups within the staff, and its inability to attract these race groups during recruitment processes;
- Lack of staff retention strategy;
- Non implementation of IPMS;
- Lack of proper staff need analysis;

### **7.17.2 Financial Services**

- Only communities within urban areas are benefiting from indigent programme.
- Alternative approaches to obtaining development funds (apart from service charges income and conditional grants) need to be investigated.
- Future expenditure budgeting needs to be guided by a clear vision of the funding responsibility of the Greater Kokstad Municipality in relation to its allocated functions.
- Introducing new budget processes and procedures and complying with the supply chain management policy.
- The government policy of free water and electricity will severely impact on the potential income the municipalities can generate from these services.
- Although interim tariff policies are in place, these need to be refined to be made fair and equitable to all consumers. Funding for this project phase will come from a Transformation Grant and other grants to be received from the COGTA.

- The outstanding debt on rates and services owed to the municipality is still very high. In many cases the penalty interest is almost as high as the capital balance outstanding. Although every effort is being made to engage and encourage communities to pay their arrears, the area is faced with high unemployment.
- The municipality is currently do not have bridging capital or counter funding, which poses huge limitations on their ability to initiate projects, especially for new housing projects.
- Municipality is not able to access MTEFS and is not able to plan or budget ahead.

## **8. Situational Analysis Concluding SWOT Analysis**

---

This section aims at providing a synopsis of the development issues arising from the situational analysis of Greater Kokstad Municipality in the form of a SWOT (Strengths, Weaknesses, Opportunities and Threats). For ease reference, the issues raised have been grouped under the 5 KPA's of the Five Year Local Government Strategic Agenda namely:

- Basic Services Delivery and Infrastructure
- Local Economic Development
- Financial Viability and Financial Management
- Municipal Transformation and Institutional Development
- Good Governance and Community Participation

For this IDP purposed the following strategic has been also considered during the SWOT analysis

- Spatial and Environmental Planning

### **8.1 Strengths**

#### **Basic Services Delivery and Infrastructure**

- N2 Development Corridor that links the area to the major economic nodes such as Port Shepstone and Durban and in the KwaZulu-Natal Province and Umtata in the Eastern Cape Province
- An efficient road in the urban areas.
- Magistrate Court
- Community facilities
- Emergency services
- Railway line
- Prison (C-Max)
- Waterborne sewage disposal serves the main areas of high population density

### **Local Economic Development**

- It is relatively close to major hubs (Pietermaritzburg and Port Shepstone) in the province
- Quality of agricultural attributes of soil types, climatic diversity and rainfall
- High concentration of prime agricultural land in the hands of large commercial sugar cane farmers
- Labour forces
- Strategic location of Kokstad town
- Local Economic Development Strategy
- Historical and cultural sites
- Variety of business services available, e.g. from banks, business partners etc.
- Well established infrastructure with good transport network
- Various government sectors in Kokstad town
- Strong Functionally Chamber of Business
- Vacant land for development
- Social cohesion
- Dedicated housing section
- Availability of land for housing project
- C-MAX Prison

### **Financial Viability and Financial Management**

- Finance Services Department in Place
- Experienced Chief Financial Officer
- Municipal work within its budget

### **Municipal Transformation and Institutional Development**

- Corporate Services Department is in place
- Human resources Development Strategy is in place
- Experienced, qualified and dedicated municipal staff

### **Good Governance and Community Participation**

- Good turnaround strategy
- Good political/administration relationships.
- Statutory governance structures in place.
- Functional ward committees.
- Good communication and community participation strategy
- Up and running Municipal Website

## **Spatial and Environmental Planning**

- Rugged mountainous terrain
- Contrasting grassland
- Greater Kokstad Municipality is strategically located and accessible to all parts of the district.
- Existence of government extension services.
- Identified development urban areas.

The above Strengths highlight the positive features of the municipality. These features will provide a base on which to identify opportunities

## **8.2 Weaknesses**

### **Basic Services Delivery and Infrastructure**

- Limited growth in the manufacturing industry
- Bulk water supply is a major constraint that affects the municipality.
- 5.3% of the population still does not have access to clean water and obtain water from rivers and streams.
- Lack of upgrading and maintenance of infrastructure and services.
- Rural areas still rely on pit latrine or no toilet system at all.
- The urban areas have proper water borne sanitation systems, but rural areas still rely on pit latrines or no system at all. This places tremendous strain on the environment and
- Lack of comprehensive infrastructure and services plan.
- Lack of electricity to an extent that there are areas that still use paraffin and candle as a source of energy
- Storm water is not properly managed

### **Local Economic Development**

- Insufficient water supply
- Lack of LED institution
- Low level of employment opportunities
- Local SMMEs are not geared to take advantage of emerging business and tender opportunities offered
- Impediments to SMME development in Greater Kokstad Municipality include low levels of education and productive skills of access to finance, inadequate infrastructure, lack in effective demand and communication
- Lack of Agricultural Development Plan.
- Limited growth in the manufacturing industry
- Lack of skills
- Industrial development is concentrated in Kokstad Town.

### **Financial Viability and Financial Management**

- Lack of a comprehensive strategy for maximizing the income of the Council.
- The outstanding debt on rates and services owed to the Municipalities is still very high

### **Municipal Transformation and Institutional Development**

- Lack of office space
- Lack of staff accommodation

### **Good Governance and Community Participation**

- Implementation of communication and community participation strategy
- Ward Committees still do not have clear understanding on IDP processes.

### **Spatial and Environmental Planning**

- Illegal occupation of land for informal settlement purposes.
- Mushrooming of informal settlements in flood line areas.
- Deterioration of urban areas
- No integration of environmental, land use and transport management system
- Growth and development is only focusing on primary node (Kokstad town) disadvantaged areas and areas of economic opportunity are neglected.
- Illegal small business operators that conducting business from home without permission are increasing. This has given rise to traffic and safety problems as these areas were not designed for such purposes.

## **8.3 Opportunities**

### **Basic Services Delivery and Infrastructure**

- Existing railway lines/infrastructure.
- Infrastructure, Planning and Development Department in place
- Municipal Infrastructure Grant funding is available for the provision of services

### **Local Economic Development**

- Young energetic human capital
- Tourism attractive
- Strong agricultural base and potential to developing agriculture to new high value product
- Desire for development
- Black Economic Empowerment
- Existence of a strong NGOs and CBOs
- Available of agricultural land

### **Financial Viability and Financial Management**

- Implementation of MPRA
- Less grant dependency

### **Municipal Transformation and Institutional Development**

- Construction of new offices.
- Agglomeration of various government sector department in one locality

### **Good Governance and Community Participation**

- Ward Committees have been established
- Communication and Public Participation in place
- 2007 -2012 Comprehensive Municipal IDP document in place

### **Spatial and Environmental Planning**

- Eco tourism development
- Urban greening
- Corridor development
- Urban expansion

## **8.4 Threats**

### **Basic Services Delivery and Infrastructure**

- The occurrence of cholera and related diseases is as a result of the absence of potable water as well as the lack of sanitation
- Non-payment of services could reduce the willingness of services provider to extend and maintain services.
- Land invasion leading to uncontrolled settlement and impact on natural resources

### **Local Economic Development**

- HIV/Aids which has a direct impact on the ability and the area to grow.
- Lack of Infrastructure and services maintenance
- Skills exodus

### **Financial Viability and Financial Management**

- Poverty and Unemployment rate
- Non- payment of rates



### **Good Governance and Community Participation**

- Low levels of participation by certain stakeholders in the IDP process.

### **Spatial and Environmental Planning**

- Erosion and the degradation of field as a result of poor land management due to overgrazing and incorrect cultivation methods need to be addressed by means of control measures and efforts are needed to increase people's awareness of the advantages of good waste management practices.
- Erosion and Water pollution is a common problem in the area as the people use the rivers for all purposes including washing cars and clothes, animal feed, human consumption and other purposes
- Alien plants

## **9. Summary of Key Priority/Critical Issues**

---

In summary the key priority/critical issues that need urgent attention are follows:

- Eradication of the backlogs especially on water, sanitation and electricity;
- Dealing ahead with current conditions of roads and stormwater;
- Upgrading the ageing infrastructure and services;
- Address the low to middle income backlogs;
- Creation of economic growth and job opportunities;
- Promote tourism development;
- Dealing with HIV/Aids pandemic;
- Urban regeneration strategy;
- Promotion of nodal development;
- Mainstreaming of gender equality into development programmes;
- Intensification of social services for children and youth;
- Skills development.

## **10. Community Needs**

---

### **What Residents Say They Need**

Greater Kokstad communities were asked through the IDP Roadshows conducted in all wards to identify community needs for their respective wards. For this exercise to be successful community leaders were asked to involve all community role players. Responses were received from all ward committees and

ward councillors as well as from the Kokstad Residents Rates Payers Association and Kokstad Chamber of Commerce. These community needs expressed were as follows:

<b>WARD 1</b>			
<b>Community needs</b>	<b>Problem Statement</b>	<b>Affected Areas</b>	<b>Responsible Dept</b>
1. Sport -complex	Currently, there is a lack of other sport codes such as tennis, basket ball, netball etc, due to non –availability of sport-field to accommodate such sport codes. A need for the development of a <b>multi-purpose sport centre</b> that will accommodate all sporting codes was expressed.	Horseshoe	GKM -Infrastructure Planning and Development
2. Clinic	Currently the community hall is temporarily being used for clinic purposes which do not meet all the clinic requirements. Therefore a need for a clinic was expressed	Horseshoe	Department of Health
3. Satellite Police Station	The existing police station is Kokstad SAPS situate in Kokstad town and access to this police station is arduous and therefore a need for <b>satellite police station</b> is strongly emphasized.	Entire ward 1	Office of the Municipal Manager / South African Police Services
4. Road and Stormwater	Access road (Mphela) in the area is still in a bad condition and the community felt this need to be attended as it become impossible to enter the area during wet weather.	Mphela	GKM - Infrastructure Planning and Development
5. Waterborne Sewerage	A need to for waterborne sewerage in some of the area at Horseshoe was expressed.	IPD to coordinate the investigate for those areas that need waterborne sewerage	Sisonke District Municipality
6. Electricity	Some of the houses are still not electrified as result there are lot of illegal connections identified in the area.	Affected houses in the area	GKM - Infrastructure Planning and Development
7. Small and narrow roads	A need to widening some of the roads in the area was expressed.	IPD to investigate these roads	GKM - Infrastructure Planning and Development
8. Bakery	LED Project: small business and job creation.		GKM Municipal Managers Office
9. Crayon Production	LED Project: small business and job creation.		GKM Municipal Managers Office

<b>WARD 2</b>			
<b>Community Needs</b>	<b>Problem Statement</b>	<b>Affected Areas</b>	<b>Responsible Dept</b>
1. Plots for community gardens	A need to subdivide plots for community gardens was identified.	Franklin	GKM - Municipal Manager's Office
2. School Transport	Need for school transport was identified	Franklin & Kransdraai	Department of Education / Department of Transport
3. Dipping Services	A need for dipping services particularly for the astraying livestock was expressed.	Franklin	Department of Agriculture
4. Car wash	To ensure job opportunity in the area a need for Car Wash was identified	Franklin	GKM - LED Office
5. Baking Project	A baking project was identified as one of the priority projects in the area	Kransdraai	GKM-LED Office
6. Poultry	A need for a poultry project was identified	Kransdraai	GKM-LED Office
7. Brick making	A need for a brick making project was identified as one of the priority projects	Kransdraai	GKM-LED Office
8. Swimming pool	A need for a swimming pool was identified	Kransdraai	
<b>WARD 3</b>			
<b>Community Needs</b>	<b>Problem Statement</b>	<b>Affected Areas</b>	<b>Responsible Dept</b>
1. Tennis Court	A need for the upgrading of the existing tennis court in order to encourage tennis sporting code in the area was identified	Kokstad town	GKM - Infrastructure Planning and Development
2. Speed Humps	A further speed humps in town was requested	IPD to investigate where these facilities are needed	GKM - Municipal Manager's Office
3. Sewing	There is an existing small group of people who are doing sewing projects. A need to empower this group was identified.	Kokstad town	GKM - LED Office
4. Storm-water Drainage System	A need for investigation and sort out the storm-water drainage at Dumisani Makhaye place was identified	Dumisani Makhaye Place	GKM - Infrastructure Planning and Development
5. Housing	Municipality need to look acquire more land for housing development in Kokstad town	Kokstad town	GKM - Infrastructure Planning and Development
6. Parks	Parks seems to be neglected and therefore a need to ensure all parks in town are kept clean	Kokstad town	GKM - Social Development

<b>WARD 4</b>			
<b>Community Needs</b>	<b>Problem Statement</b>	<b>Affected Areas</b>	<b>Responsible Dept</b>
1. Creche	Currently there is no crèche in the area and therefore a need for a provision of a crèche was identified.	Extension 7	GKM - Municipal Manager's Office and Department of Social Development
2. Urban Greening (Tree Plantation)	Urban greening particularly on land next to the sport-field area	Extension 7	GKM - Municipal Manager's Office and Infrastructure Planning and Development
3. Road and Potholes	Main road in Extension 7 is still in a bad condition, requiring a range of maintenance action such as black-topping and proper stormwater management. The <b>rehabilitation of road</b> was also identified again as one of the priority projects in this area.	Main Road in Extension 7	GKM - Infrastructure Planning and Development
4. Library	Need for a provision of a library in the area was identified	Extension 7	GKM - Municipal Manager's Office and Social Development
5. Water pipes	Water pipes are too small to carry the volume of water that is needed in the area. A need for investigation with view of changing these water pipes was identified.	Extension 7	Sisonke District Municipality
<b>WARD 5</b>			
<b>Community Needs</b>	<b>Problem Statement</b>	<b>Affected Areas</b>	<b>Responsible Dept</b>
1. Vacant	Investigation need to be conducted to all the vacant land to find the area that is suitable for recreation facilities and practicing ground.	Bhongweni	GKM - Planning and Development Division
2. Sport facilities	Need for the development of sport facility with a special focus on netball facility.	Bhongweni	GKM - Municipal Manager's Office
3. Roads	Need for the upgrade of road which appeared to be too muddy during wet weather next to Guduza	Road next to Guduza	GKM - Infrastructure Planning and Development
4. Hostel	Need for the development on area where there is an existing hostel was	Bhongweni	GKM - Planning and Development
5. Drain System	A problem of a drain system next to Long Homes was identified.	Bhongwani/ Long Homes	GKM - Infrastructure Planning and Development
6. Housing	There is still a need for housing.	Bhongweni	GKM - Infrastructure Planning and Development

7. Streetlights	Need for the installation of street lights. <b>IPD to check an exact area that streetlights</b>	Bhongweni	GKM - Infrastructure Planning and Development
8. Brick Making and Training	Bricks making project was identified as one of the priority projects in the area and a request for <b>Funding, Brick Making tools and training</b> were amongst the important needs that were raised	Bhongweni	GKM - Municipal Manager's Office
<b>WARD 6</b>			
<b>Community Needs</b>	<b>Problem Statement</b>	<b>Affected Areas</b>	<b>Responsible Dept</b>
1. Sewerage	There is spilling of sewerage next to old compound and therefore a need for investigation and get rid of this said spilling was identified	Shayamoya	Sisonke District Municipality
2. Housing	Housing for Bhambay community was identified	Shayamoya	GKM - Infrastructure Planning and Development
3. Taxi Rank	A need for another taxi rank was identified	Shayamoya	GKM - Municipal Manager's Office
4. High School	Need for another High School was expressed	Shayamoya	Department of Education
5. Slums	A need for slums clearance in the area was identified	Shayamoya	GKM - Infrastructure Planning and Development
6. Clinic	Need for the construction of a clinic within the area	To serve entire Ward	Department of Health
7. Land for Business	Business site need to be identified and developed thereafter.	Shayamoya	GKM - Municipal Manager's Office
8. Speed Humps	A need for speed humps was identified	Shayamoya	GKM - Infrastructure Planning and Development
9. Streetlights	A need for streetlights was identified	Shayamoya	GKM - Infrastructure Planning and Development
10. Land for Community Gardens	Land for community gardens need to be identified and allocated.	Shayamoya	GKM - Municipal Manager's Office

WARD 6 Pakkies Area			
Community Needs	Problem Statement	Affected Areas	Responsible Dept
1. Request Poultry project	Pakkies Community indicated that they need Poultry project	Pakkies	GKM - Municipal Manager's Office
2. Bakery Project	A need for bakery project was identified	Pakkies	GKM - Municipal Manager's Office
3. Sewing project	A need for sewing project was identified	Pakkies	GKM - Municipal Manager's Office
4. Block Making	A need for a project on block making was identified.	Shayamoya	GKM-Municipal Manager's Office

## C. DEVELOPMENT VISION, STRATEGIES AND PROGRAMMES

### 1. Planning Alignment

#### 1.1 United Nations UN Millennium Development Goals (MDGs)

In the year 2000, 189 Heads of State and government from the North and South, as representatives of the citizens, signed onto the Millennium Declaration at the 2000 UN Millennium Summit. At the summit there was a renewed sense of urgency to free our fellow men, women and children from the abject and dehumanizing conditions of extremely poverty, to which billion of them are subjected. *Source: IDP Skills Programme Learner Guide, DPLG, 2000.* World leaders from rich to poor countries alike committed themselves at highest political level to a set of eight time bound targets that, when achieved, will end extreme poverty world wide by 2015. The link between these goals and the strategic programmes, as contained in the municipal development strategies, are shown hereunder:

Table 27: Millennium Development Goals & Greater Kokstad Programmes

Millennium Development Goals		Greater Kokstad Programmes
1.	Eradication of extreme poverty and hunger.	Development of <b>Special Vehicle Purpose</b> (KEDA) seek to address alleviate poverty and hunger with the municipality.
2.	Achieve universal primary education.	Ensuring education and training
3.	Promote gender equality and empower women.	GKM has taken a principal position in hosting women in business conference and this will be done annually. This ensures women empowerment and access to economic opportunities.
4.	Reduce child mortality.	Support the Department of Health in ensuring that all the strategies that seek to reduce child mortality.
5.	Improve Maternal health.	Support the Department of Health if requested.

Millennium Development Goals		Greater Kokstad Programmes
6.	Combat HIV/Aids, malaria and other diseases	The critical issues that this IDP is addressing are, to deal with HIV/Aids pandemic,
7.	Ensure environmental sustainability	Environmental Management, Potable Water, Waste Management, sustainable human settlement
8.	Develop a global partnership for development	Ensuring local economic, industrial and manufacturing and agricultural development

## 1.2 National Spatial Development Perspective (NSDP)

The premise of NSDP is that the economic development and growth occurs in geographical space. It is for that reason that as a country we are bound to accelerate growth and reduce unemployment and poverty. According to the NSDP, developing a coherent understanding of regional economy development and territorial patterns of economic development, social exclusion and resources use is paramount importance in achieving our objectives.

The NSDP argues that understanding of infrastructure investment and development spending decisions on the basis of an area's unique potential is likely to produce far more desirable and sustainable outcomes in terms of addressing poverty and improving growth. To operationalise this, the NSDP put forwards normative principle namely:

- Economic growth is a pre-requisite for the achievement of other policy objectives, key amongst which would be poverty alleviation.
- Government spending on fixed investment, beyond the constitutional obligation to provide basic services to all citizens (such as water, electricity as well as health and education facilities), should therefore be focused on localities of economic growth and/or potential in order to gear in private sector investment, stimulate sustainable economic activities and/or create long term employment opportunities.
- Effort to address past and current inequalities should focus on people not on places. In localities where there are both high levels of poverty and development potential, this could be a fixed capital investment beyond basic services to exploit the potential of those localities. In localities with low development potential, government spending, beyond basic services, should focus on providing social transfers human resources development and labour market intelligence which would enable people to become more mobile and emigrate, if they chose to, to localities that are more likely to provide sustainable employment or other economic opportunities; and
- In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channelled into activity corridors and nodes that adjacent to or link the main growth centres. Infrastructures investment and development spending should primary support localities that will become major growth nodes in South Africa and the Southern African Development Cooperation (SADC) region to regional gateways to the global economy.

## **Application**

- Beyond the legislative requirement of providing basic services, the municipality needs to focus on empowering of its citizens with skills development, labour market so that they could make more informed decisions about the current labour migration that is taking place in GKM. The municipality must be able to the uptake of social security grants, especially given the fact that there is high rate of unemployment and the number of children in the area. Human development programmes in general (especially improvement on literacy, school enrolment and HIV/Aids) should feature strong on the development agenda of the municipality as people are the greatest resource that the municipality has.
- The municipal development corridors and nodes need to be strengthening by encouraging economic development on these areas. This will ensure that strategic use of scarce budget resources and effective delivery.

### **1.3 Accelerated and Shared Growth of South Africa (ASGISA)**

ASGISA is a government economic programme that is aimed at identifying practical proposals that will enable the country to:

- Identify common binding constraints for economic growth;
- Create one million jobs in the next five years;
- Grow the economy by 6% by 2014;
- Create linkages between the first and second economy; and
- Reduce poverty.

ASGISA is, therefore, not a new economy policy but an initiative that puts more emphasis on certain initiatives that will sustain higher and shared growth in South Africa. It therefore builds on previous as well as on-going initiatives of government clusters, especially the social and economic clusters. ASGISA gives more practical meaning to creating linkages between the First and Second Economies through identifying the following key interventions:

- Infrastructure programme,
- Sector investment strategies e.g. bio-fuels, clothing, and textiles, etc.:
- Education and skills, e.g. ABET, FET Colleges, national skill development, etc,
- Second economy and SMME interventions, e.g. mystification of expanded public works programme (EPWP);
- Macroeconomic issues, e.g. managing the volatility of the rand;
- Public administration issues related to the capacity of the state apparatus to deliver services.



