



UTHUNGULU



UTHUNGULU DISTRICT MUNICIPALITY

Integrated Development Plan Review (4):

2007/2008 – 2011/2012

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ALSO PROVIDED: ANNUAL REPORT 2009/2010

A. EXECUTIVE SUMMARY

1 INTRODUCTION

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

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

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

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

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

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

The Mayor of a municipality must-

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

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

This report presents the **fourth review** (2010/11) of the second IDP prepared for the uThungulu District Municipality for the period 2007/2008 – 2012/2013. The document is structured as follows:

- ❖ **Section A** provides an Executive Summary with an overview of the district, the participatory mechanisms and the process and key timeframes for the review.
- ❖ **Section B** provides the Situational Analysis. This section gives a broad overview of district issues and identification of key issues that are addressed by the IDP.
- ❖ **Section C** provides the Future Development Vision, Strategies and Programmes for the uThungulu District Municipality.
- ❖ **Section D** provides a high level overview of the spatial development vision in the form of a Spatial Development Framework.
- ❖ **Section E** provides inputs on the Sector Involvement and Sector Plans. The operational strategies highlight the manner in which district programmes should be implemented in the context of the current policy and legislation.
- ❖ **Section F** details the Three Year Implementation Plan.
- ❖ **Section G** details the One Year Detailed Operation Plan with Projects.
- ❖ **Section H** provides a Municipal Budget Overview and 3 year Financial Plan.

- ❖ **Section I** provides details on the Organisational Performance Management System.
- ❖ **Section J** provides details on the status of applicable Sector Plans

2 OVERVIEW OF THE DISTRICT

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

This paradoxical district comprises the best and worst of the two economies of this country. We are home to several of the largest industrial giants in the world, the retail sector in our urban areas are burgeoning with economic activity, the agricultural and tourism potential is boundless and opportunities exist for local economic development. However, in recent times, the district has also experienced a number of difficulties in light of the world-wide economic recession. This coupled with crippling droughts and deep rural communities living in utter poverty are also strong characteristics of the uThungulu district, with a backlog of water and sanitation service delivery topping our list of priorities.

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

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

- A good climate that opens up avenues for productive agricultural and tourism development;
- agriculture with irrigation infrastructure in place; and
- a scenic environment and coastal terrain which create opportunities for tourism development.

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

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

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

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

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

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

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

uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

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

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

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

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

- Water backlog – from 82% in 2001/02 to 38% in 2010/11
- Sanitation backlog – from 80% in 2001/02 to 69% in 2010/11

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

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

The level of fulfilment and satisfaction of the people of the uThungulu district is measured by the uThungulu District Municipality through a Quality of Life Survey. The survey aims to determine the standard of living, levels of education and income