## **Application**

- At least 60% of municipal budget will go towards infrastructure development programme, e.g., municipal access roads and stormwater drainage systems and electrification.
- The municipality will establish a Special Purpose Vehicle which will be a Development Agency: a Section 21 Company which will be established by the municipality to fulfill economic development functions and implement its strategy. The Agency will address the current institutional, coordination and lack of focus challenges the municipality faces: in addition the agency will be able to focus on macro interventions, secure funds, investors and partners for economic development in a more effective and efficient manner than the municipality.. This should also form part of the municipality's broad attempt to support broad-based black economic empowerment in the area. In the same vein, provision of municipal services should be more labour intensive in order to address the goals of mystifying expanded public works programme.
- In terms of aligning ASGISA's skill development programme, it is important to note that the level of illiteracy is very high in Greater Kokstad Municipality. Therefore, ABET programme have to be intensified to improve human development status of the area as well as to support current economic development programme.

### **1.4 Expanded Public Works Programme (EPWP)**

This is the programme aimed at initiating labour-intensive programmes so that more employment opportunities could be generated largely targeting women, youth and disabled people. In attempt to implement expanded public works programme, Greater Kokstad Municipality has taken principal position in that, most of its infrastructure projects will be labour-intensive.

### **1.5 Provincial Growth and Development Strategy**

The Provincial Growth and Development Strategy (PGDS) of KwaZulu-Natal put forward the following priorities by the Province:

- Strengthen governance and services delivery;
- Integrated investment in community infrastructure
- Sustainable economic development and job creation;
- Develop human capability;
- Develop a comprehensive provincial response to HIV/AIDS; and
- Fighting poverty and protection of vulnerable groups in society.
- Improve and expand services delivery, housing, programmes, education and health programmes for better life.

## Application

KZN PGDS INTERVENTION	GREATER KOKSTAD MUNICIPALITY'S INTEVENTION TO KZN PGDS
1. Strengthening and building of government to facilitate sustainable development, popular participation in decision making, implement performance-driven transformation and cooperative governance.	GKM vision is based on sustainable development and has a number of interventions in place to ensure that there is sufficient skilled personnel in the municipality and that key position are filled.
2. Improve and expand services delivery, housing, programmes, education and health programmes for better life.	<p>GKM has started rolling-out the Free Basic Services to indigent households</p> <p>The comprehensive Infrastructure and services has been developed.</p> <p>To implement housing programme effectively GKM has developed a Housing Sector Plan.</p>
3. Implement economic programme to raise investments, increase exports and capitalise on provincial resources, strengths and synergies.	One of the GKM IDP strategies is to promote the purchasing of local product and services; this will enable the raise investment within the municipality.
4. Create programmes to increase employment opportunities, access to finance, human capacity and skills development and address the challenges of the second economy.	This will be addressed by the municipal Special Vehicle Purpose once it has developed.
5. Reduce poverty and increase vulnerable groups access to social security nets and services	GKM has putted aside a budget of R1, million for poverty alleviation programme.
6. Comprehensive address the spread of HIV/Aids pandemic and the associated economics and social impact	<p>GKM is in a process of establishing HIV/Aids Council.</p> <p>GKM has donated land to the number NGO's and the structures to accommodate orphanage have been build</p>
7. To manage, preserve and enhance the natural environmental and comprehensively address an environmental management system for sustainable development	<p>GKM has developed itself a Land Use Management System that will used to control and manage the development within the municipality.</p> <p>The municipality will seek funding from the Department of Agriculture and Environmental Affairs for the development of Environmental Management Plan</p>

## 1.6 Provincial Spatial Economic Development Strategy (PSEDS)

The Province of KwaZulu-Natal has adopted a new economic development strategy which is largely informed by the principle of NSDP. Guided by the potential and need approach to economic development and growth, the PSEDS adopts the following principles:

This has led to the identification of numerous activity corridors in the province with Port Shepstone-Umtata in the Eastern Cape Corridor (N2) being the most important and relevant corridor for Sisonke District Municipality.

N2 is important for Greater Kokstad Municipality because it links the area to the major economic hubs such as Port Shepstone and Durban and in the KwaZulu-Natal Province and Umtata in the Eastern Cape Province. The other important corridors for the municipality are R617 that link the municipality with Underberg and further to Pietermaritzburg and R56 that link the municipality with Matatiela. These corridors provide high linkages with surrounding municipalities and economic nodes. The identification of this corridor means that the municipality should also direct its investment expenditure towards this corridor in order to align and integrate development efforts but also to maximize the development effects.

## 1.7 Priorities: State of the National Address “A Year of Job Creation”

Priorities as articulated in broad terms in the President’s State of the Nation Address on 15 February 2011. The link between these priorities and the strategic programme, as contained in the municipal development strategies, are shown hereunder:

**Table 28: Priorities & Greater Kokstad Programmes**

Priorities		Greater Kokstad Programmes
1.	Implement the New Growth Path  Ensuring more inclusive economic growth, decent work/jobs creation and sustainable livelihood	The municipality is in a process of establishing a Local Economic Development Agency which will be known as Kokstad Economic Agency (KEDA).  Job Creation Strategies within GKM as an organization, within implementation service delivery strategies: i.e. programmes/projects to maximize job creation & labour intensive job creation within infrastructure programmes.  Small business support and linkage to enablers.
2.	Economic and social infrastructure	The municipality will establish a high quality environment with associated required physical and infrastructure.  Housing Settlement Programme: security of tenure and access to basic services.
3.	Rural development, food security and land	The municipality is committed to work with DRDLF

Priorities		Greater Kokstad Programmes
	reform	in ensuring that Land Reform contributes to economic development and poverty alleviation, particularly in rural areas through the CRDP and recapitalization programme.
4.	Human Development	Educational support in a form of bursaries is being provided to citizens of Kokstad.
5.	Improved healthcare	The municipality has taken a principal position that it will continue encourage and promote social development programmes.
6.	Fight crime and corruption	The municipality has established Peace Officers. The municipality has an anti-fraud and corruption policy.
7.	Cohesive and sustainable	Most of municipal programme aim to promote social cohesion.
8.	Creation of better Africa and a better world	Programme of the municipality contributes to the national and provincial programme and priorities.
9.	Sustainable resources management and use	Spatial and Environmental Planning Strategy aim to achieve a sustainable use of resources whereby citizens of GKM able to access and use resources to meet their needs without compromising the resource base of the municipality.
10.	A developmental state including improvement Public services	One of the IDP Strategy objectives of GKM is to develop a strong institution to support consultative and participatory local government.
11	Governance & Administration	GKM has various programmes and strategies to strengthen basic administration, financial management and customer care & a MTAS.

## 1.8 Key Performance Areas of the Five Year Local Government Strategic Agenda

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

### 1.8.1 Basic Service Delivery

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

- Sound and updated statistical based service delivery plan
- MDG.s/Targets for municipal services (e.g. water, sanitation, electricity, refuse removal, Transportation)
- FBS and Indigent Register
- O&M
- Capacity to implement Integrated Capital Infrastructure Plan

## **1.9 Local Economic Development**

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

- ASGISA and second economy investment
- Skills development
- LED institutional capacity

## **1.10 Good Governance and Public Participation**

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

- Functional ward committees and other committees
- Inter-governmental Relation
- Sector engagements
- Community informed IDP
- Annual Performance Report submitted

## **1.11 Institutional Development and Transformation**

It deals with issues such the structuring of administration to meet the needs of the IDP and the way it account to the general public. It also relates to the following:

- Performing of powers and functions
- Organogram and vacancy rates
- Capacity assessment to implement IDP
- Organizational PMS
- Various municipal by-laws and policies

## 1.12 Financial Viability and Management

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

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

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

## 1.13 Spatial and Environmental Planning

This KPA relates to the following:

- Spatial Planning and environmental management
- Land Use Management System
- Alignment with NSDP and PGDS profile

## 2. OUTCOMES BASED: M & E FRAMEWORK ROLL OUT

---

In February 2010 Minister Collins Chabane announced the Outcomes Based approach to be followed by government: to assist in improving government performance. He presented 12 Outcomes, which are to be realized by 2014: and therefore the focus of government work should be towards achieving those outcomes. Each outcome has a measurable output and target which would need to be achieved, planned and then monitored and reported within performance management systems. Outcome 9 is of relevance for GKM: ie local government.

### **Outcome 9: A Responsive, Accountable, Effective and Efficient Local Government System.**

Outcome 9 comprises 7 critical issues:

1. Develop a more rigorous, data driven and detailed segmentation of municipalities that better reflect the varied capabilities and contexts within municipalities and lays the basis for a differentiated approach to municipal financing, planning and support.

2. Ensure improved access to basic services.
3. Initiate ward-based programmes to sustain livelihoods.
4. Contribute to the achievement of sustainable human settlements and quality neighbourhoods.
5. Strengthen participatory governance.
6. Strengthen the administrative and financial capability of municipalities.
7. Address coordination problems and strengthen cross departmental initiatives.

To ensure alignment of the GKM IDP with Outcome 9, the following table draws a thread to enable the alignment to be checked.

## ALIGNMENT OF IDP WITH OUTCOME NUMBER 9 REQUIREMENT

Table 29

OUTCOMES: CRITICAL ISSUES	OUTCOMES	GKM KPA No.	GKM IDP Reference	SDBIP/1 year plan Reference	GKM STRATEGIC OBJECTIVE/PROGRAMMES	GKM OUTPUTS 2011/2012
Develop a more rigorous, data driven and detailed segmentation of municipalities that better reflect the varied capabilities and contexts within municipalities and lays the basis for a differentiated approach to municipal financing, planning and support.	A differentiated Approach towards municipal financing, planning and support.	N/A	N/A	N/A	N/A	N/A
Ensure improved access to basic services.	Improved Access to Basic Services	KPA 1	01	Programme 16 16.1-16.5	Sustainable Integrated Human Settlement Development	5 Housing Projects with services
			02	Programme 14 Programme 15 Programme 16 Programme 17	Address Services Backlogs	Statssa Survey 2011



OUTCOMES: CRITICAL ISSUES	OUTCOMES	GKM KPA No.	GKM IDP Reference	SDBIP/1 year plan Reference	GKM STRATEGIC OBJECTIVE/PROGRAMMES	GKM OUTPUTS 2011/2012
			03	0	Review Integrated Transport Plan	0
			04	0	Operational & Maintenance Plan	0
			05	0	Energy Master Plan	R200 000 budgeted but not in SDBIP?
			06	Programme .17 17.4	Waste Management Plan	IWMP Implemented
			07		Cemetery Development	
Initiate ward-based programmes to sustain livelihoods	Implementation of the Community Work Programme.	KPA2	01	0	Special Purpose Vehicle for economic development	Established S21 Co. (not in SDBIP)
			02	Programme 7	Stimulate key economic sectors to promote growth and job creation.	See within SMME outputs
	03		Programme. 7	Support and grow tourism.	Budget R100 000 allocated	
	04		0	Urban Regeneration Strategy.		
	05		Programme. 16	Poverty Alleviation Strategy.	R400 000 allocated	
	Reduction in unemployment.			16.21		Farming Equipment R100 000
	Job Creation.			16.23		Indigent Support
	Reduction in poverty.					

OUTCOMES: CRITICAL ISSUES	OUTCOMES	GKM KPA No.	GKM IDP Reference	SDBIP/1 year plan Reference	GKM STRATEGIC OBJECTIVE/PROGRAMMES	GKM OUTPUTS 2011/2012
						R3mil
			06	Programme. 16 16.17-16-24	Promotion of SMMEs.	1x Bakery Project Supported
						1x Brick Making project supported
						1x car wash supported
						1x crayon manufacturing project established.
						SMME Training
						Traditional Attire Flea Market
			07	Programme. 16 16.11-16.16	Upgrading of community facilities: halls,sportfields,libraries.	Swimming Pool Construction
				Programme 7 7.1-7.7		Parks Development
						Kokstad Library paving
						1x new community hall

OUTCOMES: CRITICAL ISSUES	OUTCOMES	GKM KPA No.	GKM IDP Reference	SDBIP/1 year plan Reference	GKM STRATEGIC OBJECTIVE/PROGRAMMES	GKM OUTPUTS 2011/2012
				Programme 18 18.8-18.11		2x halls upgrading/youth indoor centre
						Upgrade Market Square & Taxi Rank
			08	Programme. 7 7.7	HIV/Aids	R400 000 budget:
			09	Programme 7 7.1 -7.6	Marginalised groups of people supported in various initiatives.	Xmas with elders, orphaned children
						Support of Elderly
						Support of disabled
						Support of women
						Support of disabled, aged cooperatives
						16 days activism
			10	Programme 18 18.6-18.11	Safe from disasters	Construction of fire station
						1x satellite fire station established

OUTCOMES: CRITICAL ISSUES	OUTCOMES	GKM KPA No.	GKM IDP Reference	SDBIP/1 year plan Reference	GKM STRATEGIC OBJECTIVE/PROGRAMMES	GKM OUTPUTS 2011/2012
						Acquisition of disaster tents
						Community Awareness campaigns
			11		Safe from Crime	
			12	Programme. 6 Programme. 17 17.6 6.1, 6.3, 6.7, 6.8	Sport, Recreation, Art & Heritage	Construction of swimming pool
						Salga & Mayoral Games
						Sports & Recreation R250 000
						Support of cultural & youth programme: R250 000
						Heritage Day R150 000
			13	Programme. 16, Programme 8, Programme 6  16.6	Education	Housing Consumer Education
						Disaster community awareness

OUTCOMES: CRITICAL ISSUES	OUTCOMES	GKM KPA No.	GKM IDP Reference	SDBIP/1 year plan Reference	GKM STRATEGIC OBJECTIVE/PROGRAMMES	GKM OUTPUTS 2011/2012
				18.11 16.20 6.6 16.8		SMME Training Support of Educational Programme Enforcement Awareness Programme
			14	0	Zimbabwe Programme	0
Contribute to the achievement of sustainable human settlements and quality neighbourhoods	Actions to support human settlement outcomes.	KPA 1	01	Programme 16 16.1-16.6	Sustainable Integrated Human Settlement Development	5 Housing Projects with services
Strengthen participatory governance.	Deepen Democracy through implementing the refined ward committee model.	KPA 4	KPA401	Programme 1 1.1-1-3	Integrated Development Planning	Adopted Credible IDP Strategic Planning & community based planning
			02	Programme 1 1.2	Performance Management	Sound OPMS implemented
			03	0	IGR	0

OUTCOMES: CRITICAL ISSUES	OUTCOMES	GKM KPA No.	GKM IDP Reference	SDBIP/1 year plan Reference	GKM STRATEGIC OBJECTIVE/PROGRAMMES	GKM OUTPUTS 2011/2012
			04	Programme 2 2.3,2.5,2.7	Ward Committees	Ward Committee establishment, allowance, capacity building
			05	Programme 2 2.9	Support community based structures	Community Outreach: R50 000
			06	Programme 2 & 3 2.5,2.6,3.1	Communication	Information Sharing Day: R100 000 Izimbizo: R350 000 Implementation of communication & marketing strategy.
Strengthen the administrative and financial capability of municipalities	Administrative and Financial Capability	KPA 3 KPA5	KPA3 01	Programme 1 Programme 20 Programme 21 Programme 3  1.2, 20.2	Develop Human Capital	OPMS Implementation Staff Excellence Awards Staff Retention Strategy Implementation of

OUTCOMES: CRITICAL ISSUES	OUTCOMES	GKM KPA No.	GKM IDP Reference	SDBIP/1 year plan Reference	GKM STRATEGIC OBJECTIVE/PROGRAMMES	GKM OUTPUTS 2011/2012
				20.4-20.9 20.11 3.6		WSP
						Education & Training
						Integrated Wellness Centre
						Experiential training
						Recognition of Prior Learning
						MTAS Implementation
						Batho Pele Mgt: 400 000
			02	Programme 20 20.1	Scarce Skills	Implementation of scarce skills plan
			03	0	Reduce HIV/Aids in workplace	0
			04	Programme 20 20.9	Employment Equity/Representivity	Implementation of EE Plan.
			05	Programme 5 5.1	Policy Review,Develop & Implement	Municipal By-Laws
			06	Programme 19 19.3	Information,Communication & Technology	Server & Network Mgt ICT Mgt Service

OUTCOMES: CRITICAL ISSUES	OUTCOMES	GKM KPA No.	GKM IDP Reference	SDBIP/1 year plan Reference	GKM STRATEGIC OBJECTIVE/PROGRAMMES	GKM OUTPUTS 2011/2012
				19.11-19.14		Disaster Recovery Plan
						ICT Master Plan
						Electronic Document Management
			07	Programme 16 16.29	Geographic Information System	Updated GIS: R100 000
			KPA5 01	Programme 9 9.4 9.9	Revenue Enhancement Strategy	Strategy Implementation
			KPA 5 02	Programme 13	MTEF	
			KPA 5 03 KPA 5 04	Programme 9 9.4 9.5	Reduce Council Debt  Budget & IDP	
			KPA 5 05	Programme 10 10.1	Credit Control Management	Customer Care enhancement
			KPA 5 06	Programme 11 11.1 11.2	Value for money expenditure	Implementation of Supplier dbase software
						Data Cleansing & Verification of suppliers
			KPA 5 07	Programme 9	Implementation of MPRA	MPRA Rates & Debt



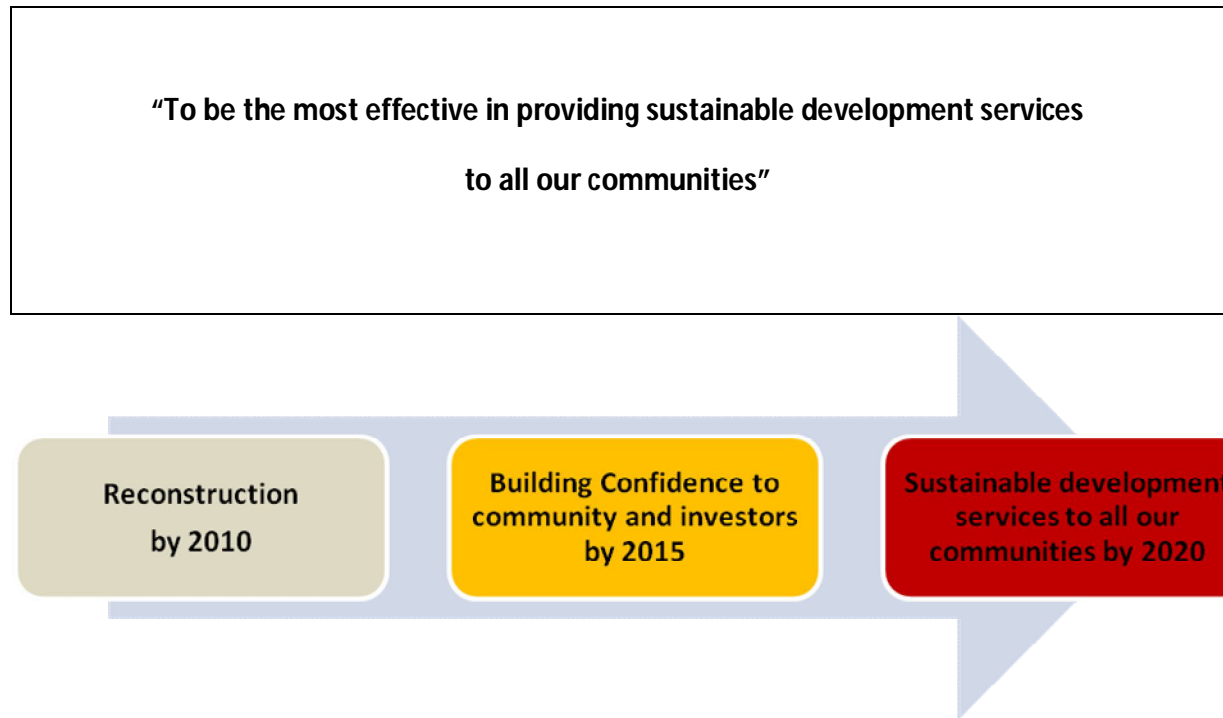
<b>OUTCOMES: CRITICAL ISSUES</b>	<b>OUTCOMES</b>	<b>GKM KPA No.</b>	<b>GKM IDP Reference</b>	<b>SDBIP/1 year plan Reference</b>	<b>GKM STRATEGIC OBJECTIVE/PROGRAMMES</b>	<b>GKM OUTPUTS 2011/2012</b>
				9.5-9.7		collection
						Valuation Roll compilation & management system.
Address coordination problems and strengthen cross departmental initiatives.	Single Window of Coordination	KPA 4	01	Programme 1 1.1	Integrated Development Planning	Adopted,Credible IDP
			03	0	Inter-Governmental Relations	0



### 3. MUNICIPAL VISION

---

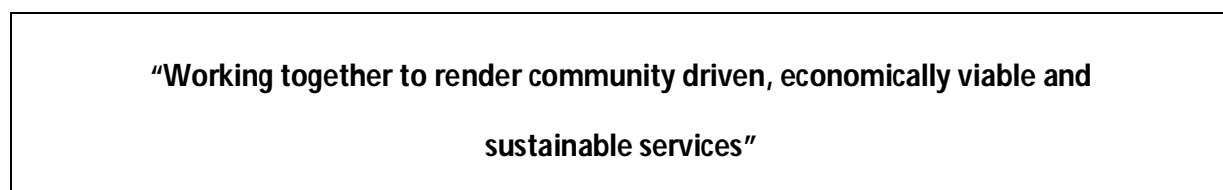
By 2020 Greater Kokstad Municipality aims:



The formulation of Greater Kokstad Municipal Vision is based on the objective of the Local Government as enshrined on the Constitution of the Republic of South Africa, Act 108 of 1986: Section 152 which prescribes the following as the principal mandates of the Local Government.

- To promote democratic and local government ;
- To ensure the provision of services to communities in an sustainable manner;
- To promote social and economic development;
- To promote a safe and healthy environment; and,
- To encourage the involvement of communities and community organizations in the matter of local government.

The mission statement of Greater Kokstad Municipality is:



The values of Greater Kokstad Municipality are as follows:

- ✓ **Accountability;**
- ✓ **Transparency; honesty and integrity;**
- ✓ **Accessibility;**
- ✓ **Fairness;**
- ✓ **Dignity and Respect;**
- ✓ **Professionalism;**
- ✓ **Co-operation and Trust**

### **3.1 New Way Of Doing Business**

In order to achieve its vision and development goals, the municipality has adopted a new fundamentally way of doing business in local government which will adapt a sustainable and integrated development approach. This implies that:

- Establish a sustainable local economic development opportunities. This implies introduction of diversified sustainable economic development through the prioritization of lead economic development project such as tourism, commercial and industrial development opportunities.
- Establish a high quality environment with associated required physical infrastructure. This implies the delivering of basic services to the entire municipality at appropriate and affordable levels. It further encourages the physical ordering of the municipality through the establishment of an integrated spatial framework directly guiding and influence physical development.
- Develop an effective institutional management structure for the municipality by encouraging community involvement and providing capacity of the community in ensuring sufficient capacity to guide and influence future development.
- The protection and management of the natural environment should take place in accordance with international standards and practices to ensure that long term sustainability of the communities, tourism and manufacturing practices.
- Mainstream of gender equality into development programme and intensification of social services for children and youth and skills development.
- On the growth and the development of the economy, the building of sustainable communities and the management of the environment must be supported by national, provincial and local policies and programmes. The Council will engage with national, provincial and local government to ensure that the alignment of functions takes place.

### **3.2 Greater Kokstad Development Municipal KPA**

- Municipal KPA One : Basic Services Delivery and Infrastructure
- Municipal KPA Two : Local Economic Development
- Municipal KPA Three : Municipal Transformation & Institutional Development
- Municipal KPA Four : Good Governance and Community participation
- Municipal KPA Five : Financial Viability and Financial Management
- Municipal KPA Four : Spatial and Environmental Planning

## Strategic Framework

Table 30

3.2.1 Municipal KPA ONE: Basic Services Deliver and Infrastructure						
National KPA	Issues for Consideration	Strategic Objective	IDP Ref No.	Development Strategies to achieve municipal vision	GKM Desired Outcome	Outcomes Based Indicator
Basic Service Delivery	Address backlog in basic services.  Management and maintenance of the existing infrastructure.	To ensure provision of basic services to communities in a sustainable manner.  To reduce infrastructure services backlogs.  To ensure proper management and maintenance of the existing infrastructure.	01.	<b>Sustainable integrated human settlement development:</b> ensure the provision for associated services such as water, electricity, road access, storm-water control, sanitation, social facility access in an integrated manner.  <b>Address services backlogs:</b> A significant amount of verification is needed to determine accurate backlog for infrastructural services and put together a coordinated plan for eradicating these backlogs.  <b>Review integrated Transport Plan ITP.</b> ITP need to be reviewed in order to be updated with the actual travel patterns of households with the municipal area.  <b>Operational and Maintenance Plan:</b> This plan is needed in order to ensure proper management of	Fully services, well maintain quality living environments over the next five years.	
			02.			
			03.			
			04.			
			05.			

			06.	existing infrastructure and to guide the allocation of budget.	
			07.	<p><b>Energy Master Plan:</b> Plan that will guide the electrification projects in the municipality by identifying priority areas and suggest effective alternative energy.</p> <p><b>Waste Management Plan:</b> Ensure preparation of integrated waste management plan.</p> <p><b>Cemetery:</b> Development of new cemetery site and preparation of Cemetery development Plan.</p>	
<b>3.2.2 Municipal KPA Two: Local Economic Development and Poverty Alleviation</b>					
<b>National KPA</b>	<b>Issues for Consideration</b>	<b>Strategic Objective</b>	<b>IDP Ref No.</b>	<b>Development Strategies to achieve municipal vision</b>	<b>Desired Outcome</b>
Local Economic Development	<p>High unemployment rate that is facing the municipality.</p> <p>Level of poverty within the municipality.</p>	To establish economic growth and development in all economic sectors with a particular focus on agriculture, tourism and manufacturing	01.	<p><b>Special Purpose Vehicle:</b> a Section 21 Company which will be established by the municipality to fulfill economic development functions and implement its strategy.</p>	Reduction in the unemployment level from the current 34% to 17% by 2015
			02.	<p><b>Stimulate key sector that promote economic growth and create jobs</b> through providing support for prioritized sectors.</p>	Reduction of poverty levels by 50% by 2015

		and industry.  To identify and develop LED opportunities based on the functions of the Municipality.	03.  04.  05.	<p><b>Support and grow tourism:</b> Tourism need to be given priority in order to create sustainable economic opportunities for wider section of society and in so doing to the tourism interest in cultural and social history.</p> <p><b>Urban Regeneration Strategy:</b> Kokstad CBD, in common with most South African CBDs, is experiencing a gradual but constant process of physical and economic deterioration and decline.</p> <p><b>Poverty Alleviation Strategy:</b> There is a need to focus on improved health and welfare services with a direct linkage to poverty alleviation in terms of empowering the individual to re-introduce into the economy in a sustainable manner.</p> <p><b>Promote and stimulate SMMs:</b> SMMs are special targeted and their need identified in order to provide appropriate support.</p>	
Local Economic Development (Social)	<p>No. of community facilities need to upgraded.</p> <p>High rate of HIV/Aids.</p> <p>Many of vulnerable group are prevented from participating fully in society.</p> <p>Disaster: Community is continuing affected by its impact and after-affects</p>	<p>To improve the quality of life of the people of GKM through providing them with sustainable community facilities.</p> <p>To coordinate the provision of quality health care services and</p>	06.  07.  08.	<p><b>Upgrading of community facilities:</b> the community Halls at Pakkies, Franklin, Ntuthulwane, Town and Kransdraai and Sport field at Riverview need urgent upgrading.</p> <p><b>HIV/Aids:</b> Ensuring that communities have access to affordable health care. Continue conduct HIV/Aids awareness campaign.</p> <p><b>Marginalized group of people:</b> Development and adoption of policy on vulnerable groups to cover with disabilities such as children including elderly, homeless, vulnerable patients, youth and gender.</p>	<p>substantially improve the social well being of the people of the municipality</p> <p>All citizens of GKM living in a safe environment by 2015.</p>



	<p>The Municipality needs to develop sport facilities that accommodate all sporting codes.</p> <p>The Municipality needs to consider developing multi-purpose centres instead of developing a single unit of a community hall.</p> <p>There is a need for project collaboration between the district and local municipality regarding the construction of sport fields.</p> <p>Department of Sport and Recreation has to align with local government on a number of issues.</p>	<p>Education.</p> <p>To promote and create a safe, healthy and secure environment.</p>	<p>09.</p> <p>10.</p> <p>11.</p> <p>12.</p> <p>13.</p>	<p><b>Safe from disasters:</b> Training municipal officials in effective disaster response is critical to ensure that they are able to respond quickly and effectively to disaster.</p> <p><b>Safe from crime:</b> Promote community policing forum. Increase number of Peace Officers.</p> <p><b>Sport, recreation, art and heritage activities:</b> Developing and supporting all sport codes in the municipality.</p> <p><b>Education:</b> Ensure that all citizens access quality education. Support learners in mathematics and science.n</p> <p><b>Zimbabwe Programme:</b> The programme is targeted at women at headed households considered by the community and the ward councilor to be the most destitute.</p>	
<b>3.2.3 Municipal KPA Three: Municipal Transformation &amp; Institutional Development</b>					
Municipal Transformation & Institutional Development	<p>Skills gap within the municipality.</p> <p>High skilled staff turnover.</p> <p>Non-representation of certain race groups within the staff, and its inability to attract these race groups during recruitment processes.</p>	<p>To improve skills capacity for the municipality to render effective services</p>	<p>01.</p> <p>02.</p> <p>03.</p> <p>04</p>	<p><b>Develop human capital:</b> address skills gap.</p> <p><b>Scarce Skills:</b> Develop a retention strategy.</p> <p><b>Reduce HIV/Aids:</b> infections in the workplace: Encourage voluntary counseling and testing and establish support group.</p> <p><b>Non-representivity of certain race groups within</b></p>	<p>Municipal Staff that understand the local government environment, their role in improving the quality of life of GKM citizens and who are</p>

			05.	<b>the staff, and its inability to attract these race groups during recruitment processes:</b> Review a strategy to attract other race group during recruitment process.	sufficiently skilled.
			06.	<b>Review, develop and implement:</b> All outdated policies need to be reviewed and new policies put in place where there are none.	Healthy and productive employees.
			07.	<b>Information Communication Technology:</b> Need to maximize ICT capabilities in fulfilling services delivering requirements.	Efficient and effective and accountable administration.
				<b>Geographic Information System:</b> Develop a strategy to promote the use of GIS as decision making tool.	
<b>3.2.4 Municipal KPA Four: Good Governance and Community participation</b>					
Good Governance and Public Participation	Public representative and councilors in particular need to be more accountable to communities.  Inter-governmental structures within Sisonke District are not effective.  Challenge to improve ward committees understanding the IDP processes, municipal systems and policies still exist.	To develop a strong institution to support consultative and participatory local government	01.	<b>Integrated Development Planning:</b> Ensure the preparation of five year IDP.	All citizens of GKM embracing and practicing the concepts of good governance.
			02.	<b>Performance Management System:</b> Mobilize to make the organization more effective and accountable	
			03.	<b>Inter-Governmental Relations:</b> Need to find creative and innovative ways of mobilizing the community, stakeholders and organs of civil society to become development partners with government in matters of governance and service delivery.	
			04.	<b>Ward Committees:</b> Provide training support to ensure that ward committees understand the IDP processes, municipal systems and policies.	
				<b>Support Community based structure:</b> Creation of	

			05.	mechanism, processes, and procedures for citizen participation. <b>Communication:</b> Review communication strategy	
			06.		
<b>3.2.5 Municipal KPA Five: Financial Viability and Financial Management</b>					
Financial Viability and Financial Management	<p>Revenue Enhancement Strategy is 90% complete.</p> <p>Ensure that budget of the outer year is updated annually.</p> <p>What gets budgeted for need to be reflected as priority in the IDP.</p> <p>The outstanding debt on rates and services owed to the municipality is still very high. In many cases the penalty interest is almost as high as the capital balance outstanding.</p> <p>In some instance procurement process take very long.</p> <p>In some instances there is no correlation between date in the Valuation Roll and what appear on the ground.</p>	<p>To enhance revenue base and ensure financial viability and management.</p> <p>To ensure that the organizations finances are managed sustainably.</p> <p>To ensure a maximization of the municipality's resources in a sustainable manner.</p>	01. 02. 03. 04. 05. 06. 07.	<p><b>Revenue Enhancement Strategy:</b> Finalize, adopt and implement strategy.</p> <p><b>MTEF:</b> Produce an annual update of the Municipal MTEF.</p> <p><b>Reduce Council Debt:</b> Strictly application of debt collection policy.</p> <p><b>Budget and IDP:</b> Ensure linkage between budget and IDP.</p> <p><b>Effective management of credit control:</b> Develop and implement revenue system to ensure timeous, regular and accurate billing of accounts.</p> <p><b>Ensure value for money expenditure items:</b> The existing procurement process needs to be reviewed to eliminate bottlenecks, and reduce cost escalation on contracts awarded.</p> <p><b>Implementation of Municipal Property Rate Act:</b> There are shortfalls which were never addressed properly in a present Valuation Roll which hampers the implementation of MPRA.</p>	<p>Reduction of grant dependency.</p> <p>Confidence of all stakeholders in municipal financial management.</p> <p>Excellent in financial related service delivery.</p>
<b>3.2.6 Municipal KPA Six: Spatial and Environmental Planning</b>					

<p>Spatial and Environmental Planning</p>	<p>Illegal occupation of land for informal housing purposes.</p> <p>Mushrooming of informal settlements on floodline and protected wetland areas.</p> <p>Kokstad town is presently not presenting a very good image for Greater Kokstad Municipality, due to the character of key infrastructure.</p> <p>There is minimal integration of environmental, land use and transport management system.</p> <p>A need exists to redirect growth and development to the previously disadvantaged areas and areas of economic opportunity while focusing on the redevelopment of deteriorating areas within the municipal area.</p> <p>There has been a substantial increase in the number of illegal small business operators that are conducting business from home without permission. This has given rise to traffic and safety problems as these areas were not designed for such purposes.</p>	<p>To ensure and promote sustainable functional and integrated settlement patterns in order to:</p> <ul style="list-style-type: none"> <li>✓ Discourage low density urban sprawl;</li> <li>✓ Generate social and economic opportunities for people and;</li> <li>✓ Promote easy accessibility to those Opportunities .</li> </ul>	<p>01.</p> <p>02.</p> <p>03.</p> <p>04.</p> <p>05.</p>	<p><b>District Planning Shared Services:</b> Promote the establishment of DPSS to ensure sufficient planning capacity to implement Spatial Development Framework and Planning and Development Act.</p> <p><b>Implementation of Planning and Development Act:</b> Develop and implement an integrated, efficient and effective application and approval system</p> <p><b>Land Use Management Act:</b> Ensure that LUMS adopt the principles of PDA.</p> <p><b>Environment Management Plan:</b> Develop Environmental Management System to ensure that most of wetlands and other species in GKM are protected.</p> <p><b>Major Rivers System and Valleys:</b> Representing a major natural structuring element representing mostly natural barriers for creating breaks in the built environment, while to e appropriate protected and managed to be positive integrated into development.</p>	<p>Sustainable use of resources whereby citizens of Greater Kokstad Municipality will be able to access and use resources to meet their needs without compromising the resource base of the municipality.</p>
---	--	---	--	---	---

**GREATER KOKSTAD MUNICIPALITY: MUNICIPAL TURN AROUND STRATEGY(MTAS) BI-MONTHLY REPORT  
AS AT 31 DECEMBER 2010.**

NO	PRIORITY AREA	BASELINE	INDICATORS	ACTION	TARGETS	PROGRESS ACHIEVED	BLOCKAGES	CORRECTIVE MEASURES	SUPPORT NEEDED IN TERMS OF UNBLOCKING
<b>Service Delivery</b>									
1.	Access to electricity, management & maintenance	20% of households (2864) do not have electricity.  Constraint electrification bulk infrastructure	Yearly Progress made on upgrading of electrical infrastructure by Eskom.	Seeking approval from NERSA  Need to increase the labour component maintenance.  The Municipal Manager mandated to engage the DOE ESKOM to fast track	<b>Kraansdraai</b> – 100 houses electrified by June 2012 <b>Pakkies/Thuthukani</b> – 300 households electrified by June 2012	Appointment of consultants for Kraansdraai completed. Consultant busy with tender documents.	Lack of capacity for Pakkies / Thuthukani	Eskom to make capacity available for electrification	KZN to intervene and talk to ESKOM
					280 Infills at Horseshoe to be completed by June 2011	Funding received from DOE. The contractor has been appointed and is on site	None	None	None
					Master Plan to be completed by end	Consultant has been appointed and	None	None	None

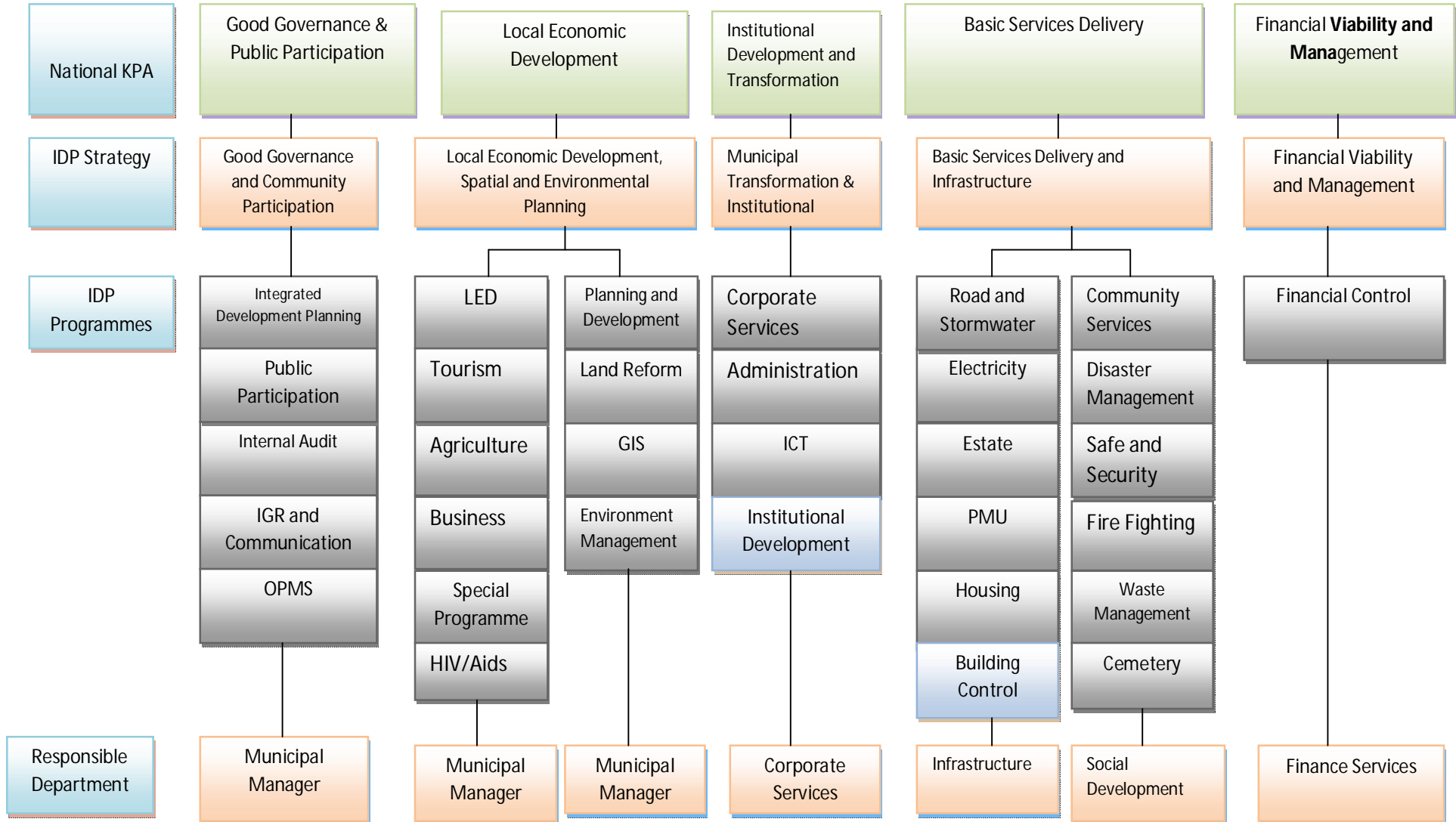
NO	PRIORITY AREA	BASELINE	INDICATORS	ACTION	TARGETS	PROGRESS ACHIEVED	BLOCKAGES	CORRECTIVE MEASURES	SUPPORT NEEDED IN TERMS OF UNBLOCKING
				all the electrification matters	June 2011	development of the Master Plan is underway			
2.	Refuse removal and solid waste disposal	<p>Unauthorised landfill site needs to be formally closed and new site to be identified and established.</p> <p>The only place that is serviced is the town areas on the outskirts are only serviced once a week.</p>	<p>Monthly progress made by the Municipality towards Identification and acquisition of a new land fill site by the Municipality</p>	<p>Initiate discussions and negotiations with the neighboring municipalities.</p> <p>Provide a budget for acquisition of land for a landfill site.</p> <p>Budget for rehabilitation of the existing landfill site.</p>	Allocation of recycling sites as per need determined by the feasibility study by end of June2011	Consultant has been appointed and busy with the feasibility study	This has been delayed due to inability to identify permanent landfill site	There is a need to fast track the identification of the temporal landfill site e.g. Matatiele	150 000 p/m utilise Matatiele municipalities landfill site Funding
					Identification of an alternative landfill site by June2012	Consultant appointed to prepare the closure plan.	All alternative land fill sites are expensive	None	150 000 p/m utilise Matatiele municipalities landfill site Funding
					Acquisition of permanent license landfill site by June	A second consultant has been appointed	None	None	None

NO	PRIORITY AREA	BASELINE	INDICATORS	ACTION	TARGETS	PROGRESS ACHIEVED	BLOCKAGES	CORRECTIVE MEASURES	SUPPORT NEEDED IN TERMS OF UNBLOCKING
				Prepare terms of reference for the waste management plan.	2013	to identify and establish a new alternative landfill site.			
					Formulation of Integrated Waste Management Plan by June 2011	Service provider appointed and has started work	None	None	none
3.	Access to water and sanitation, management and maintenance	476 households water reticulation backlog & sanitation is 3741 backlog	Percentage reduction of the water and sanitation services backlock by the District municipality on a year to year basis	The municipal manager mandated to write a letter to Sisonke with emphasis on the turnaround strategy	Horseshoe Water & Sanitation project by June 2012	Project implementation is currently underway.	Informal settlements on the sewer pipe route	Re-route the sewer pipe along Kransfontien Farm	Sisonke must prioritise the completion of the project
					Franklin Water & Sanitation project June 2012	Land negotiations finalised & R2mil secured from Spoornet. The contractor on site	None	None	Sisonke District to supplement R2 mil from Spoornet

NO	PRIORITY AREA	BASELINE	INDICATORS	ACTION	TARGETS	PROGRESS ACHIEVED	BLOCKAGES	CORRECTIVE MEASURES	SUPPORT NEEDED IN TERMS OF UNBLOCKING
					Appointment of resident: Water and Sanitation Superintendent in Kokstad by December 2011	Proposal has been submitted to Sisonke District	Lack of co-operation from the District Municipality	Sisonke to fast track the finalisation of its organogram and the filling of the post	Sisonke to appoint Resident Superintendent
					Completion of Water Demand Supply Study for Kokstad by December 2011	Proposal has been submitted to Sisonke District	Sisonke has budgeted for the WDSS for the 2010/11 financial year	Sisonke to fast track the Water Demand Supply Study in consultation with Kokstad	Provincial & National CoGTA to provide financial support for the implementation of the recommendations



**Table 31: Alignment between the National Key Performance Areas and the Greater Kokstad Municipal IDP Development Strategies, Programmes and Institutional arrangements**



## D. SPATIAL DEVELOPMENT FRAMEWORK

### 1. Introduction

---

The Spatial Development Framework (SDF) is an integral part of a Municipality's IDP (Chapter 5 of the MSA 32, Of 2000) and should reflect the culmination of the other elements of the IDP, guided by those development informants, strategies and development actions, which have a spatial implication. Based on the development strategies identified in the Kokstad Municipality's IDP, the Spatial Development Framework has taken into account the subsequent critical areas to be developed spatially.