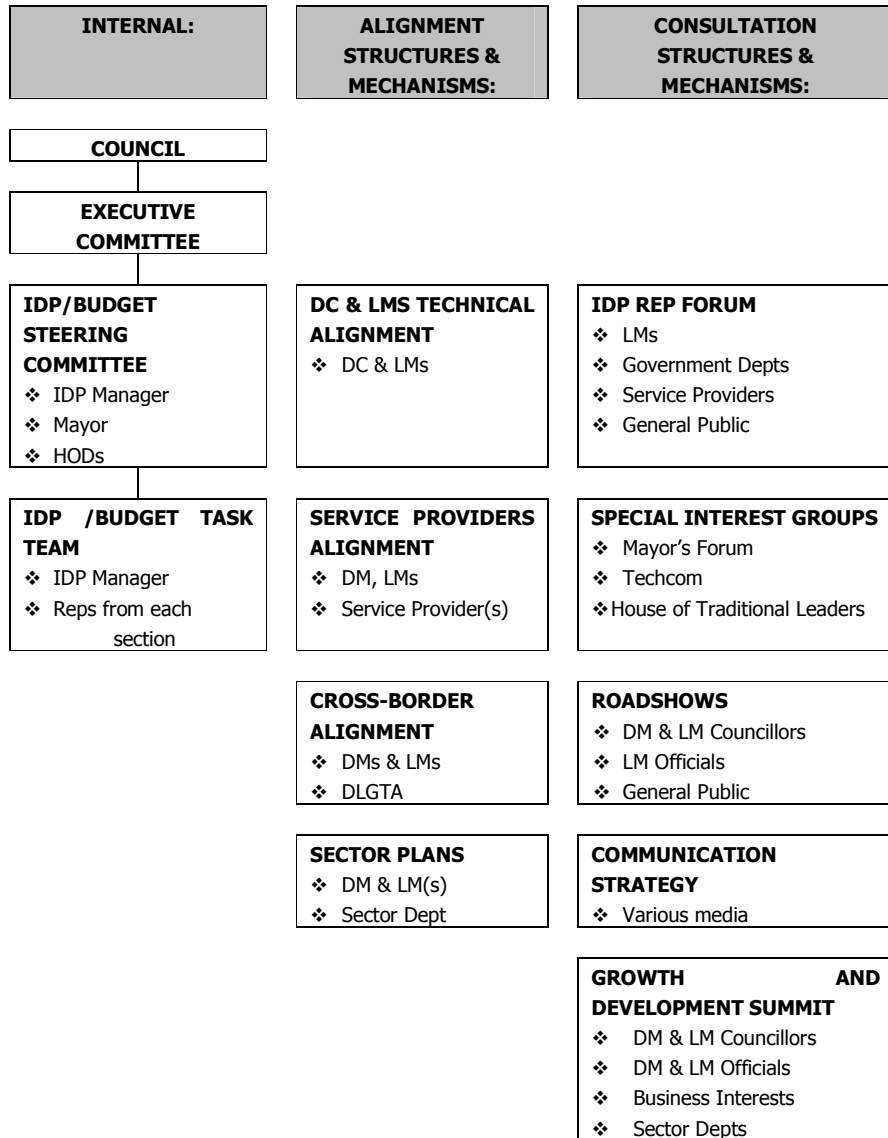
as well as social activities that characterize the people of uThungulu. In this way the district is able to measure the effect of its service delivery programmes as well as understand the bread-and-butter issues of its citizens.

3 PARTICIPATORY MECHANISMS (COORDINATION, ALIGNMENT & CONSULTATION STRUCTURES)

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

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

The organizational arrangements in terms of functions and responsibilities in driving the planning process for the uThungulu IDP are illustrated in the figure herewith and discussed briefly thereafter.



3.1 IDP/BUDGET STEERING COMMITTEE

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

An IDP/Budget Steering Committee (SC) has been operational since the inception of the IDP preparation process. The SC acts as a support to the IDP Representative Forum, making technical decisions and inputs, to the Municipal Manager and the IDP Manager. This SC, as well as the Representative Forum will be reconstituted for the IDP preparation process.

The outline terms of reference for the SC are as follows:

- Provide terms of reference for the various planning activities associated with the IDP;
- Commission research studies as may be required;
- Considers and comments on:
 - Inputs from sub-committee/s, study teams and other;
 - Inputs from provincial sector departments and support providers; and
 - IDP RF members.
- Processes, summarise and document outputs;
- Makes content and technical recommendations; and
- Prepare, facilitate and documents meetings.

It is important to note that a forum has been in existence for some time in the District that performs the functions of the IDP/Budget Steering Committee. It is now proposed that this Forum is formalized in terms of the Regulations of the MFMA.

3.2 IDP REPRESENTATIVE FORUM

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

3.3 IDP SECTOR AND SERVICES ALIGNMENT FORUM

In order to promote Intergovernmental Relations (IGR), a IDP Sector and Services Alignment forum was recently established to better align development and service provision among all spheres of government and service providers.

3.4 SERVICE PROVIDERS ALIGNMENT

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

3.5 CROSS-BORDER ALIGNMENT

The uThungulu District Municipality formally engages with its neighbouring municipalities (albeit district or local) on cross border planning and development issues. During the past financial year, there has been one such Cross Border meeting – 29 November 2010 (at Zululand DM. Typical issues of a cross border nature that are discussed relate to:

- ❖ Projects that have a service delivery or developmental impact across municipal boundaries, e.g. water networks, transportation systems.
- ❖ Community Facilities that is located close to municipal borders that either have the potential to or do serve catchment that includes beneficiaries from different municipal districts.

- ❖ Responses to Provincial Planning initiatives or projects that have a provincial impact such as the proposed Dube Trade Port as well as the Provincial Spatial Economic Development Strategy (PSEDS).

The following list of issues has become standing items on the cross-border alignment agenda:

- ❖ Corridor Linkages
- ❖ Water and Sanitation
- ❖ Migration
- ❖ Access to land
- ❖ Housing Development
- ❖ Disaster Management
- ❖ Tourism
- ❖ Socio-economic development
- ❖ Alignment of Spatial Development Frameworks

3.6 SECTOR PLANS

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

3.7 SPECIAL INTEREST GROUPS / STRUCTURES

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

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

3.8 COMMUNICATION STRATEGY

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

- ❖ Roadshows – structured into 2 clusters (Cluster 1: uMhlathuze, Mfoilozi & Ntamabana Municipalities and Cluster 2: Nkandla, Mthonjaneni & uMlalazi Municipalities) – annually in April during the Budget/IDP comment phase and in October after Council approval of the IDP/Budget
- ❖ one in each of the six local municipalities – annually in April during the Budget/IDP comment phase and in September/October after Council approval of the IDP/Budget
- ❖ Radio talkshows by the Mayor on Ukhozi FM
- ❖ Monthly external newsletter Izindaba Ezimtoti
- ❖ Monthly internal newsletter Ezisematheni
- ❖ uThungulu website
- ❖ Annual Service Commitment Charter booklet published in Sept/Oct
- ❖ Annual Report – publication planned for Feb/March each year
- ❖ Print media press releases as and when required to local and provincial newspapers and radio stations
- ❖ Adverts in local and provincial newspapers as required
- ❖ IDP Alignment Stakeholder Forum meetings
- ❖ District LED Forum meetings
- ❖ District Mayors' Forum meetings

3.9 ROADSHOWS

Two rounds of roadshows are undertaken in the form of 2 clusters (Cluster 1: uMhlathuze, Mfoilozi & Ntamabana Municipalities and Cluster 2: Nkandla, Mthonjaneni & uMlalazi Municipalities) – annually in April during the Budget/IDP comment phase and in October after Council approval of the IDP/Budget.

The tables below illustrate how the Roadshows are structured:

Roadshow Session 1:

Cluster	Local Municipality	Date
Cluster 1 (Empangeni)	uMhlathuze, Ntamabana & Mfoilozi Municipalities	25 October 2010
Cluster 2 (Melmoth)	Nkandla, uMlalazi &	29 October 2010

	Mthonjaneni Municipalities	
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Roadshow Session 2:

Cluster	Local Municipality	Date
Cluster 1 (Empangeni)	uMhlathuze, Ntamabana & Mfoilozi Municipalities	4 April 2011
Cluster 2 (Melmoth)	Nkandla, uMlalazi & Mthonjaneni Municipalities	8 April 2011

4 PROCESS & KEY TIMEFRAMES

The IDP Process and Framework Plans were prepared during July 2010 and discussed with the respective local municipalities. The following has been extracted from the uThungulu IDP Budget Action Plan and Process Plan:

Presentation to EXCO & Council	17 March 2011
Public Comment period on the IDP/Budget	17 March 2011 to 7 April 2011
Final approval of IDP/Budget by Council	4 May 2011

Consultation	Date
Growth & Development Land Summit	18 November 2010
IDP/Budget Road Shows (Session 1)	25 October 2010 for Cluster 1 (uMhlathuze, Ntambanana & Mfolozi Municipalities); 29 October 2010 for Cluster 2 (Nkandla, uMlalazi & Mthonjaneni Municipalities)
IDP/Budget Road Shows (Session 2)	4 to 8 April 2011 for Clusters 1 & 2
Service Provider Alignment <ul style="list-style-type: none"> o Local Municipalities o Department of Education o Department of Land Affairs o Department of Agriculture, Environmental Affairs and Rural Development o Department of Social Development o Department of Health o Department of Human Settlements 	19 October 2010 28 October 2010
Ongoing Management Discussions	Ongoing
District Cross Border Alignment	29 November 2010
IDP/Budget Steering Committee	30 July 2010 14 December 2010 14 January 2011 1 March 2011

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

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 have to be the focus areas for municipal, public (and private) investment for the next IDP cycle.

Since the inception of IDPs, the UDM (uThungulu District Municipality) has focused their operations, actions and interventions according to the following five development strategies:

- ❖ Economically Sound District
- ❖ Effective Infrastructure
- ❖ People Empowerment
- ❖ Integrated Development Planning
- ❖ Leadership Excellence

The District Council 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. As such, this section of the IDP will provide some contextual information pertaining to the district, consider the demographic situation in the district 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 well as key development issues will be elicited.