- Tourism Development
- Agricultural Development

This is high level draft Spatial Development Framework, full detailed information on Municipal Spatial Development Framework is contained herewith **as Annexure J1**.

List of Maps for ease reference attached onto this IDP document are:

<b>Map1:</b>	Updated Cadastral Base Map
<b>Map2:</b>	Broad Land Use
<b>Map3A:</b>	Minset Data from EKZN Wildlife (Critical Areas)
<b>Map3B:</b>	C-Plan Data from EKZN Wildlife (Critical Areas)
<b>Map3C:</b>	Estaurine Minset Data
<b>Map3D:</b>	Transformation Data
<b>Map3E:</b>	Environmental Priority Zonation
<b>Map4:</b>	Agricultural Land Potential Map (Showing BRUS)
<b>Map5:</b>	Existing Spatial Development Framework
<b>Map6:</b>	Proposed Rural LUMS Zoning Policy
<b>Map7:</b>	Greater Kokstad Municipality SDF Review 09/10
<b>Map8:</b>	Urban Edge

## **2. Aims of the Greater Kokstad Development Framework**

---

Amongst others the aims of this SDF are:

- To promote sustainable functional and integrated settlement patterns
- To maximise resources efficiency;
- To enhance regional identity and unique character of place.
- To ensure conformance with the neighbouring local, districts and provincial spatial development frameworks.

## **3. The link between Spatial Planning and Land-use**

---

It is important to note that the IDP's Spatial Development Framework is intended to form the basis for the Land Use Management System for the municipal area, Land Use Management System referring in this instance to i) the control of development and ii) the facilitation of development. These two aspects place different requirements on the Spatial Development Framework; on the one hand it must be detailed enough to guide the implementation of land use rights (by means of Planning Schemes), while on the other hand it must identify measures to stimulate development.

## **4. Strategic Environment Assessment of the SDF**

---

Strategic Environmental Assessments (SEA's) are fast becoming the basic tools for integrating environmental issues into the formulation of policies and programs, and are becoming increasingly accepted in the South African context. Central to this process is the understanding that SEA's are proactive management instruments in the drive towards sustainability at strategic level planning and implementation. An SEA aims to integrate natural environmental concerns into the planning process at the same level at which social, economic and institutional considerations are addressed. The SEA serves as a tool for the practical translation of the idea of sustainability into programs and projects in the IDP/SDF process.

This study adopts the "strategic" approach, in that environmental issues throughout the Greater Kokstad Municipality SDF were determined at the critical / significant level, and are not site specific. Environmental issues common to the whole municipality will be determined through desktop analysis. Glaring issues more specific to smaller or more confined areas are also highlighted.

A list of environmental issues was drawn up and was presented to the stakeholders identified in the municipality. Agreement is to be obtained from stakeholders as to the relevance of the environmental issues, the environmental objectives for the municipality, and the Vision for the District. The issues identified were then developed in conjunction with the municipal vision into objectives and strategies contained in the IDP/SDF.

The Strategic Environmental Assessment has identified general environmental issues and concerns, strengths, weaknesses, opportunities and threats, and lastly identified the priority zonation for environmental sustainability.

## **5. Important Environmental Management Areas**

---

The municipality is endowed with various products of archaeological importance e.g. old buildings, various sites with historical markings, paintings.

At a district level various endangered species have been identified including

- The blue swallows
- Cranes
- Oribi
- Cape Parrot
- Rudds Lark
- Indigenous forest
- Wetlands and associated species
- Grasslands
- Drakensberg SCAP

## **6. Environmental Atlas Areas**

---

- Franklin Vlei and other wetlands with associated threatened species i.e. White winged and Flufftail
- Vegetation in the Southern Areas
- Habitats throughout the Municipality
- Cultural and Archaeological Sites

## **7. Drakensberg SCAP**

---

The Provincial Planning and Development Commission zoned a portion of the Greater Kokstad as part of the Drakensberg Special Case Area Plan. This zonation plan is reflected in the Spatial Development Framework but it is still essential that the Municipality respects this zonation and associated proposed development controls in order to protect the natural and tourism values of the Drakensberg Mountains, recently listed as a World Heritage Site for their natural and cultural values. The WHS listing opens up enormous tourism opportunities to the Municipality. The Municipality includes buffer, conservation and agriculture zones of the SCAP.

## **8. Key Environmental Issues**

---

The following issues identified through a literature review, key informant interviews and through work shopping the initial issues with the public and municipal councillors.

## ▪ **STRENGTHS**

### **Social**

- The beauty and small town ambiance of this municipality is an asset; it is a major factor in the tourism potential of the area. The urban greening of the urban areas such as Kokstad is key to maintaining and improving the aesthetic quality of urban areas specifically where these areas provide access routes to attractions of the municipality.
- The delivery of housing as demonstrated through the comparison for 1996 and 2000 statistics appears to be excellent. The percentage of informal housing has decreased even though the population of the municipality has increased dramatically.

### **Economic**

- The indigenous ecosystems provide habitat for medicinal plants a rich resource for homeopathic and traditional medicine. These areas include all areas indicated as grassland and indigenous bush on Map2.
- Tourism has been identified as one of the major income generators in the Municipality. The area has large Tourism potential associated to its proximity to the Ukhahlamba Drakensberg World Heritage site and its scenic wetlands. Types of tourism in the municipality include Getaway, Eco, Cultural and Adventure Tourism and it is well situated to provide transit tourism.

### **Biophysical**

- The wetlands in the municipality form part of the Mzimvubu catchment. These wetlands and the surrounding indigenous forests and grasslands provide valuable ecosystem goods and services such as water recycling and habitat. For all mapped wetlands and areas of biodiversity importance please refer to Map4.
- The municipality has no major industry and as such does not currently have major air pollution issues.

## ▪ **WEAKNESSES**

### **Social**

- Poverty and unemployment is a problem throughout the country however it is still a problem in the Greater Kokstad Municipality that requires attention. Between 1996 and 2001 unemployment increased however the number of employed people increased. This indicates a large growth in the number of unemployed possibly as a result of immigration from other areas. This will need to be addressed and planned for in the future.

- Alignment of Provincial, District and Local planning has been identified as key for all areas of the province, there is still however still work and much communication required to resolve problems with alignment.
- The police station in Kokstad is currently fragmented causing institutional complications. Premises large enough to house the entire police department need to be found.

### **Economic**

- Roads provide the main form of transport in South Africa; as such they provide access to markets. The main income generators within the municipality include Agriculture, Tourism and Industry. All these require access to markets, either the transport of goods out of the municipality to markets of the transport of visitors into and around the municipality, for these sectors to grow. Road maintenance will need to become a focus for the municipality to address local economic development.
- The municipal vision or mission does not take environmental quality or sustainability into account. The main sectors in the municipality include tourism and agriculture both which rely on good environmental standards to generate income. To ensure the continued economic potential of these sectors the concept of sustainability must be incorporated in the municipal vision.

### **Biophysical**

- Littering is a problem in the more urban areas, such has both impacts on ecological, animal and human health and aesthetic impacts that have large consequences for the tourism potential of the area.
- Degradation of wetlands as a result of cultivation and artificial drainage, dams, urbanisation, soil erosion and alien plant invasion will have far reaching consequences for ecological function and water quality. Major impacts are being caused by the lack of a functional sewerage disposal in the Franklin area. Raw sewerage is being discharged in to the Franklin vlei, which represents an extremely valuable wetland and habitat for threatened species.
- Agriculture, in particular dairies, piggeries and maize production, impact moderately on river health through excessive nutrient input into rivers.
- Informal housing is a social and economic problem as well as posing biophysical problems. It creates difficulties in service delivery and encourages urban sprawl such as in the Franklin and Bambayi areas. Further it has a large impact on aesthetics and as such can impact on the tourism potential of the municipality. This is however currently being addressed in by the municipality through a number of housing projects detailed on pg 19 and 20 of the IDP review.
- The proximity of industry and bulk sewer lines to the Shayamoya River and the waste disposal site to the Umzintlava River, which provides water to Kokstad town in the municipality, poses serious water pollution and health problems.

## ▪ **OPPORTUNITIES**

### **Social**

- Social upliftment as a result of economic growth is an expected positive spin off. Economic development should however be sustainable, environmentally, socially and economically. This is critical in ensuring that development does not create greater environmental and social cost to the municipality than the economic benefit as this may in fact have economic repercussions in the future.
- Provision of housing and basic services including the identification of areas with potential for housing development and the formalisation of current informal or overcrowded settlements with housing, sanitation and stormwater drainage.
- Through increasing awareness of planning documents (such as the IDP, SDF and LUMS) and procedures in the municipality, integrated development will be encouraged.

### **Economic**

- N2 Access runs through the study area and provides a tourism and agricultural produce corridor through the municipality thus providing a large economic opportunity for the municipality.
- Economic growth through integrated development that fits with municipal spatial planning objectives will uplift the economic environment without encouraging urban sprawl and unsustainable development.
- Optimisation of the tourism potential of the region through sustainable development will highlight the environmental and tourism assets of the area and aid in poverty alleviation for e.g. Franklin Vlei, the Kokstad Museum, the Griqua Fort and Mount Currie.

### **Biophysical**

- The amenity of the municipality is critical to its appeal as a tourist destination. An open space system will help to ensure the maintenance of the amenity of the municipality. To ensure linkages and the added benefit of improving biodiversity goods and services, the plan should focus on catchments and rivers as well as entry points to the area in terms of amenity.
- The Umzimvubu catchment is an important catchment. With the establishment of Catchment Management Agencies the opportunity exists for subsidisation of green technologies and environmentally sensitive farming practices. Money generated from the Catchment Management agency could also be used to formalise areas of particular value for conservation purposes either through purchasing the land or through lease agreements.
- The area is known to have abundant and varied fauna with conspicuous bird life. There are also noteworthy populations of invertebrates, amphibian, reptiles and mammals. All these have tourism, education and tourism potential.
- The area contains a number of sites of archaeological, historic and cultural significance to include the Kokstad Museum, the Griqua Fort and Mount Currie.

- The climate is excellent and conducive to year-round tourism.
- Identification and education of the value of ecosystem goods and services is a project that will aid in the understanding of the value of natural ecosystems and as such will enable agricultural incentive based programs to be designed and implemented.

## ▪ **THREATS**

### **Social**

- Health impacts as a result of informal settlements have both social and biophysical implications.
- The use of VIP's in the Horseshoe area is inappropriate. The area exists on the edge of a flood plain and pits need to be relocated regularly. This poses major water pollution and health hazards.
- The Kokstad sewerage treatment works does not have the capacity to cope with further development and expansion of the town. In high use time raw sewerage has in the recent past flowed into the river. This upgrade will need to be the focus for service provision in the future.
- Lack of sufficient water supply both domestic and agricultural.

### **Economic**

- Lack of infrastructure maintenance also impacts on the municipality's aesthetics and access and as such it's atmosphere and tourism potential. This is particularly important along tourist and agricultural market.
- Loss of water quality from this catchment would have major, cost implications.
- Sedimentation of rivers as a result of erosion will impact on water quantity available for forestry and agriculture, loss of this water supply will have major economic impacts.

### **Biophysical**

- Injudicious afforestation contributes to excessive sedimentation and destabilisation of riverbanks. Alien plants also use large amounts of water and over shade the ground preventing undergrowth responsible for soil stabilisation.
- Loss of biodiversity and its resultant goods and services.
- Alien Vegetation on public and private properties threatens biodiversity.
- Subdivision of agricultural land is of concern as small subdivisions have in the past proved to be unsustainable and therefore have an impact on the agricultural potential and economic development of an area. Areas of high tourism development demand are most threatened.
- The migration of Biodiversity up and down altitudinal gradients is a critical part of the survival of species during global climatic events. Monoculture has created islands of biodiversity, which inhibit the ability of ecosystems to adapt and migrate.



## 9. Environmental Priority Zones

---

### Priority 1 Zone

Priority 1 Zones are spatially defined as those areas that are designated as non-negotiable reserves, in the EKZNW Min Set data set, and have a natural land cover. It therefore designates areas that are indigenous forests and grasslands or veld and have a high biodiversity value. These areas have the highest priority for environmental management and as such development within this designation should be low-key, highly environmentally sensitive and harmonious with the surrounding conditions.

### Priority 1 Objectives

- 1 Wherever possible, all indigenous vegetation with Priority 1 zoning must be conserved. Where dealing with a forest or a bush clump, the entire unit must be protected, i.e. neither the undergrowth nor any of the canopy layers must be cleared.
- 2 Conserved areas should be linked to form a continuous open space system.
- 3 The ecotone is the transitional region between habitats, e.g. the forest margin. It is usually a good wildlife habitat and is important as a buffer zone. The ecotone shall be conserved together with the particular habitat identified as a Priority 1 zone, so that development impact is reduced.
- 4 The natural drainage pattern shall be retained intact as far as possible. Generally, the more the natural land patterns are altered, the greater the engineering and development costs will be.
- 5 Ideally, all Priority 1 areas not required for development should be zoned Conservation Reserve in the Town Planning Scheme. According to Section 67 of the Town Planning Ordinance such land (a land reservation) must be purchased by the local authority within 5 years, unless such local authority is able to reach an agreement with the owner. Acquisition on this scale will not usually be financially feasible. It is suggested that the Council and the owners of the relevant properties enter into agreements which will afford the proposed conservation areas protection and that personal servitudes or conservation servitudes be registered in the Deeds Office.
- 6 Alternatively, Private Conservation zoning could be used. In this case the local authority is not required to purchase the land and protection in terms of the Scheme Clauses is the same as for Conservation Reserve. It has to be emphasised that both these measures can be used if the landowner's agreement can be obtained.

## Priority 1 General Guidelines

- 1 One would expect that as this zone represents areas of natural vegetation that the Environment Conservation Act would apply. Regardless of the activity the land would be considered virgin as natural vegetation would not have been cultivated in the preceding 10 years and as such any transformation of priority one land would be subject to an EIA under NEMA.
- 2 As the land use mapping was done at a regional scale land transformation in the form of cultivation may have occurred but not be reflected in the mapping, land that is cultivated but forms part of the Min-Set non-negotiable reserves will be categorised as Priority 3 and should follow the General Guidelines for Priority 3 Zones.
- 3 The Environmental Impact Assessment required for virgin land in priority 1 zones should include a biodiversity assessment of the site and its biological value.
- 4 The layout of the development should take biodiversity impacts and mitigation into account and as such should avoid areas of high biodiversity value.
- 5 The local authority should negotiate with the property developer to incorporate land not to be used for development into Conservation Reserves. This can be achieved as part of authorization for development on submission of the plans.
- 6 When building plans are submitted to the local authority for approval, they shall include a copy of the Record of Decision (ROD) issued by DAEA and an Environmental Management Plan (EMP) where required by the ROD.
- 7 No construction may begin without authorization from DAEA, the Municipality in its development control capacity should not under any circumstances be authorized by the Municipality until such time as DAEA has given authorization for the activity to go ahead.
- 8 Any unauthorized development should be reported immediately to the DAEA.
- 9 The width of survey paths shall be kept to the absolute maximum of 1 metre.
- 10 Where areas have been set aside for conservation in the layout, such areas will have to be demarcated. This should be done before building starts, sites must be staked and should be fenced or cordoned off with Chevron Tape. This is with a view to preventing damage to conservation areas during construction and operation. The fencing used should be appropriate and should allow for the movement of small animals, which may be found in this area.
- 11 In the conserved areas, only nature-related recreation and education shall be permitted, such as bird watching, walking and canoeing. These areas should be left as undisturbed as possible.
- 12 Exotics should be avoided in landscaping of developments.
- 13 Invasive aliens should be eradicated as part of landscaping and management plan for the

development.

- 14 As far as possible, medium density housing development in this zone should be clustered in order to minimise visual impact and the amount of land needed. This reduces development costs and also makes land available for conservation or open space purposes. Further advantages are wind protection and better controlled access the development area
- 15 Landowners shall be made aware of the priority status of their land before purchase. Estate agents in the area could assist in this regard. The clearance certificate issued to each purchaser shall make note of the priority status, for the purchaser's information, should the estate agent not have raised the issue.

### **Priority 2 Zone**

Development in this zone should still be environmentally sensitive as it could be identified as mandatory reserve, based on land transformation in the future.

### **Priority 2 Objectives**

These vegetation groups can be used to form corridors or stepping-stones of natural habitat between Priority 1 zones, to provide a path of migration for flora and fauna.

There is a possibility that in future areas within this zone may become non negotiable reserves, and as such Priority 1 if land transformation occurs in Priority 1 zones

### **Priority 2: General Guidelines**

- 1 As for the priority 1 zone one would expect that as this zone represents areas of natural vegetation that the Environment Conservation Act would apply. Regardless of the activity the land would be considered virgin as natural vegetation would not have been cultivated in the preceding 10 years and as such any transformation of priority 2 zones would be subject to an EIA under NEMA.
- 2 As the land use mapping was done at a regional scale land transformation in the form of cultivation may have occurred but not be reflected in the mapping, land that is cultivated will therefore have no priority.
- 3 When building plans are submitted to the local authority for approval, they shall include a copy of the Record of Decision (ROD) issued by DAEA and an Environmental Management Plan (EMP) where required by the ROD.
- 4 No construction may begin without authorization from DAEA, the Municipality in it's development control capacity should not under any circumstances be authorized by the Municipality until such time as DAEA has given authorization for the activity to go ahead.
- 5 Any unauthorized development should be reported immediately to the DAEA.

- 6 Exotics should be avoided in landscaping of developments.
- 7 Invasive aliens should be eradicated as part of landscaping and management plan for the development.
- 8 As far as possible, medium density housing development in this zone should be clustered in order to minimize the amount of land needed. This reduces development costs and land transformation. Further advantages are wind protection and better controlled access the development area
- 9 Landowners shall be made aware of the priority status of their land before purchase. Estate agents in the area could assist in this regard. The clearance certificate issued to each purchaser shall make note of the priority status, for the purchaser's information, should the estate agent not have raised the issue.

### **Priority 3 Zone**

Priority 3 Zones are spatially designated as areas that have natural land cover but have no reserve status as per the EKZNW Min-Set data set. They are therefore areas of low biodiversity importance but still maintain natural ecosystem. They therefore have a high functional importance as they provide ecosystems goods and services such as habitat, clean water, carbon sequestering or nutrient recycling. This zone focuses on ecosystem goods and services and as such activities impacting on the functioning of the ecosystems should be limited such as large scale clearance, water extraction, emissions of waste into the air or streams and rivers.

### **Priority 3: Objectives**

Ecosystems in this zone should not be transformed such that they are no longer able to provide the goods and services they currently supply.

### **Priority 3: General Guidelines**

- 1 As for the priority 1 and 2 zones one would expect that as this zone represents areas of natural vegetation that the National Environmental Management Act (NEMA) would apply. Regardless of the activity the land would be considered virgin as natural vegetation would not have been cultivated in the preceding 10 years and as such any transformation of priority 2 zones would be subject to an EIA under NEMA.
- 2 As the land use mapping was done at a regional scale land transformation in the form of cultivation may have occurred but not be reflected in the mapping, land that is cultivated will therefore have no priority.
- 3 When building plans are submitted to the local authority for approval, they shall include a copy of the Record of Decision (ROD) issued by DAEA and an Environmental Management Plan (EMP) where required by the ROD.

- 4 No construction may begin without authorization from DAEA, the Municipality in its development control capacity should not under any circumstances be authorized by the Municipality until such time as DAEA has given authorization for the activity to go ahead.
- 5 Any unauthorized development should be reported immediately to the DAEA.
- 6 Invasive aliens should be eradicated as part of landscaping and management plan for the development.
- 7 As far as possible, medium density housing development in this zone should be clustered in order to minimise the amount of land needed. This reduces development costs and land transformation. Further advantages are wind protection and better controlled access the development area
- 8 Landowners shall be made aware of the priority status of their land before purchase. Estate agents in the area could assist in this regard. The clearance certificate issued to each purchaser shall make note of the priority status, for the purchaser's information, should the estate agent not have raised the issue.

#### **Priority 4: Zone**

This zone is spatially represented as land that is mandatory reserve which has been developed either by cultivation or urban or industrial development. These areas have a high biodiversity value but have been transformed. The principal aim therefore of this zone is rehabilitation and increasing biodiversity quality.

#### **Priority 4: Objectives**

Land within these zones should not be transformed any further. Wherever possible these areas should be rehabilitated to improve ecosystems goods and services and upgrade environmental quality.

#### **Priority 4: General Guidelines**

- 1 Under National Environmental Management Act, a number of listed activities are described. Any development that would involve a listed activity is subject under NEMA to an Environmental Impact Assessment. In the rural context the most common listed activity is the change in land use from agriculture to any other use.
- 2 When building plans are submitted to the local authority for approval, the developer should indicate whether the development includes any listed activities. If so the plans shall include a copy of the Record of Decision (ROD) issued by DAEA and an Environmental Management Plan (EMP) where required by the ROD.
- 3 No construction of developments that include listed activities may begin without authorization from DAEA, the Municipality in its development control capacity should not under any circumstances be authorized by the Municipality until such time as DAEA has given authorization for the activity to go ahead.

- 4 Any unauthorized development should be reported immediately to the DAEA.
- 5 Landowners shall be made aware of the priority status of their land before purchase. Estate agents in the area could assist in this regard. The clearance certificate issued to each purchaser shall make note of the priority status, for the purchaser's information, should the estate agent not have raised the issue.

## **10. Movement Corridors**

---

The corridors are the main structures that hold the spatial framework in place. The corridor concept has recently become popular in provincial development planning and national spatial development planning as the notion of corridor development is providing a useful framework for regional development. The idea of the corridor essentially refers to the development along major roads with considerable existing or potential movement. This inevitably occurs along routes, which connect major 'attractors' – significant towns, tourism attractions and other movement, which generate economic activity.

The corridor is effective in linking infrastructure and economic development as towns and structures are connected to each other via the transport network like "beads on a string". A major objective behind the corridors in this study is the generation of sustainable economic growth and development in relatively underdeveloped areas, according to the inherent economic potential of the locality.

The Movement Corridors linking the primary nodes, hubs, secondary nodes, and satellites were proposed as follows:

- Primary Corridor
- Secondary Corridor
- Tertiary Corridor

### **10.1 Primary Corridors**

R617, N2, R56 are the primary corridors within the Municipality. These provide high linkages with surrounding municipalities and economic nodes. Along R617 there are views of scenic beauty and landscape which can attract both domestic and international tourist thereby promoting LED projects at some locations. N2 – R56 corridor is also identified in PSEDS as provisional priority corridor SC2.

### **10.2 Secondary Corridors**

D609 joining D622 to Wansbeck is a secondary corridor and also provides linkages to the Drakensberg. P604 connecting Matatiele to R617 provides a short cut to Pietermaritzburg and the N3 and its potential could be strengthened through tarring. R602-1 to Creighton and Umzimkulu provides linkage between Franklin, Umzimkulu and Creighton.

### 10.3 Tertiary Corridors

These corridors provide vital linkages to service satellites in the district and ensure connectivity with service delivery in the communities.

## 11. Nodes

---

In terms of the Greater Kokstad SDF, the Settlement Hierarchy proposed for the municipal area is as follows:

1. Primary Commercial Node - Administrative and Economic Centre:
2. Secondary Commercial Nodes – Distribution Point
3. Satellite Service Nodes - Delivery of Supplementary Services:

### 11.1 Primary Commercial Node

Kokstad is the largest population centre in the municipality and predominates massively in the Municipality's economy. In this node the CBD is dissected by R59 and intersected by R617 which are both Primary Movement Corridors. Being the major economic node and regional service centre to the rural hinterland it also functions as the administrative centre and accommodates the municipal offices, hospital, schools, police station and magistrates court as well as a large variety of commercial and retail outlets and has recently extended housing infrastructure at Shayamoya and more housing is proposed to meet housing demand (also servicing the Eastern Cape).

### 11.2 Secondary Commercial Node

Franklin and Swartberg the second largest population centre in the municipality on the R609 primary corridor plays an important role as a services centre to farmers in the north of the municipality by providing a small variety of commercial and social services. The urban growth boundary is also cadastrally aligned so as enable clear distinction which areas are within this nodes.

### 11.3 Satellite Service Nodes

"Satellite Service Nodes represent the lowest order of locality, where a range of service and economic activities could be concentrated in a sustainable way and are located in the periphery of the Hub," (*ibid*). Its location is usually the most accessible locations within an acceptable walking distance of particular community. These services may be located at a clinic, store, tribal court or taxi rank.

The levels of service that are found at these nodes are:

- Clinic / Mobile services
- Post Boxes

- Shops
- Secondary and Primary Schools
- Weekly /Mobile Services

In identifying service satellites a number of factors has be considered to determine the most suitable / optimal locations. These include, amongst other factors:

- Density and distribution of population to be served
- Level of existing economic activity
- Proximity of transport routes and modes of transport
- Topography of locality
- Land Tenure arrangements
- Levels of service infrastructure

#### **11.4 Urban Expansion/ Mixed Use Nodes**

These are the areas which form the interface between the existing built-up urban areas and the surrounding agricultural area, where development pressures are likely to occur. These areas have potential for urban expansion in the form Residential development, mixed use development, and industrial development. Mixed use developments are the type of land uses which would be encouraged. Generally, densities would be lower than in the existing built-up areas, and the appropriate density would be determined by an analysis of factors such as accessibility, availability of services, physical features and environmental considerations.

It is important that prior to any development, subdivisions and service provision (water, roads, etc) that a detailed structure plan be prepared to ensure coherent and harmonious development.

## **12. Urban Edge**

---

The Urban Edge or Urban Growth Boundary is defined along the confines of the urban areas located on the most southern part of the municipal area of jurisdiction and this is on the identified boundary of the primary node of Kokstad.

The purpose of this edge is to discourage urban sprawl and define an area of special focus wherein urban orientated development is to occur in the future. Urban development should be discouraged beyond this edge until such time that the area within is considered sufficiently developed on public and private land and services are meeting requirements sustainably.

Areas of priority spending are likely to occur mainly within the Urban Edge area to facilitate the development of new settlements and upgrading of existing informal and formal settlements.

The Urban edge as suggested in the Development Facilitation Act is essentially to limit urban sprawl to promote efficient and integrated land development to include the following objectives:



- Promote the integration of the social, economic, institutional and physical aspects of land development;
- Promote integrated land development in rural and urban areas in support of each other,
- Promote the availability of residential and employment opportunities in close proximity to or integrated with each other;
- Optimize the use of existing resources including such resources relating to agriculture, land, minerals, bulk infrastructure, roads, transportation and social facilities;
- Promote a diverse combination of land uses, also at the level of individual erven or subdivisions of land;
- Discourage the phenomenon of "urban sprawl" in urban areas and contribute to the development of more compact towns and cities;
- Contribute to the correction of the historically distorted spatial patterns of settlement in the Republic and to the optimum use of existing infrastructure in excess of current needs; and
- Encourage environmentally sustainable land development practices and processes.

The urban edge is identified along provincial priority corridor SC2 and is aligned with PSEDS and NSDP principles as it promotes economic growth through retail tourism and agribusiness.

### **13. Commercial Agriculture and Tourism**

---

These are one of the most critical areas that need to be spatially developed within the Greater Kokstad Municipality is the agricultural and tourism sector.

### **14. Intensive Agriculture**

---

Some of the best agricultural soils in the region occur in this zone, which have the potential to support intensive agriculture. Many of the soils in this area are suitable for commercial agriculture.

Buildings and uses associated with intensive farming practices include the following activities:

- The production of food and the cultivation of crops
- The farming of livestock, poultry and bees
- Horticulture and market gardening
- Residential accommodation for farmers together with the necessary community facilities.

The key principles regarding the use of intensive agricultural land are as follows:

- Protect good agricultural land from unnecessary urban development. Residential, industrial and commercial development should be concentrated in the identified development nodes.
- Resources and potentials need to be identified and used to promote economic development.

- Rural development should promote the growth of Secondary and Tertiary Development Nodes to accommodate all non-agricultural land uses and as centre for the provision of services to the surrounding rural areas.
- Where traditional settlement in rural areas is primarily for residential purposes then this should be encouraged to take place with identified Development Nodes

## **15. Multipurpose Retail and Office**

---

These are located to the south and in the middle of the Urban Edge. They are zones that permits the development of a full hierarchy of shopping centre types and can meaningfully comprise a mix of retail, office uses in order to provide for a range of typical specialized activities.

## **16. Proposed Institutional**

---

This is located somewhat to the north of the Urban Edge confine, just to the South of Kokstad. In this location the Anglican Church of South Africa will serve as a regional centre for Kokstad, the Eastern Cape and other nearby areas.

To the promotion of ASGISA, Greater Kokstad Municipality needs areas where skills development is to take place as a result of an area at the north of Kokstad town has been identified for this purpose.

## **17. Nature Reserve**

---

The Mount Currie Nature Reserve is located to the top Northwest periphery of the Urban Edge confines, and will optimistically promote the following

- Recreation,
- Conservation of biodiversity
- A tourism attraction node.

## **18. Proposed Hotel**

---

### **(3star hotel-shortage of regional centre-accommodation)**

There is currently a huge shortage of accommodation facilities within the municipality i.e. there is a lack of bed and breakfasts, resorts, hotels, motels etc. With the foregoing in mind, the proposed 3star hotel will begin to address this issue and also serve as primary regional centre.

## **19. Urban Areas**

---

The boundary of the Urban Edge is defined along the boundaries of these urban areas. Cadastral boundaries show the Urban Edge of Kokstad, Swartberg and Franklin.

## **20. Small Holdings**

---

There are small farms on the northwest edge of the Urban Edge and they are mainly residential in nature.

## **21. Areas of Conservation Significance / Adventures and Eco-Tourism**

---

The areas of Conservation Significance consist of both private and communal land which have important water and nature conservation values, but do not enjoy formal legal protection. These areas contain natural communities of high nature-conservation value, and also important grazing resources which occupy virtually the entire zone.

The intrinsic bio-diversity value of eco-systems and natural habitats on agricultural farmlands provide the basis for eco-tourism diversification and sustainable farming practices, thus activities need to be carefully planned in order to integrate with the environmental attributes and minimize any negative impacts.

Other important areas which have been included in the areas of conservation of significance include major wetland systems, Natural forests, Medicinal Plants, threatened species, important species and grasslands. Potential exists for extensive conservation measures on Large areas of wetlands to be implemented throughout the Municipality with respect to important eco-systems, habitats, landscapes and fauna (especially the Franklin Vlei).

Although much of the area is farmed for commercial agriculture it contains a vast combination of natural resources and landscapes for getaway tourism. In the course of diversifying to tourism conservation efforts should be applied using protection mechanisms such as bio-sphere reserves. Any tourism development should integrate with such efforts. From a tourism plan done by the district, and the local municipality, Greater Kokstad shows potential for this tourism.

Conservation areas are important environmental areas which not only support ecosystems, but are attractive to tourism and offer economic opportunities. They area also important sources of indigenous herbs and "muthi" and often contain good agricultural areas.

These areas require a particularly high degree of protection as they are key areas of biodiversity because they provide ecosystem services or are unique landscapes or viewpoints or areas of ecological, historical or cultural importance. It also includes areas that by virtue of their ecological or biological functions provide services that contribute to natural disaster management systems.

The principles which should apply to conservation areas are as follows:

- Adequate protection to ensure sustainable provision of ecosystem services;
- Protection in terms of national and provincial laws, policies and guidelines;
- No permanent settlement should be permitted within identified conservation areas and settlement adjacent to such areas must comply with agreed upon environmental management principles.
- The use and development of conservation will take place on a planned and controlled basis after environmental impact assessment.

The objectives for designating such areas are to draw attention to their sensitive nature, and the need for appropriate special and sustainable management measures. Most of such areas are currently subjected to some form of agricultural use.

Preferred and Non Preferred land uses proposed for these areas are also provided in the following table:

**Table 32: Preferred & Non-Preferred Activities 1**

PREFERRED ACTIVITIES	NON-PREFERRED ACTIVITIES
Amenity planting within non-invasive species	Agri-Industry
Extensive agriculture	Commercial afforestation
Nature and culture based tourism	Industrial development
Nature and resource conservation	Intensive Agriculture
Small scale tourism development	Intensive or semi intensive human settlement
Small scale agriculture	Large scale infrastructural projects
Subsistence agriculture	Large scale tourism development
Trails	Mines and Quarries
	New Roads
	Subdivision of land

## 22. Commercial Agriculture and Tourism

Well managed agriculture occurs almost throughout the municipality. Future development of the municipality should seek to preserve the agricultural land in the area, develop its specific potentials and provide for diversification e.g. tourism.

Although much of the area is farmed for commercial agriculture it contains a vast combination of natural resources and landscapes for getaway tourism.

In the course of diversifying to tourism conservation efforts should be applied using protection mechanisms such as bio-sphere reserves. Any tourism development should integrate with such efforts. Current land uses in commercial, agriculture and tourism range from extensive to intensive forms of agriculture, and limited commercial afforestation. Just over half of the land has been transformed by agricultural practices, while the remainder consists of extensive natural communities, principally native grassland. There are limited areas with high nature conservation value in this zone, especially wetlands and areas of woody vegetation.

Some of the best agricultural soils in the region occur in this zone, which have the potential to support intensive agriculture. Many of the soils in this area are suitable for commercial agriculture.

Most of land in this zone is characterized by high scenic values, and it is considered that there is a considerable potential for community-based tourism and ecotourism in this area.

Preferred and Non Preferred land uses proposed for these areas are also provided in the following table:

**Table 33: Preferred & Non-Preferred Activities 2**

PREFERRED ACTIVITIES	NON-PREFERRED ACTIVITIES
Amenity planting within non-invasive species	Agri-Industry
Extensive agriculture	Industrial development
Commercial afforestation	Intensive or semi intensive human settlement
Intensive agriculture	Large scale infrastructural projects
Nature and culture based tourism	Large scale tourism development
Nature and resource conservation	Mines and Quarries
Small scale tourism development	New Roads
Small scale agriculture	Subdivision of land
Subsistence agriculture	
Trails	

## **23. Land and Redistribution for Agricultural Development (LRAD) and Pro-Active Land Acquisition Strategy (PLAS)**

---

The Department of Rural Development and Land Reform has the following programmes in Kokstad:

- LRAD and PLAS
- Land for human settlements (Erin Farm, Altone Farm, Sheltered Vale, Vieslam, Mielville park, Farm Brookside)
- Post transfer implementation (Thuthukangela, emkutheleni, and thuthukani land trust)
- Labour Tenants

There are both redistribution and restitution projects in Greater Kokstad Municipality. Redistribution aims to redistribute land ownership to address the racially skewed land ownership patterns to reflect the demographics of the area and country. A priority programme currently is the recapitalization programme. Greater Kokstad Municipality will be linking land reform programmes to this programme with the Department.

### **23.1 Land Claims (Restitution)**

There are gazette land claims in Greater Kokstad Municipal area, with the Makgoba claim being a large settled claim.

## **24. Poverty Alleviation and LED Initiatives**

---

The Greater Kokstad Municipality has embarked on an initiative to acquire land for agricultural projects as part of local economic development and poverty alleviation through assistance of Department of Rural Development and Land Reform. The land will be handed over to beneficiaries in the form of a co-operative then Council will lease them land for livestock farming and commonage.

The potential farm for these initiatives are Rosewell Farm, R Young farm, Mr Williamson Farm (Swartberg area), Mr Bosman farm (Kokstad), Mr Pretorius Farm (Franklin area) and Mr Pieters Farm (Kokstad). The existing farm with this initiative is Kranzfontein farm to the south east of Bhongweni location. These areas have been identified together with DLA, Municipality and Landowners and continuous negotiations into their development are in the process. There could be no speculations of land prices in this regard.

## **25. Existing Housing Projects**

---

Makhoba, Willowdale Farm (Pakkies) and Franklin are current housing projects within the Greater Kokstad Municipality. There is a need for middle to high income residential development which is proposed to take place in the area designated for urban expansion / mixed use node and inside the Urban Edge.

## **26. Greater Kokstad Draft Land Use Management System**

---

In terms of the Municipal Systems Act, Act No.32 of 2000 municipalities are required to prepare Land Use Management Systems.

In compliance with the legislation requirement the Greater Kokstad Municipality has taken a decision to prepare its Land Use Management System to promote the co-ordinated and harmonious development of the Greater Kokstad municipal area in such a way as will most effectively tend to promote health, safety, order, amenity convenience and general welfare, as well as efficiency and economy in the process of development, and the improvement of communications. In furtherance of this purpose, the Greater Kokstad local municipality desires to achieve a pattern and distribution of land uses which generally:

- Retain and enhance established residential neighbourhoods, industrial districts, open space and amenities.
- Allow for flexibility and the introduction of compatible uses in residential neighbourhoods.
- Allow for flexibility in the commercial area by permitting a combination of commercial uses and residential uses.
- Promote the development and expansion of the tourism potential of the area.
- Take into account environmental cultural and historical conservation.
- Provide for services such as waste management, water works and sewage disposal works.

### **26.1 Scheme Area**

The area to which this Scheme applies consists of the urban and rural/ agricultural areas of land under the jurisdiction of the Greater Kokstad Local Municipality.

## **26.2 Effective Date**

The effective date is the date of the former Administrator's or the Minister's approval of the resolution of the Local Authority to prepare a combined scheme for Kokstad town, Bhongweni, Shayamoya, Swartberg, Makhoba and Franklin in terms of Section 44 of the Natal Town Planning Ordinance No.27 of 1949, as amended. The effective date of the remainder of the scheme area will be the date upon which it is resolved to be implemented by the Municipality as a policy.



## E. SECTOR PLANS AND SECTOR INVOLVEMENT

### 1. Sector Plans

In order to respond swiftly to the development needs put forward by the IDP, the following sector plans have been identified as being necessary to assist the municipality.

Sector Plans	Strategic Goal	Current Status	Funding Resources
Environmental Management Plan	Improve the quality of the environment in Greater Kokstad Municipality	No Plan	Department of Environment
Poverty Alleviation Strategy	Generation of employment opportunities and eradication of poverty.	No Consolidated Documented Plan or strategy: but elements are implemented.	Greater Kokstad Municipality
Integrated Transport Plan	To ensure a sustainable integrated transport infrastructure network in GKM and ongoing maintenance	No Integrated Transport Plan	Department of Transport
Agricultural Development Plan	Ensure and encourage economic development and growth in the GKM.	Economic Development Plan includes to a certain extent Agricultural Development Plan.	Department of Agriculture Department of Economic Development and Tourism
Tourism Development Plan	To focus development on one of the key undiscovered economic sector the revitalize the economy of GKM.	Economic Development Plan includes to a certain extent	Department of Economic and Development
Integrated Waste Management Plan	Improve the quality of the environment in Greater Kokstad	Plan in final stages of development.	Greater Kokstad Municipality

Sector Plans	Strategic Goal	Current Status	Funding Resources
	Municipality		
Urban Regeneration Strategy	Improve the appearance of the town	No Plan although elements are implemented.	Greater Kokstad Municipality
Quality of Life Survey	To gain a comprehensive understanding of the living conditions of the residents and to discover what it is that essential affects the GKM resident's quality of life such as their needs, problems, priorities, and essentially, how the municipality can improve services provision and identify backlogs to enhance resident's quality of life.	Statistics South Africa, Census 2001, Community Survey 2007  2010 Survey undertaken to feed into the planning process.	Greater Kokstad Municipality
Comprehensive Infrastructure Plan		Phase 1 Completed	Greater Kokstad Municipality

## 2. Government Departments

---

Within the context of this IDP it is evident that the municipality will require a number of interventions from the various government departments and SOEs in order to achieve its municipal development objectives. It is for that reason that the Sisonke District Municipality hosted a two days engagement sessions with the government departments. The sessions took place at Pietermaritzburg on 25-26 November 2010. It is important to note that some of the invited government departments did not attend the sessions.