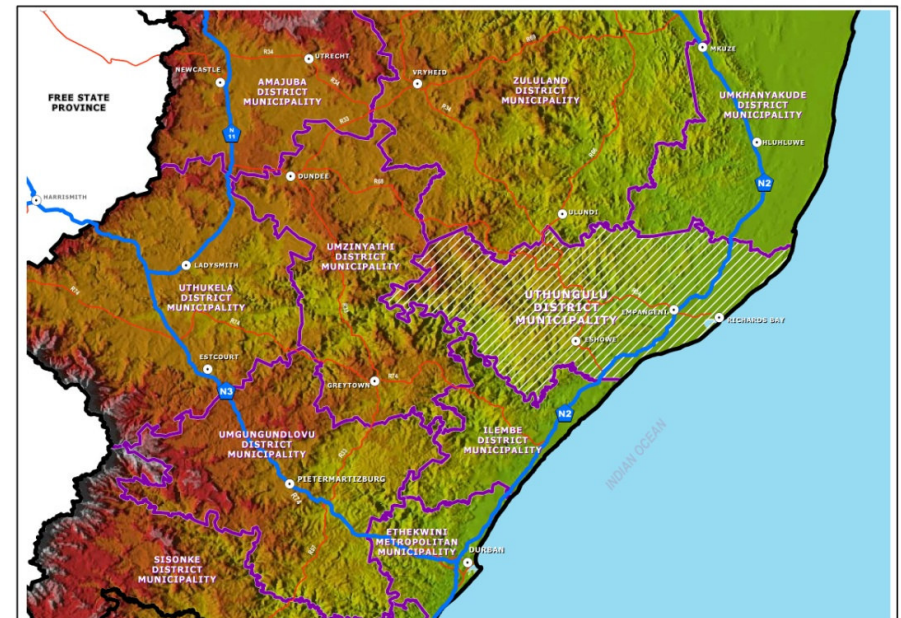
2 DISTRICT OVERVIEW

The uThungulu District is located in the north eastern region of the KwaZulu-Natal Province. The district comprises of six local municipalities, namely:

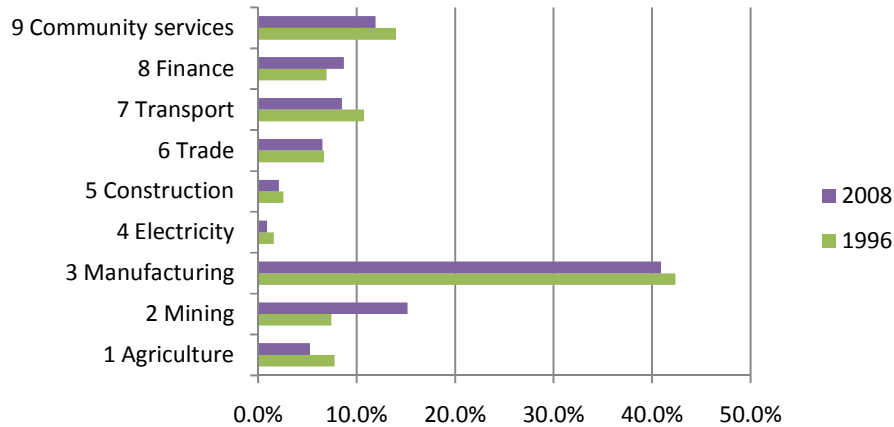
- Mfolozi (KZ 281)
- uMhlathuze (KZ 282)
- Ntambanana (KZ 283)
- uMlalazi (KZ 284)
- Mthonjaneni (KZ 285)

- Nkandla (KZ 286)

Significant economic centres at the district and provincial levels are Richards Bay and Empangeni. Richards Bay, as a harbour and industrial town, attracts people from surrounding towns, rural settlements and from beyond the district. Empangeni's role as an industrial, commercial and service centre to the settlements of Esikheleni, Eshowe, Nkandla, Ntambanana and other rural settlements attracts many people to the range of higher order services available in the town. An analysis has been undertaken of **Global Insight data (2008)** as part of this



IDP Review. From the information presented the following is noted with regard to the sectoral contributions to the uThungulu economy in 1996 and 2008.