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

The contributions within Greater Kokstad Municipality by various government departments are as follows:

## 2.1 Sisonke District Municipality

<i>Sisonke District Municipality</i>						
<i>Responsibilities</i>	1-3 year Programmes	Budget			KPA supported by the Programme	
		2010/11	2011/12	2010/13		
Provision of water and sanitation to the local municipalities	Franklin Bulk Water & Sewerage Upgrade	R4,493,229,36	R1,006,786,54	R0	Basic Service Delivery	
	Kokstad Bulk Water and Sewer Upgrade	R8,000,000,00	R15,500,000,00	R0	Basic Service Delivery	
	Horseshoe Sanitation Project-New	R9,250,000,00	R14,843,166,29	R0	Basic Services Delivery	

## 2.2 Department of Human Settlement

<i>Department of Human Settlement</i>						
<i>Responsibilities</i>	3-5 year Programmes	Budget			KPA supported by the Programme	
		2010/11	2011/12	2012/13		
Provision of Human Settlement	Franklin Housing Project (Planning Phase) 450 Units	R3.185,788	R6,918,975	R14,393,594	Basic Service Delivery	
	Makhoba Housing Project (Planning Phase) 1400 Units	R13,389,888	R18,905,400	R14,393,594	Basic Service Delivery	
	Kokstad slums clearance (Phase 1) -236 (Packaging) 236 Units	R4,800,000	R0	R0	Basic Services Delivery	
	Kokstad Slums Phase 2 (Packaging) – 700 Units	R1,000,610	R13,184,284	R3,707,150	Basic Services Delivery	
	Willowdale Housing Project (Packaging) 27 Units	R0	R3,054.434	R0	Basic Services Delivery	

## 2.3 Department of Transport

<i>Department of Transport</i>					
<i>Responsibilities</i>	1- 3 year Programmes	Budget			KPA supported by the Programme
		2010/11	2011/12	2012/13	
Provision of Roads, Stomwater Drainage and Maintenance	Construction of Khuba Road (New Gravelled Road)	R348,000			Basic Service Delivery
	Construction of Mission Road (New gravelled Road)		R300,000		Basic Services Delivery
	Construction of Thulis Rustlers Road (New Gravelled Road)		R418,000		Basic Services Delivery
	Maintenance of local roads (Re-gravelling) Maintenance of Local Roads Maint. Of L1117 (Regravelling)	R967,780	R1,008,569	R340,000	Basic Service Delivery
	Maint. Of L149 (Re-gravelling)			R370,000	Basic Services Delivery
	Maint. Of Local Roads			R1,071,898	Basic Services Delivery
	Causeway Construction (D608, D636) Causeway Construction (Phuthing) Causeway Construction (D622)	R500,000	R180,000	R220,000	Basic Services Delivery
	P616 (Re-gravelling) D622 (Re-gravelling)	R2,166,503	R3,771,153		Basic Services Delivery
	D618 (Re-gravelling)	R2,284,000	R1,360,251		Basic Services Delivery
	D636 (Re-gravelling) D647 (Re-gravelling)	R2,247,047	R295,470		Basic Services Delivery
	Routine maintenance on various road: <ul style="list-style-type: none"> <li>• Blacktop patching – 558 sq/m</li> <li>• Road marking -27km</li> <li>• Blading -312km</li> </ul>	R2,681,818	R2,647,962	R2,572,567	Basic Services Delivery
	Zimbabwe Contractors	R2,222,160	R2,269,440	R3,300,000	Basic Services Delivery

<i>Department of Transport</i>					
<i>Responsibilities</i>	1- 3 year Programmes	Budget			KPA supported by the Programme
		2010/11	2011/12	2012/13	
					Local Economic Development

## 2.4 Department of Agriculture, Environmental Affairs & Rural Development

<i>Department of Agriculture, Environmental Affairs &amp; Rural Development</i>					
<i>Responsibilities</i>	3-5 year Programmes	Budget			KPA supported by the Programme
		2010/11	2011/12	2010/13	
Integrated Environmental Management	Urban Greening – Greater Kokstad: Shayamoya – 200 houses	R30,000	R0	R0	Planning and Environmental Planning

## 2.5 Department of Art and Culture

<i>Department of Art and Culture</i>					
<i>Responsibilities</i>	1-3 year Programmes	Budget			KPA supported by the Programme
		2010/11	2011/12	2010/13	
Support Art and Culture Programme	Support Arts and Culture	R5, 000			Local Economic and Development
	Establish and Support War on Poverty Cadres	R6, 000			Local Economic and Development
	Hip-Hop Kwaito Eliminations	R3, 000			Local Economic and Development
	Non-Accredited Skills Training	R5, 000			Local Economic and Development

<i>Department of Art and Culture</i>					
<i>Responsibilities</i>	1-3 year Programmes	Budget			KPA supported by the Programme
		2010/11	2011/12	2010/13	
	East Griqualand Cultural Festival	R55, 000			Local Economic and Development
	Theatre Promotion	R3, 000			Local Economic and Development
	Kokstad Museum Annual Subsidy	R68,000			Institutional Development
Education Support	Installation of Internet cafe with a ICT trainer	R220,000			Good Governance

## 2.6 Department of Education

<i>Department of Education</i>					
<i>Responsibilities</i>	1-3 year Programmes	Budget			KPA supported by the Programme
		2010/11	2011/12	2010/13	
Provision of Schools and Educations	Eradication of Mud School – Kransdraai Primary School	No Funding Provided			Social Infrastructure
	New schools construction – Shayamoya Secondary School	No Funding Provided			Social Infrastructure
	New schools construction – Horseshoe Primary School	No Funding Provided			Social Infrastructure

## **2.7 Department of Economic Development and Tourism**

The Department of Tourism has budgeted an amount of R60 Million through its Gijima LCF II Implementation Programme for entire KZN to help grow local economies in KZN by supporting the development which attract private and public investment and which create decent jobs and promote rural development. According to the department of Economic Development and Tourism, each and every municipality in KZN will be required to prepare a business plan to access this funding.

## **2.8 Conclusion**

In conclusion, the municipality acknowledged the fact that there are still a lot of government departments which have not submitted their projects and MTEFs. The municipality will engage the outstanding government departments by the way of one on one alignment sessions.

## F. IMPLEMENTATION PLAN

The 3-year Implementation Plan shows a summary of the total revenue and expenditure, as well as a detailed indication of the projects (operational or capital), the funding sources as well as the total funded project budgets for the years 2010/11 to 2012/13. A summary of the budget is indicated in the table below:

**KZN433 Greater Kokstad - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)**

Standard Classification Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Revenue - Standard</b>	<b>1</b>									
<b>Governance and administration</b>		<b>44,751</b>	<b>49,584</b>	<b>156,409</b>	<b>122,158</b>	<b>135,966</b>	<b>135,966</b>	<b>147,183</b>	<b>158,189</b>	<b>167,858</b>
Executive and council		832	1,551	10,312	1,305	578	578	1,000	1,060	1,124
Budget and treasury office		41,769	43,436	115,774	118,195	134,308	134,308	144,483	155,327	164,825
Corporate services		2,150	4,596	30,323	2,657	1,080	1,080	1,700	1,802	1,910
<b>Community and public safety</b>		<b>4,730</b>	<b>4,837</b>	<b>5,863</b>	<b>5,461</b>	<b>9,684</b>	<b>9,684</b>	<b>14,978</b>	<b>15,876</b>	<b>16,829</b>
Community and social services		1,725	401	125	409	989	989	1,128	1,195	1,267
Sport and recreation		57	17	66	100	215	215	250	265	281
Public safety		2,948	4,420	5,673	4,952	8,481	8,481	13,600	14,416	15,281
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>834</b>	<b>661</b>	<b>707</b>	<b>925</b>	<b>34,430</b>	<b>34,430</b>	<b>40,794</b>	<b>55,691</b>	<b>23,547</b>
Planning and development		817	645	699	875	16,735	16,735	23,969	36,320	3,111
Road transport		17	16	9	50	17,695	17,695	16,825	19,371	20,436



KZN433 Greater Kokstad - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>48,346</b>	<b>41,436</b>	<b>53,139</b>	<b>68,273</b>	<b>88,014</b>	<b>88,014</b>	<b>112,782</b>	<b>122,383</b>	<b>119,868</b>
Electricity		39,318	33,656	42,388	59,784	76,014	76,014	97,282	107,543	104,138
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		9,029	7,780	10,751	8,489	12,000	12,000	15,500	14,840	15,730
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	2	<b>98,662</b>	<b>96,519</b>	<b>216,118</b>	<b>196,817</b>	<b>268,095</b>	<b>268,095</b>	<b>315,737</b>	<b>352,139</b>	<b>328,103</b>
<b>Expenditure - Standard</b>	-									
<b>Governance and administration</b>		<b>40,720</b>	<b>60,090</b>	<b>126,148</b>	<b>77,370</b>	<b>90,657</b>	<b>90,657</b>	<b>100,404</b>	<b>108,943</b>	<b>116,003</b>
Executive and council		8,851	9,045	12,590	21,701	21,037	21,037	27,848	29,519	31,291
Budget and treasury office		19,537	39,622	72,827	40,931	52,364	52,364	48,787	56,423	60,253
Corporate services		12,331	11,422	40,732	14,737	17,256	17,256	23,769	23,001	24,459
<b>Community and public safety</b>		<b>11,855</b>	<b>14,728</b>	<b>14,848</b>	<b>24,962</b>	<b>26,452</b>	<b>26,452</b>	<b>38,215</b>	<b>38,773</b>	<b>35,493</b>
Community and social services		4,462	5,056	2,622	10,366	7,214	7,214	7,204	7,636	8,094
Sport and recreation		1,586	2,832	2,776	2,992	4,216	4,216	4,773	5,059	5,362
Public safety		5,807	6,839	9,449	11,604	15,022	15,022	26,239	26,078	22,036
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>15,474</b>	<b>14,170</b>	<b>20,474</b>	<b>38,027</b>	<b>71,677</b>	<b>71,677</b>	<b>82,972</b>	<b>93,021</b>	<b>70,896</b>

KZN433 Greater Kokstad - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description R thousand	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Planning and development		4,613	4,603	6,593	9,852	23,813	23,813	31,483	44,150	11,411
Road transport		10,862	9,567	13,880	28,175	47,864	47,864	51,489	48,871	59,486
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>29,794</b>	<b>38,253</b>	<b>43,024</b>	<b>56,458</b>	<b>79,309</b>	<b>79,309</b>	<b>94,072</b>	<b>111,402</b>	<b>105,711</b>
Electricity		22,939	31,731	37,330	48,681	67,973	67,973	83,671	100,378	94,024
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		6,855	6,522	5,693	7,776	11,336	11,336	10,401	11,025	11,686
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	3	<b>97,843</b>	<b>127,241</b>	<b>204,494</b>	<b>196,817</b>	<b>268,095</b>	<b>268,095</b>	<b>315,664</b>	<b>352,139</b>	<b>328,103</b>
<b>Surplus/(Deficit) for the year</b>		<b>819</b>	<b>(30,722)</b>	<b>11,624</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>73</b>	<b>0</b>	<b>(0)</b>

## G IDP PROJECTS

Below are the budgeted projects for 2011/2012 which will become elements of the Service Delivery and Budget Implementation Plan (SDBIP)

2011/2012 Implementation plan:

Programme/Project	Funding Sources	GKM Funds	Grant Project Specific	2011/2012	SDBIP REFERENCE	IDP REFERENCE
<b>COMMUNITY AND PUBLIC SAFETY</b>						
<b>HOUSING PROJECTS: R21,215,000</b>					<b>SDBIP PROGRAMME 16</b>	<b>IDP KPA 1</b>
Horseshoe Housing Project	DOH	0	299,500	299,500	16.1	KPA101
Makhoba Housing Project	DOH	0	4,844,500	4,844,500	16.2	KPA101
Franklin Housing Project	DOH	0	4,000,000	4,000,000	16.3	KPA101
Willowdale Housing Project	DOH	0	500,000	500,000	16.4	KPA101
Slums Clearance Phase 1,2	DOH	0	11,556,000	11,556,000	16.5	KPA101
Housing Consumer Education	Internal	15,000	0	15,000	16.6	KPA101
<b>PARKS AND RECREATION</b>					<b>SDBIP PROGRAMME 17</b>	<b>IDP KPA 2</b>
Halls chairs & tables	Internal	80,000	0	80,000	17.3	KPA207
Slash Mower	Internal	100,000	0	100,000	17.5	-
Swimming Pool Construction	Internal	500,000	0	500,000	17.6	KPA207
Parks Development	Internal	100,000	0	100,000	17.7	KPA207
Brush Cutting Machines	Internal	150,000	0	150,000	17.8	-
Park Maintenance	Internal	250,000	0	250,000	Need to check on sdbip	KPA207
<b>LIBRARY PROJECTS</b>					<b>SDBIP PROGRAMME 17</b>	<b>IDP KPA 2</b>
Kokstad Library Paving	Internal	100,000	0	100,000	17.2	KPA207
<b>CEMETERY PROJECTS</b>					<b>SDBIP PROGRAMME 17</b>	<b>IDP KPA 2</b>
Construction Cemetery Guardrooms	Internal	100,000	0	100,000	17.4	KPA207

Programme/Project	Funding Sources	GKM Funds	Grant Project Specific	2011/2012	SDBIP REFERENCE	IDP REFERENCE
<b>POUND MANAGEMENT</b>					<b>SDBIP PROGRAMME 17</b>	<b>IDP KPA 2</b>
Animal control	Internal	280,000	0		17.1	KPA207
<b>PROTECTION SERVICES PROJECTS</b>					<b>SDBIP PROGRAMME 18</b>	<b>IDP KPA 2</b>
Portable Weighbridge	Internal	400,000	0	400,000	18.4	KPA211
Traffic Light/Speed Timing Cameras	Internal	500,000	0	500,000	18.5	KPA211
Law Enforcement	Internal	350,000	0	350,000	18.6	KPA211
Fire Arms	Internal	150,000	0	150,000	18.7	KPA211
Overhead Parking	Internal	100,000	0	100,000	18.3	KPA211
Office Park Homes Procured	Internal	400,000	0	400,000	18.2	KPA211
Extension of Offices	Internal	3,000,000	0	3,000,000	18.1	KPA211
<b>FIRE PROJECTS &amp; DISASTER MANAGEMENT: R7 250,000</b>					<b>SDBIP PROGRAMME 18</b>	<b>IDP KPA 2</b>
Construction of Fire Station	Internal	2,000,000	0	2,000,000	18.8	KPA210
Franklin Satelite fire station	Internal	200,000	0	200,000	18.9	KPA210
Acquisition of Disaster Tents	Internal	50,000	0	50,000	18.10	KPA210
Community Awareness Campaigns	Internal	100,000	0	100,000	18.11	KPA210
<b>ECONOMIC AND ENVIRONMENTAL SERVICES</b>					<b>SDBIP PROGRAMME 16</b> <b>SDBIP PROGRAMME 01</b>	<b>IDP KPA 2,3,4,6</b>
<b>PLANNING &amp; DEVELOPMENT PROJECTS: R400,000</b>						
PDA Roll-Out	Internal	100,00	0	100,000	16.27	KPA602
SDF Review	Internal	200,000	0	200,000	16.28	KPA601
Update of GIS	Internal	100,000	0	100,000	16.29	KPA307
IDP Formulation	Internal	200,000	0	200,000	1.1	KPA401
OPMS	Internal	250,000	0	250,000	1.2	KPA402
Strategic Planning Sessions	Internal	300,000	0	300,000	1.2 & 1.3	KPA401

Programme/Project	Funding Sources	GKM Funds	Grant Project Specific	2011/2012	SDBIP REFERENCE	IDP REFERENCE
<b>BUILDING CONTROL</b>						
Enforcement Awareness Programmes	Internal	50,000	0	50,000	16.8	KPA4
Safety Healthy environment implementation	Internal	100,000	0	100,000	Cant Find in SDBIP	KPA2
<b>INFRASTRUCTURAL PROJECTS</b>					<b>SDBIP PROGRAMME 14</b>	<b>IDP KPA 1</b>
<b>ROADS &amp; STREETS PROJECTS</b>						
Rehabilitation of Kokstad Roads: Scott, Elliot, Hammond, Madel & Barclay.	Internal	3000,000	0	3000,000	14.1	KPA104
Walter Sisulu Drive	Internal	586,000	0	586,000	14.2	KPA104
Riverview Road	Internal	500,000	0	500,000	14.3	KPA104
Rehabilitation of Kokstad Roads Phase 5	MIG		5,600,000	5,600,00	14.4	KPA104
Lower Mphela Road	Internal	820,000	0	820,000	14.8	KPA104
Ext 7 walkway	Internal	500,000	0	500,000	14.9	KPA104
Shayamoya Taxi Route phase 2	Internal	2,613,280	0	2,613,280	14.10	KPA104
Horseshoe Taxi Route phase 2	Internal	2,613,280	0	2,613,280	14.11	KPA104
Special Projects	Internal	500,000	0	500,000	14.13	KPA104
Side walks	Internal	800,000	0	800,000	14.14	KPA104
<b>COMMUNITY HALLS &amp; PUBLIC FACILITIES</b>					<b>SDBIP PROGRAMME 16</b>	<b>IDP KPA 2</b>
Extension 7 new community hall	Internal	800,000	0	800,000	16.11	KPA207
Upgrade of Town Hall &	Internal	7,000,000	0	7,000,000	16.13	KPA207

Programme/Project	Funding Sources	GKM Funds	Grant Project Specific	2011/2012	SDBIP REFERENCE	IDP REFERENCE
Council Chambers						
Upgrade Youth Indoor Centre	Internal	4,000,000	0	4,000,000	16.14	KPA207
Urban Entrance Upgrade	Internal	300,000	0	300,000	16.15	KPA207
Upgrade of Market Square & Taxi Rank	Internal	1,000,000	0	1,000,000	16.16	KPA207
<b>TRADING SERVICES</b>					<b>SDBIP PROGRAMME 15</b>	<b>IDP KPA 1</b>
<b>ELECTRICITY PROJECTS: R17,200,000</b>						
MV Cable Upgrade	Internal	3,000,000	0	3,000,000	15.1	KPA102
Streetlighting	Internal	3,000,000	0	3,000,000	15.2	KPA102
Prepaid Meters	Internal	1,000,000	0	1,000,000	15.2	KPA102
Stadium Lighting & Murray Park Lights	DME GKM	1,000,000	2,500,000	3,500,000	15.4	KPA101
Bulk Substation metering	Internal	500,000	0	500,000	15.5	KPA102
Kargs Post Powerline Maintenance	Internal	1,500,000	0	1,500,000	15.6	KPA102
Electrification of Infills	Internal	1,000,000	600,000	1,600,000	15.7	KPA102
Depot/Yard refurbishment	Internal	500,000	0	500,000	15.8	-
Mobile standby generator acquisition	Internal	400,000	0	400,000	15.9	KPA101
Masterplan	Internal	200,000	0	200,000	0	-
Kraansbaai electrification	DME	0	1,500,000	1,500,000	15.10	KPA102
Council building/Halls prepaid meters	DME	300,000	0	300,000	15.12	KPA102
Bhekintaba fencing & reinforcement	Internal	200,000	0	200,000	15.13	KPA102
<b>WASTE MANAGEMENT PROJECTS:R6,650,000</b>					<b>SDBIP PROGRAMME 17</b>	<b>IDP KPA1 &amp; 2</b>
Landfill Site	MIG	0	5,000,000	5,000,000	17.10	KPA106

Programme/Project	Funding Sources	GKM Funds	Grant Project Specific	2011/2012	SDBIP REFERENCE	IDP REFERENCE
Food for Waste	Internal	1,500,000	0	1,500,000	17.9	KPA205
Leaf Sucking Machine Acquisition	Internal	150,000	0	150,000	17.8	-
<b>MUNICIPAL GOVERNANCE AND ADMINISTRATION</b>					<b>SDBIP PROGRAMME 19</b>	<b>IDP KPA 3</b>
<b>CORPORATE SERVICES ADMINISTRATION: R9,433,800</b>						
Municipal Properties Management	Internal	31,800	0	31,800	19.1	Asset Management
Records & Document Management	Internal	2,000	0	2,000	19.2	KPA305
Electronic Document Management	Internal	800,000	0	800,000	19.3	KPA305
Municipal By-Laws	Internal	250,00	0	250,00	19.4	KPA305
Telephone Management	Internal	1,300,000	0	1,300,000	19.5	-
Civic Centre	Internal	2,000,000	0	2,000,000	19.8	-
R56 Integrated Human Settlement Project	Internal	2,000,000	0	2,000,000	19.9	KPA101
Server & Network Management	Internal	800,000	0	800,000	19.11	-
ICT Management Service	Internal	750,000	0	750,000	19.12	KPA306
Disaster Recovery Plan	Internal	1,000,000	0	1,000,000	19.13	KPA306
ICT Master Plan	Internal	500,000	0	500,000	19.14	KPA306
<b>CORPORATE SERVICES: HUMAN RESOURCES:R5,170,000</b>					<b>SDBIP PROGRAMME 20</b>	<b>IDP KPA 3 &amp; 4</b>
Scarce Skills Plan Implementation	Internal	300,000	0	300,000	20.1	KPA302
OPMS Implementation	Internal	500,000	0	500,000	20.2	KPA402
Staff Excellence & Awards	Internal	350,000	0	350,000	20.3	KPA301
Staff Retention Strategy	Internal	900,000	0	900,000	20.4	KPA301
Implementation of WSP	Internal	850,000	0	850,000	20.4	KPA301