Source: Global Insight (2008)

Figure 1: Sectoral Economic Contributions, 1996 and 2008

It is confirmed by the above figure that the manufacturing sector is the largest sectoral contributor to the economy of the district albeit that its proportionate contribution has decreased slightly since 1996. Interestingly, only those contributions from the mining and finance sectors have shown an increase. The increase in the mining sector has been significant in that this sector is the second largest economic contributor above community services.

From 1996 to 2008, the economy of the uThungulu District grew at a slightly slower pace than the national economy at an average annual growth rate of 3.2% per annum compared to 3.29% for the national economy. This resulted in the uThungulu economy decreasing its share in national output from 1.45 % in 1996 to 1.44% in 2008.

The average annual growth rate of the GDP (at constant prices) for the province and the uThungulu Family of Municipalities is shown herewith:

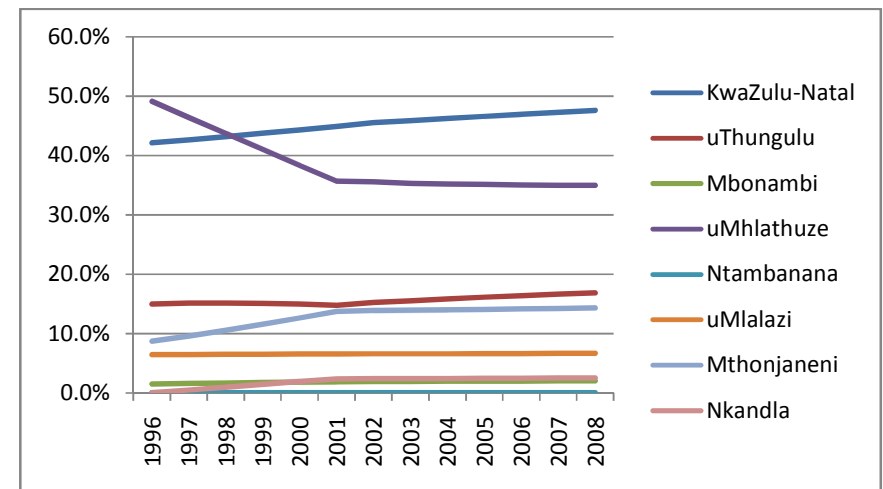
Table 1: Economic growth from 1996 to 2008

National	3.29
KwaZulu-Natal	3.28
uThungulu	3.20
Mbonambiu	3.58
uMhlathuze	3.73
Ntambanana	3.32
uMlalazi	1.10
Mthonjaneni	2.53
Nkandla	0.71

Source: Global Insight (2008)

Note: Mbonambi Local Municipality changed its name to Mfolozi Municipality.

The district is further characterized by low levels of **urbanization** as has been depicted in the following graph.



Source: Global Insight (2008)

Figure 2: Urbanization Trends

uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

With reference to the urbanization graph (and its supporting table contained in the uThungulu Socio-Economic Development Profile attached as Annexure D) it is noted that the urbanization rate in KwaZulu-Natal has steadily been increasing since 1996 from 42.1% to 47.6%. The increase in uThungulu has been less significant starting at 15% in 1996 up to 16.8% in 2008. The decrease in urbanisation in the uMhlathuze Municipality from 49.1% in 1996 to 34.9% in 2008 can possibly be attributed to per-urban settlement in informal areas that are not classified to be urban.

The district is further characterized by large infrastructure backlogs, particularly in respect of water and sanitation mainly in the rural areas. The implementation of the district WSDP (Water Services Development Plan) has reduced the rural backlogs for water supply to RDP standard from 82.4% in 2001/02 to 39.9% in 2008/09. The backlogs in rural sanitation to RDP standards have been reduced from 79.5% to 56.1% over the same period.

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

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

uMlalazi is the largest municipality covering 2214 km² and uMhlathuze the smallest with an area of 795 km². Nkandla covers an area of 1827 km², Mbonambi 1208 km², Mthonjaneni 1086 km² and Ntambanana 1083 km². The uThungulu District Municipality therefore covers an area of approximately 8215 km².

uThungulu district has a good climate and an abundance of natural resources. The available arable land is suitable for large-scale agricultural initiatives, like the present sugar and forestry as well as specialised and intensive agricultural opportunities like natural oils and fruits cultivation. The intrinsic beauty of the area

enhances the opportunities for tourism in the district. The terrain of uThungulu varies from the flat coastal belt, to the escarpment 900m above sea level.