Programme/Project	Funding Sources	GKM Funds	Grant Project Specific	2011/2012	SDBIP REFERENCE	IDP REFERENCE
Education & Training	Internal	150,000	0	150,000	20.6	KPA301
Integrated Wellness Centre	Internal	650,000	0	650,000	20.7	KPA303
Experiential Training	Internal	700,000	0	700,000	20.8	KPA301
Employment Equity	Internal	250,000	0	250,000	20.9	KPA304
Recognition of Prior Learning	Internal	500,000	0	500,000	20.10	KPA301
MTAS Implementaion	Internal	20,000	0	20,000	20.11	- Cross Cutting.
<b>COMMUNICATION &amp; CORPORATE IMAGE &amp; BATHO PELE: R1,370,000</b>					<b>SDBIP PROGRAMME 3</b>	<b>IDP KPA 4</b>
Communication & Marketing Strategy	Internal	30,000	0	30,000	3.1	KPA406
Newsletter	Internal	300,000	0	300,000	3.2	KPA406
Website	Internal	300,000	0	300,000	3.3	KPA406
Corporate Image	Internal	300,000	0	300,000	3.4	KPA406
Media Liason	Internal	40,000	0	40,000	3.5	KPA406
Batho Pele Management	Internal	400,000	0	400,000	3.6	Cross Cutting
<b>RISK MANAGEMENT &amp; INTERNAL AUDIT: R1,050,000</b>					<b>SDBIP PROGRAMME 4</b>	<b>IDP KPA 3</b>
Audit Committee	Internal	400,000	0	400,000	4.1,4.2	-
Internal Audit	Internal	650,000	0	650,000	4.3	-
<b>LEGAL SERVICES: R1,050,000</b>					<b>SDBIP PROGRAMME 5</b>	<b>IDP KPA 3</b>
By-Laws Gazetting	Internal	250,000	0	250,000	5.1	KPA305
Provision of legal services	Internal	800,000		800,000	5.2	-
<b>LED/POVERY ALLEVIATION,SPECIAL PROGRAMMES</b>					<b>SDBIP PROGRAMMES 16 &amp; 7</b>	<b>IDP KPA 2</b>
<b>LOCAL ECONOMIC DEVELOPMENT &amp; POVERTY ALLEVIATION : R2 615 000.</b>						
Eastview, Horseshoe Bakery Project		1,100,000	0	1,100,000	16.17	KPA206
Brick Making Project	Internal	500,000	0	500,000	16.18	KPA206
Tourism	Internal	100,000	0	100,000	16.19	KPA203



Programme/Project	Funding Sources	GKM Funds	Grant Project Specific	2011/2012	SDBIP REFERENCE	IDP REFERENCE
SMME Support	Internal	100,000	0	100,000	16.20	KPA206
Poverty Alleviation	Internal	400,000	0	400,000	16.21	KPA205
Flea Market: Traditional Attire	Internal	15,000	0	15,000	16.22	KPA206
Farming Equipment	Internal	100,000	0	100,000	16.23	KPA205
Car Wash (phase 1)	Internal	100,000	0	100,000	16.24	KPA206
Crayon Manufacturing project	Internal	200,000	0	200,000	Cant find in sdbip.	KPA206
<b>SPECIAL PROGRAMME: R1,180,000</b>					<b>SDBIP PROGRAMME 7</b>	<b>IDP KPA 2</b>
Support of the Elderly	Internal	100,00	0	100,00	7.1	KPA209
Support of Disabled Programmes	Internal	100,00	0	100,00	7.2	KPA209
Support of Women	Internal	150,000	0	150,000	7.3	KPA209
Support of Disabled, Aged cooperatives	Internal	200,000	0	200,000	7.4	KPA209
Xmas with elders, orphans, children.	Internal	200,000	0	200,000	7.5	KPA209
16 days of activism	Internal	30,000	0	30,000	7.6	KPA209
HIV/Aids, TB & Crime.	Internal	400,000	0	400,000	7.7	KPA208
<b>PUBLIC PARTICIPATION: R1,200,000</b>					<b>SDBIP PROGRAMME 2</b>	<b>IDP KPA 4</b>
Community Based Planning	Internal	100,000	0	100,000	2.1	KPA401
GKM Prayer Day	Internal	100,000	0	100,000	2.2	-
Ward Committee Capacity Building	Internal	100,000	0	100,000	2.3	KPA404
Ward Committee Allowance	Internal	100,000	0	100,000	2.4	KPA404
Information Sharing Day	Internal	100,000	0	100,000	2.5	KPA406
Imbizo	Internal	350,000	0	350,000	2.6	KPA401
Ward Committee Establishment	Internal	200,000	0	200,000	2.7	KPA404
Special Projects	Internal	100,000	0	100,000	2.8	KPA405

Programme/Project	Funding Sources	GKM Funds	Grant Project Specific	2011/2012	SDBIP REFERENCE	IDP REFERENCE
Community Outreach	Internal	50,000	0	50,000	2.9	KPA405
<b>YOUTH, SPORT, ARTS, CULTURE &amp; RECREATION: R2 500 000.</b>					<b>SDBIP PROGRAMME 6</b>	<b>IDP KPA 2</b>
SALGA games	Internal	400,000	0	400,000	6.1	KPA212
Mayoral Games	Internal	400,000	0	400,000	6.2	KPA212
Sport & Recreation	Internal	250,000	0	250,000	6.3	KPA212
Local Youth Empowerment	Internal	400,000	0	400,000	6.4	KPA212
Youth Day Celebration	Internal	250,000	0	250,000	6.5	KPA212
Support of Educational Programme	Internal	250,000	0	250,000	6.6	KPA213
Support of Cultural & Youth Programme	Internal	250,000	0	250,000	6.7	KPA212
Heritage Day	Internal	150,000	0	150,000	6.8	KPA212
Support of Youth Cooperatives.	Internal	150,000	0	150,000	6.9	KPA212
<b>FINANCIAL MANAGEMENT SERVICES PROJECTS</b>					<b>SDBIP PROGRAMMES 9, 10,11,12,13</b>	<b>IDP KPA 5 IDP KPA 2</b>
<b>INDIGENT SUPPORT/DEBTCOLLECTION/MPRA</b>					<b>SDBIP PROGRAMME 9</b>	
Indigent Support	Internal	3,000,000	0	3,000,00	9.2	KPA205
Revenue Enhancement	Internal	2,500,000	0	2,500,000	9.4 & 9.9	KPA501
MPRA Debt Collection	Internal	600,000	0	600,000	9.5	KPA503
MPRA: rates	Internal	400,000	0	400,000	9.5	KPA507
Valuation Roll compilation	Internal	2,000,000	0	2,000,000	9.6	KPA507
Valuation Roll Management System	Internal	200,000	0	200,000	9.7	KPA507
Mobile Banking Machine acquisition	Internal	500,000	0	500,000	9.8	-
<b>CUSTOMER CARE: R300 000.</b>					<b>SDBIP PROGRAMME 10</b>	<b>IDP KPA 5</b>
Customer Care Enhancement	Internal	250,000	0	250,000	10.1	KPA505

Programme/Project	Funding Sources	GKM Funds	Grant Project Specific	2011/2012	SDBIP REFERENCE	IDP REFERENCE
Hands Free Telephone Set	Internal	50,000	0	50,000	10.2 & 10.3	-
<b>SUPPLY CHAIN MANAGEMENT (SCM): R650,000</b>					<b>SDBIP PROGRAMME 11</b>	<b>IDP KPA 5</b>
Implementation Of Supplier Database software	Internal	150,000	0	150,000	11.4	KPA506
Data Cleansing & Verification of Suppliers	Internal	500,000	0	500,000	11.5	KPA506
<b>ASSET MANAGEMENT: R1,000,000</b>					<b>SDBIP PROGRAMME 12</b>	<b>IDP KPA 5</b>
Fixed Assets Register Update & Management	Internal	1,000,000	0	1,000,000	12.1	-
<b>BUDGETTING, REPORTING &amp; COMPLIANCE: R2,500,000</b>					<b>SDBIP PROGRAMME 13</b>	<b>IDP KPA 5</b>
AFS and Audit Reports	Internal	2,500,000	0	2,500,000	13.3	-

## H. FINANCIAL PLAN

### 1. BACKGROUND

---

The preparation process of the Capital and Operating Budget 2011/2012 was undertaken in accordance with the prescriptive requirements of the Municipal Finance Management Act (MFMA), as follows:

- ✓ Budget and IDP Process Plan approved by Council before 31 August 2010;
- ✓ Stakeholder/Community Consultation;
- ✓ Drafting of IDP and Budget – further consultation and refinement;
- ✓ Strategic Planning.

The capital budget for 2011/2012 is:	R 91 770 560
The operating budget for 2011/2012 is:	R315 663 624
The revenue/income budget for 2011/2012 is:	R315 737 064

#### **The Council resolved that:**

1. Draft operating and capital budget as reflected in Summary of Final Operating and Capital Budget Schedules for 2011/2012 of (R315 663 624) is approved.
2. Draft operating revenue and expenditure by Standard Classification as reflected in Summary of Budget Financial Performance Schedules for 2011/2012 of (R273, 936, 624) is approved.
3. Draft Capital expenditure by Vote, standard Classification, Associated Category and Funding reflected in 2011/2012 Final Capital Budget schedules of (R91, 770,560) is approved.
4. Budget related policies as attached to the final budget that have been reviewed and amended after public consultative meetings are approved:
  - Debt Collection and Credit Control Policy
  - Municipal Rates Policy
  - Indigent Support Policy
  - Supply Chain Management Policy
  - Budget Policy
  - Cash Management and Investment Policy
  - Tariff Document
  - Virement Policy
  - Borrowing Policy

5. The proposed property rates and taxes imposed for the budget year 2011/ 2012 are approved as follows:
  - Commercial and industrial rate randages of 0, 0315 cents and rebates of 20%.
  - Residential rate randages of 0,021cents and rebates of 35%.
  - Public Service Infrastructure rate randages of 0,00315cents and rebates of 20%.
  - Government rate randages of 0, 0315 cents and no rebates.
  - Farms and Agricultural rate randages of 0, 00315 cents and no rebates.
6. The proposed services tariffs and charges increase reflected for the budget year 2011/2012 approved as follows
  - Other municipal charges (building plan fees; cemetery fees; fire brigade fees; hire halls fees; library fees; road traffic; pound fees) at 5% increase.
  - Refuse removal and Fire levy at 5% increase;
  - Electricity tariffs at 20.38% increase subject to NERSA approval.

## 2. BUDGET PREPARATION ASSUMPTIONS

---

The following assumptions were used in the preparation of the draft budget,

- **Inflation Forecasts**

In determining/setting increases on tariffs and increasing of budget expenditures; the National Treasury issued inflation forecast, through MFMA circular No 51 for 2011/12 , of 6.2% has been well considered and this resulted in all tariffs except electricity being increased below 6%.

- **Revision of Rates, Tariffs, and other charges**

In revising rates, tariffs and other charges, consideration was given to the inflation forecast ie. not increasing more than 6%: to ensure financial sustainability various other considerations were also made: labour and input costs of services, local economic conditions and affordability of services in addition to the Indigent Policy.

- **Eskom Bulk Tariff Increases**

Following the announcement of Eskom bulk increases by NERSA, the municipality proposed increases on electricity tariffs of 20.38%. These are the only tariffs to increase above 6% and this is beyond the decision making powers of the municipality; as electricity is purchased in bulk from Eskom.

- **Funding choices and management matters**

Tough decisions had to be made: to ensure that service delivery is improved. The following priority decisions were made around budget allocation:

- ✓ Support of meaningful local economic development initiatives that foster micro and small business opportunities and job creation.
- ✓ Day to day operations for the provision of service delivery.
- ✓ Expediting spending on capital projects that are funded by conditional grant and council revenue.
- ✓ Support of meaningful special programs for community groups.

- **The Municipal Budget and Reporting Regulations**

Since 1 July 2009, the budgets have been prepared in accordance with the Regulations. The municipality has complied with the formats set out in schedule A, B and C and the relevant attachments to each of the schedules.

- **MFMA Circular No. 51 and 54**

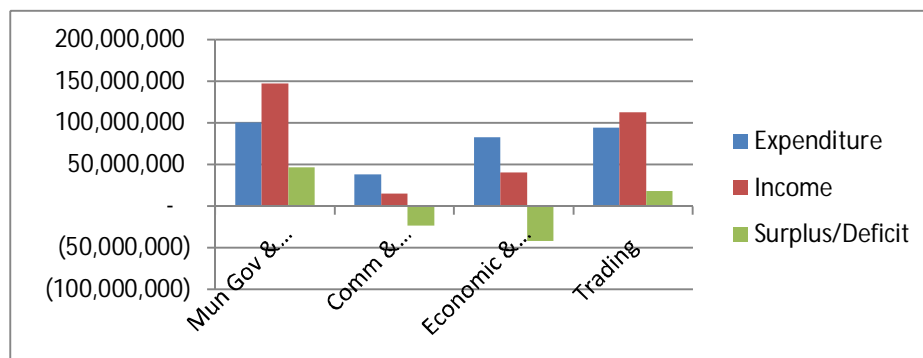
Circular No. 51 has provided guidance in the budget preparation. Circular No.54 provides further guidance to municipalities for the preparation of 2011/12 Budgets and Medium Term Revenue and Expenditure Framework. Main guidance provided is on outgoing councils need to ensure that the inputs into 2011/12 budget and MTREF safeguard the financial sustainability of the municipality. More specifically, the council is advised against unrealistically low tariff increases and over-ambitious capital expenditure programmes.

### 3. OPERATING BUDGET SUMMARY

The draft operating budget as proposed and explained above is summarized as follows:

Description By Main Votes	Proposed Expenditure	Proposed Income	Surplus / (Deficit)
Municipal Governance & Administration (Councillors Admin, Municipal Manager, Admin & HR and Budget & Treasury)	R100,404,397	R147,182,934	R46,778,538
Community & Public Safety (Social Dev, Libraries, Cemetery, Public Amenities, Protection, Fire and Parks & Recreation)	R 38,215,218	R 14,977,775	(R23,237,443)
Economic & Environmental Affairs (Engineering, Estates, Roads & Streets and Workshop)	R 82,971,914	R 40,794,283	(R42,177,630)
<b>Sub Total Rates &amp; General</b>	<b>R221,591,529</b>	<b>R202,954,992</b>	<b>(R18,636,537)</b>
Trading Services (Electricity and Cleansing)	R 94,072,095	R112,782,072	R18,709,976
<b>Total</b>	<b>R315,663,624</b>	<b>R315,737,064</b>	<b>R 73,440</b>

The operating budget is inclusive of R50 043 560 for the funding of capital expenditure from council raised revenue.

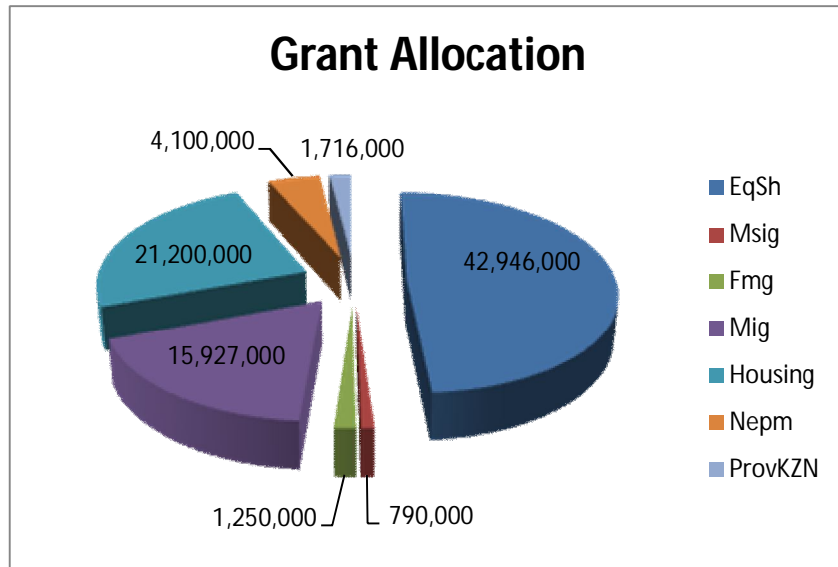


#### 4. CONDITIONAL AND UNCONDITIONAL GRANTS

Grant Description	DoRA Allocation	DoRA Allocation	DoRA Allocation	Purpose
	2011/2012	2012/2013	2013/2014	
Equitable Share	R42,946,000	R47,560,000	R50,680,000	Unconditional, provisioning of municipal services and indigent support.
Municipal Systems Improvement Grant (MSIG)	R790,000	R800,000	R850,000	Conditional, municipal administration systems enhancement and improvement.
Financial Management Grant (FMG)	R1,250,000	R1,500,000	R1,750,000	Conditional. Financial Management Reforms implementation as per MFMA.
Municipal Infrastructural Grant (MIG)	R15,927,000	R19,365,000	R20,430,000	Conditional, infrastructural improvement for provisioning of basic services.
Housing Grant	R21,200,000	R33,385,000	R0	Conditional, construction of low cost houses.
National Electrification Program (DME) (NEPE)	R4,600,000	R2,000,000	R4,000,000	Conditional, for electrification of households and in fills in Horseshoe.
Property Rates (Provincial Treasury)	R 1,716,000	R1,801,000	R 1, 891,000	Conditional, depends on provincial approvals
<b>Total</b>	<b>R87,929,000</b>	<b>R106,411,000</b>	<b>R79,601,000</b>	



**Table 34: Grant allocation**

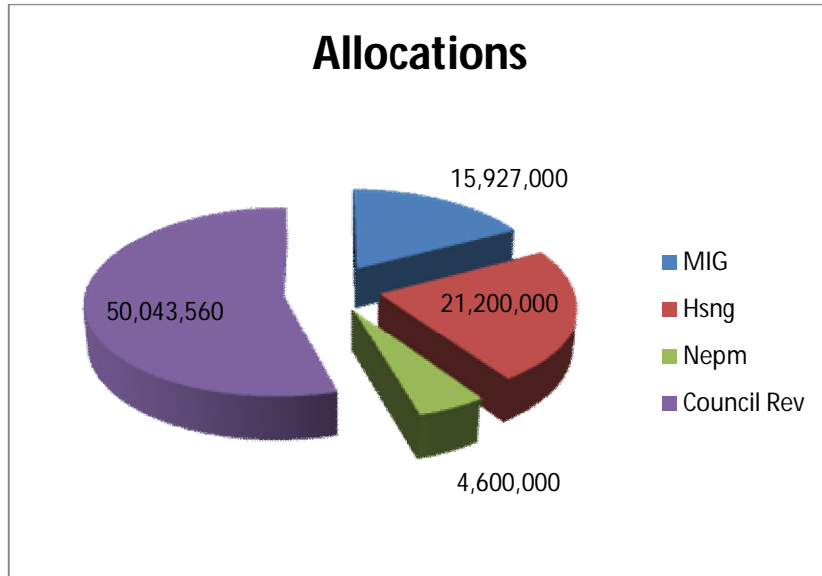


## 5. CAPITAL BUDGET

The draft budget has been compiled after taking into account a list of priorities from Ward Councillors and the IDP. The allocations for infrastructural projects from Grant funding and Housing projects from the Housing Department are as follows:

Description on Sources of Funding	Amount Allocated as Per Budget	Amount Allocated as Per Budget	Amount Allocated as Per Budget
	2011/2012	2012/2013	2013/2014
<b>Municipal Infrastructural Grant (MIG)</b>	R15,927,000	R19,365,000	R20,430,000
<b>Housing Grant</b>	R21,200,000	R33,385,000	R0
<b>National Electrification Program (DME) (NEPE)</b>	R4,600,000	R2,000,000	R4,000,000
<b>Council raised Revenue</b>	R50,043,560	R44,507,392	R44,066,540
<b>Total</b>	<b>R91,770,560</b>	<b>R99,257,392</b>	<b>R68,496,540</b>

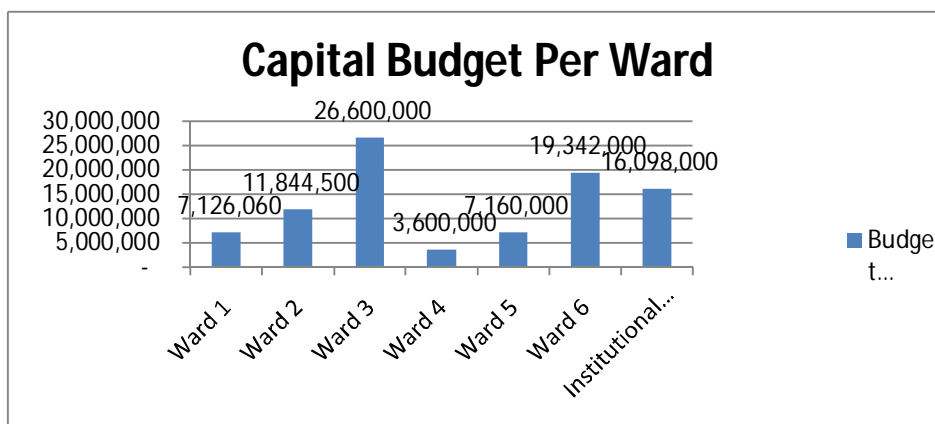
Table 34 illustrated in the pie chart below



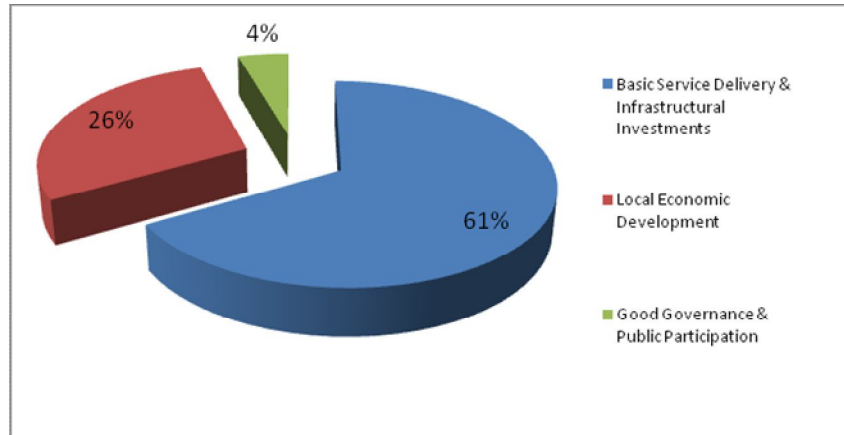
The overall Final Capital budget is set at a total of R91, 770,560.

Capital budget allocations per ward are summarised as follows,

- Ward 1 – R7 126 060.00
- Ward 2 – R11 844 500.00
- Ward 3 – R26 600 000.00
- Ward 4 – R3 600 000.00
- Ward 5 – R7 160 000.00
- Ward 6 – R19 342 000.00
- Institutional projects – R16 098 000.00



WARDS	PROJECT NAMES	PROJECT AMOUNTS	% ALLOCATIONS PER TOTAL CAPEX & BUDGET
1. HORSESHOE	Housing Projects Rehabilitation of Horseshoe Roads Electricity infill's	R0.299 R5,2 R1,6	R7, 126(7, 77%)
2. FRANKLIN/MAKHOB A	Makhoba Housing Franklin Housing Kransdraai Electrification Kargs Post Refurbishment	R4,8 R4,0 R1,5 R1,5	R11, 844(12.9%)
3. TOWN	Phase 4 Roads Phase 5 Roads Town Entrance and Transport Facilities Murray Park Lights Upgrading of Taxi Market Square Town Hall and Council Chamber Upgrade PRE-PAID meters Electricity depot	R3,0 R5,6 R1,7 R3,5 R1,0 R10,0 R1,3 R0,500	R26, 6(28,98%)
4. EXTENTION 7	Community Hall Sidewalk Extension 7 Streetlights Upgrade of Riverview Stadium	R0,800 R1,3 R1,0 R0,500	R3, 6(3,92%)
5. BHONGWENI	Bhongweni Tennis Court Mpela Road Bhongweni Stadium Stands Roads Phase3 Instalation of Infrastructure in Homes 2000	R4.0 R0.820 R1,0 R0,340 R1,0	R7, 1(7,8%)
6. SHAYAMOYA	Slum clearance Willowdale 27 Walter Sisulu Ext Road Upgrade of Riverview Sport Fields Bhekintaba SubStation Landfill Site Swimming Pool	R11,5 R0,500 R0,586 R0,200 R0,500 R5,0 R0,500	R19,3 (21.07%)
7. MUNICIPALITY	Project to Benefit all wards	R16,09	R16, 09(17.54%)



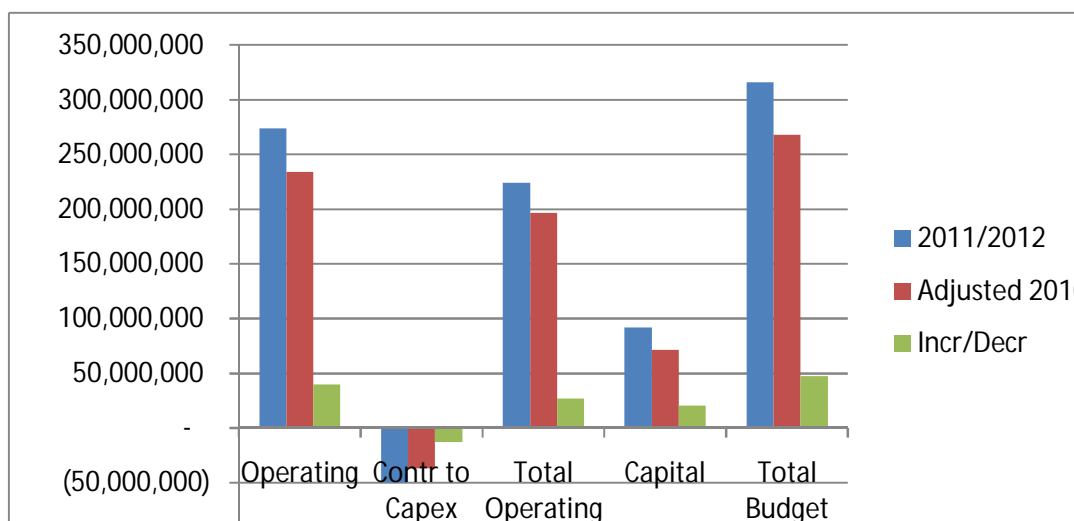
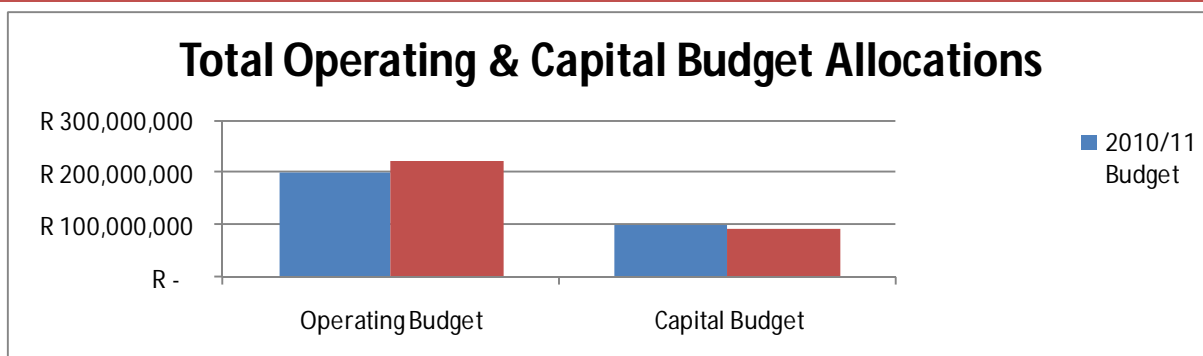
## 6. CAPITAL AND OPERATING BUDGET

The total capital and operating budget for 2011/2012 is set at a sum of R315 663 624 and this is tabled as follows:

**Table 35: Total Capital and Operating budget**

Description	2010/2011	2011/201	2012/2013	2013/2014
<b>Operating Budget</b>	R237,530,369	R273,936,624	R286,736,928	R303,672,664
<b>Less: Council Revenue Contribution to Capital Budget</b>	(R39,465,300)	(R50,043,560)	(R37,207,392)	(R44,066,540)
<b>Total Operating Budget</b>	R198,065,069	R223,893,064	R249,435,536	R259,606,124
<b>Capital Budget</b>	R100,355,300	R 91,770,560	R102,609,392	R 68,496,540

Description	2010/2011	2011/201	2012/2013	2013/2014
<b>Total Budget</b>	<b>R298,420,369</b>	<b>R315,663,624</b>	<b>R352,138,928</b>	<b>R328,102,664</b>



## 7. EXPENDITURE

---

Operating Expenditure has been budgeted at a sum of R273 936 624 million as follows:

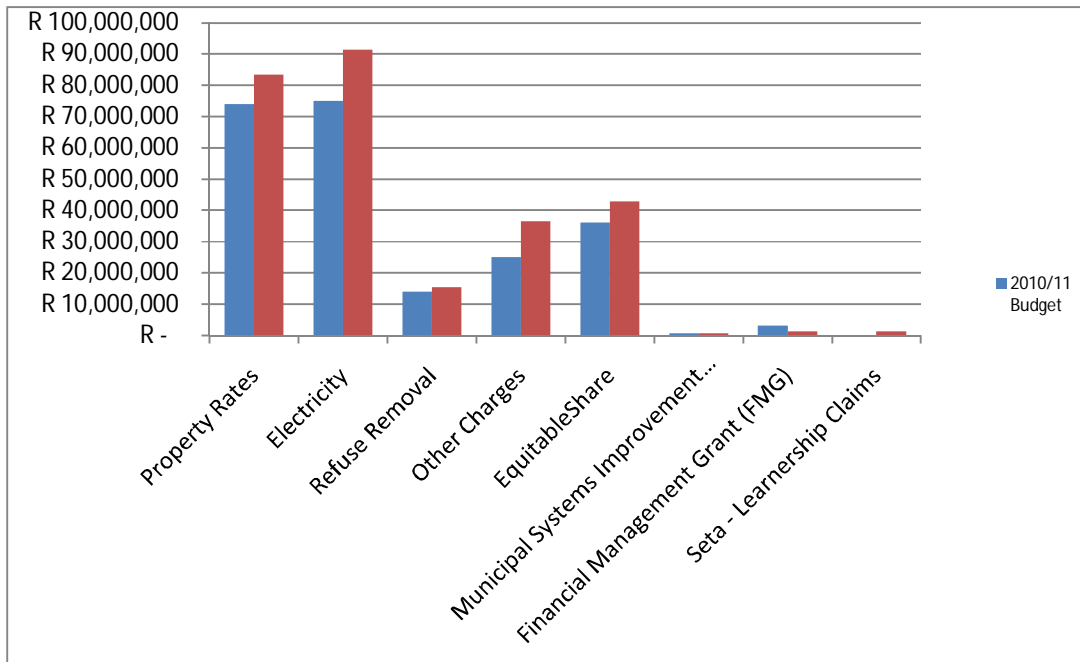
**Table 36: Operating Expenditure**

Description	Adjusted Budget (2010/11)	Budget (2011/12)	Increase /(Decrease) from draft budget%
<b>Total Operating budget</b>	<b>R233,8m</b>	<b>R273,9m</b>	<b>17%</b>
Salaries & wages	R63.6m	R81,4m	27%
General Expenses	R114,8m	R126,4m	10%
Repairs & Maintenance	R6,2m	R7,3m	17%
Loan Repayment	R4,8m	R1,5m	(15,8)%
Contr. To Provisions	R7,3m	R7,3m	0%
Contr. To Capital	R37,1m	R50,0m	36%

## 8. BUDGET REVENUE

---

Major sources funding final budget revenue for the municipality (in comparison to 2010/11 budget) Revenue estimates for budget 2011/2012 is R315 737 064 (2010/11: R298 420 369) this resulted in an increase of R17 316695 which is a 5.8% overall revenue increase.



Municipal tariffs have been increased as follows:

**Property Rates:** Rate randages are to be at 0,021c and 0,0315c in each rand value as determined in the General and Supplementary Valuation rolls for Residential and Business, Industrial, Government categories respectively. For farms, agricultural, public service infrastructural assets and public benefits organization the ratio on rate randages will remain at 1:0, 25 of residential randages, rate in a randage is proposed to be 0,00315c.

The rebates are as follows:

Category	2010/2011	2011/2012
Residential	35%	30%
Business and Industrial	20%	0%
Government: Residential	35%	30%

Category	2010/2011	2011/2012
Government: Business	0%	0%

Rates exemptions for residential properties will remain at first 40,000 rands of the property value as determined in the rolls.

The above adjustments will translate to the following increases,

- Residential Properties will be 3,5%, and
- Business, Multi-purposes and Industrial will be 3,5%.

The rate randages charge for farms and agricultural is 0.00315c which is 1:0, 25 of the residential randages.

The tariff increases for since budget year 2006/2007 to the current proposed for 2011/2012 are tabulated as follows:

Details	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012
Percentage	8%	3%	150%	25%	9%	5%
Revenue	R22,777,168	R23,460,483	R42,288,648	R84,758,859	R80,398,192	R83,460,819

## Electricity Tariffs

Electricity tariffs are subject to National Electricity Regulator of South Africa (**NERSA**) approved increases and this is estimated to be 20.38% as per a guideline from NERSA. NERSA made a recommendation on the tariff increase application submitted - that the electricity tariffs need to be re-structured according to block scaling / inclining block scaling where the charges increase according to kWh consumed. NERSA is still to approve electricity tariffs for implementation form 01 July 2011. The electricity tariff increases since 2006/2007 budget year are detailed as follows:

Details	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012
Percentage	6%	5.6%	34%	25%	19%	20.38%
Revenue	R34,474,408	R36,816,975	R53,686,491	R61,800,000	R75,510,038	R91,378,161



## Refuse Removal and Fire Levy

The tariffs are to increase by 5%. This is a levy charged on a monthly basis securing customers where in the event of fire the municipality does not charge for call outs.

The refuse removal tariff increases since 2006/2007 budget year are detailed as follows:

Details	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012
Percentage	8%	6%	12%	8%	9%	5%
Revenue	R4,330,452	R4,330,453	R4,660,889	R9,000,000	R12,000,000	R15,500,000

## Other Municipal Charges

All other **municipal charges** are to increase by 5%. These include services such as:

- **Building plan fees** for approval of building plans for new building as well as additions or alterations to existing buildings. These charges vary according to square metres.
- **Cemetery fees** for burial and graves varying according to a type of grave like ordinary or casket as well as the age of the deceased.
- **Fire brigade fees** charged for call outs in the event of fire where the fire levy is not applicable.
- **Hire of halls fees** charged for letting out halls to the public, these are charged on an hourly rate varying according to hours of use as well as days of the week.
- **Library fees** include charges for annual library membership subscriptions, lost books fines & late book returns varying according to the number of days as well as the value of the book; Photostat copies according to the size of the sheet and internet access charges charge per 30 minutes / per hour.
- **Road traffic fees** include permits for taxis and buses; escorting of abnormal sized vehicles charge per hour; traffic assistance charged per hour and per kilometre travelled as well as temporary closing of streets; and parking meter charges.
- **Pound fees** are charges per day for boarding of stray animal – this function is currently carried out by SPCA in agreement with the municipality.

The other municipal tariff increases including fire levy since 2006/2007 budget year are detailed as follows,

Details	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012
Percentage	10%	10%	10%	12%	6%	5%
Revenue	R66,520,779	R69,936,137	R107,484,309	R162,635,859	R178,586,228	R208,487,598

## 9. BUDGET SUMMARY

---

The budget for 2011/2012 is inclusive of the service delivery programs budget under operating budget as follows,

### 1. Office of the Municipal Manager

- Strategic Planning and Capacity Building – R750,000.00
- Community Participation – R1,200,000.00
- Communication and Corporate Imaging – R970,000.00
- Administration, Batho Pelo – R400,000.00
- Internal Audit and Risk Management – R1,050,000.00
- Legal Services – R1,050,000.00
- Youth, sport, cultural and recreation – R2,500,000.00
- Special programmes – R1,180,000.00

### 2. Financial Services

- Indigent support – R3,000,000.00
- Revenue management – R3,500,000.00
- 2<sup>nd</sup> MPRA Valuation Roll Compilation – R2,000,000.00
- Valuation Roll management system – R200,000.00
- Management of Banking Services – R500,000.00
- Customer Care Management – R300,000.00
- Supply Chain Management – R650,000.00
- Asset Management – R1,000,000.00
- Budgeting, Reporting, Compliance and External Audit – R2,500,000.00

### 3. Infrastructure Planning and Development

- Local Economic Development initiatives – R2,615,000.00
- Planning and Development – R400,000.00

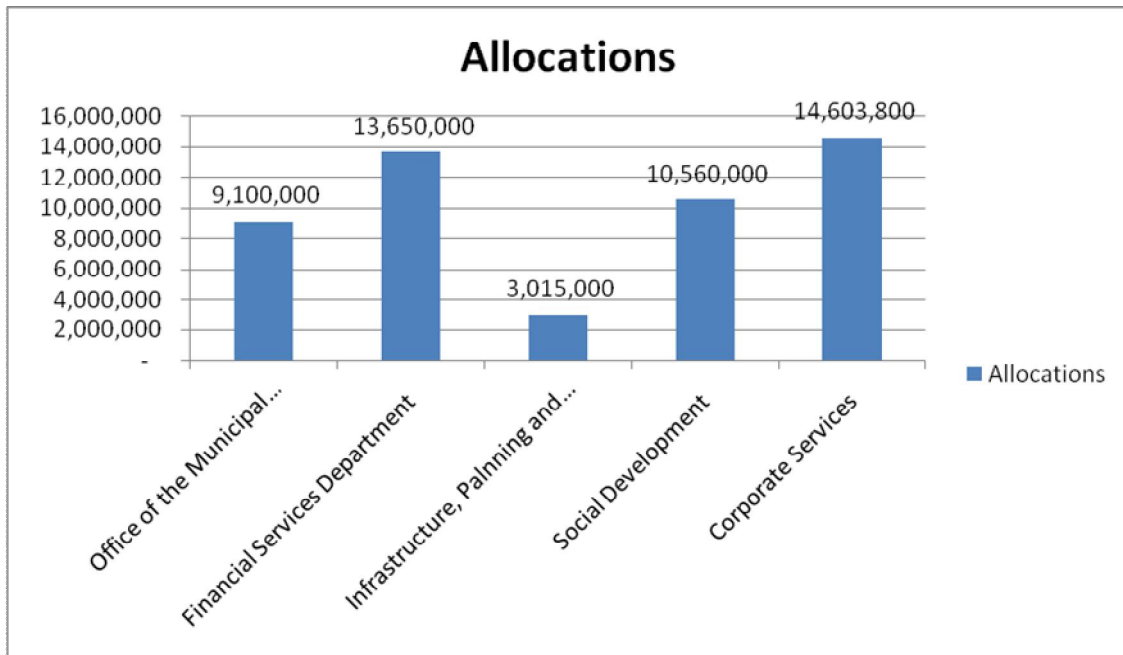
### 4. Social Development

- Community Services – R3,310,000.00
- Community Safety Services – R7,250,000.00

### 5. Corporate Services

- Administration Management programs – R9,433,800.00
- Human Resources Management programs – R5,170,000.00

The service delivery operating projects as included in the operating budget are therefore allocated as follows per functions in summary,



## 10. BUDGET RELATED POLICIES

Budget related policies have been reviewed and necessary adjustments are proposed to improve the efficiency and effectiveness of these policies on implementation to ensure that, the budget implementation is done in compliance with council policies and MFMA regulations. The old policies which are for consideration for review are as follows:

- Supply Chain Management, Rating, Debt Collection and Credit Control, Budget, Fixed Asset Management, Cash Management and Investment, Indigent Support and Tariff policies.

Further to the above policies, new policies have been developed for consideration and approval for implementation by 1<sup>st</sup> July 2011 as follows:

- Virement, Borrowing and Fleet Management policies.

## **I. PERFORMANCE MANAGEMENT SYSTEM**

---

During this last financial year, and prior years: the Greater Kokstad Municipality had a Performance Management System (PMS) Policy and has been implementing an organizational PMS: using the SDBIP as the organizational scorecard. Performance reporting from the SDBIP scorecard has been undertaken to Management Meetings, Committees, Exco and Council. In addition the Annual Performance Report has been included in the Annual Report which has been considered by the Audit Committee and Oversight Committee prior to Council adoption.

Section 57 employees have contracts and performance agreements in place, with their relevant SDBIP scorecards as a component. Assessments have been undertaken in accordance with the regulations: quarterly and annually for the Section 57 employees: and organizationally annually.

During 2009/2010 however, a review of the PMS Policy was undertaken. The reviewed Policy included the OPMS and Individual PMS as aspects of the policy. In addition annexure to the policy are the procedures and templates (organizational and departmental scorecards which include reporting as an element of them, and individual annual workplans broken down quarterly, and to include planning and performance assessment within the template).

In addition to the revised, improved upon PMS policy and system, the political and administrative leadership attended NQF level 6 PMS in Local Government training; and had a focus session/workshop on the revised policy, procedures and templates.

The improved Policy and Procedures were implemented in 2010/2011. This policy and procedure includes the following as part of the PMS system:

- IDP and SDBIP (Planning for PMS);
- Organizational and Departmental Scorecards (implementing OPMS);
- Section 57 Performance Agreements with their departmental scorecards attached;
- Individual workplans (Implementing IPMS);
- Quarterly Assessments (Implementing, Monitoring and Evaluating Organizational and Individual PMS);
- Reporting on performance (Implementing OPMS).

The scorecards enable monitoring, evaluation and reporting of performance against set/agreed upon indicators.

In addition, the following will strengthen the public participation in the PMS during 2011/2012:

- ✓ Ward-Level Scorecards of performance will be provided to Ward Committees to enable them to monitor and evaluate performance.
- ✓ Quarterly Media Briefings following quarterly assessment and planning sessions.

In preparation for Auditor-General readiness an Audit working file has been set up; to populate during PMS implementation.

## **J. ANNEXURES**

---

1. Detailed Spatial Development Framework
2. Disaster Management Plan

## K. APPENDIX

---

The following table indicates the status of the various plans:

	Plan/Strategy	Yes	No	Remarks
1.	Land Use Management System		✓	Draft Land Use Management System has been completed and submitted to the Provincial Planning and Development Commission.
2.	Local Economic Development Strategy	✓		Strategy has been completed and it is due for review.
3.	Housing Sector Plan	✓		Plan has been completed
4.	Organizational PMS Framework	✓		OPMS Implemented
5.	Skills Development Plan	✓		Plan has been completed
6.	IDP Process Plan	✓		Attached
7.	Comprehensive Infrastructure Plan	✓		Phase 1 Completed
8.	Mid Year Budget and Performance Assessment	✓		Completed
9.	2009/10 Annual Report	✓		Completed

## **L. ADDENDUM**

---

1. IDP Process Plan
2. Skills Development Plan
3. Organizational Organogram
4. Performance Management System: Scorecard 2011/2012 included.