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

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

3 DEMOGRAPHIC CHARACTERISTICS

3.1 POPULATION FIGURES

The total population of the uThungulu District Municipality was 958,958 in 2008. Since 1996, the population of the uThungulu District grew at an average annual growth rate of 1.5 % per annum compared to the 1.1% population growth rate at the provincial and national level, thereby increasing uThungulu population share in KwaZulu-Natal from 9% in 1996 to 9.5% in 2008. The table on the following page presents the population changes over time for the district and its local municipalities.

The following table depicts the incidence of HIV/Aids in the province and in the district. It is noted that HIV/Aids has increased by 140% between 1996 and 2008 in the province and by 163% in uThungulu.

Table 2: Incidence of HIV/Aids

	KwaZulu-Natal	uThungulu
1996	548,065	50,382
1997	724,922	67,367
1998	911,221	85,551
1999	1,093,690	103,761
2000	1,248,504	119,693
2001	1,382,173	133,897
2002	1,403,087	136,980
2003	1,457,086	143,357
2004	1,474,813	145,947
2005	1,436,264	142,829
2006	1,405,089	140,284
2007	1,361,817	136,440
2008	1,319,154	132,627

Source: Global Insight (2008)

Table 3: Change in Population Numbers

	uThungulu	Mbonambi	uMhlatuze	Ntambanana
1996	791,287	101,163	199,705	76,169
1997	809,883	102,315	217,270	77,768
1998	828,194	103,371	235,279	79,327
1999	845,919	104,294	253,598	80,823
2000	863,456	105,138	272,283	82,303
2001	880,181	105,818	291,168	83,695
2002	895,634	106,324	308,888	84,966
2003	909,665	106,754	325,161	86,120
2004	921,895	107,060	339,878	87,114
2005	932,902	107,311	353,232	88,006
2006	942,856	107,528	365,293	88,819
2007	951,181	107,627	375,905	89,485
Population Growth Rate (%)	1.49	0.49	0.49	1.30
	uThungulu	uMlalazi	Mthonjaneni	Nkandla
1996	791,287	240,289	37,569	136,392
1997	809,883	236,774	39,936	135,821
1998	828,194	232,823	42,359	135,035
1999	845,919	228,384	44,816	134,003
2000	863,456	223,591	47,324	132,818
2001	880,181	218,285	49,843	131,372
2002	895,634	213,182	52,306	129,968
2003	909,665	208,404	54,578	128,649
2004	921,895	203,859	56,634	127,350
2005	932,902	199,697	58,510	126,146
2006	942,856	195,939	60,216	125,060
2007	951,181	192,457	61,710	123,997
2008	958,958	189,449	63,072	123,105
Population Growth Rate (%)	1.49	-1.81	4.07	-0.79

Source: Global Insight (2008)

The uMhlathuze Municipality has the largest portion with 39.5% of the population residing in this local municipality while only 6.5% of the district’s population resides in Mthonjaneni.

3.2 AGE AND GENDER

A breakdown of the population per age cohort is indicated in the following figure.

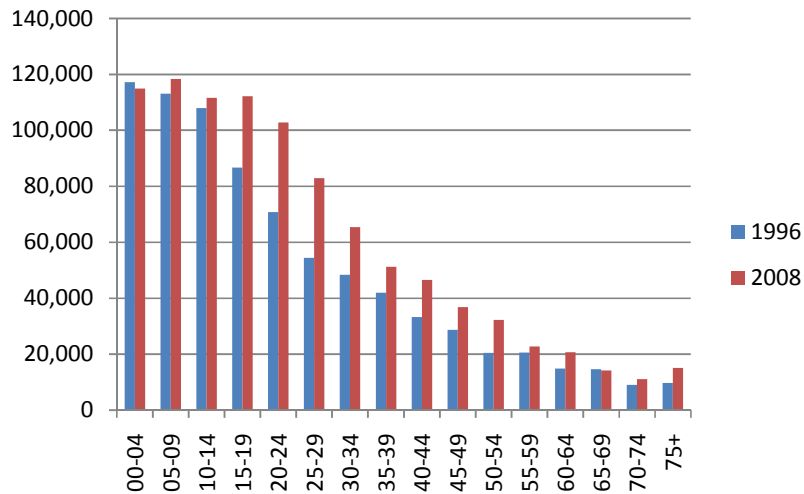


Figure 3: Population per age cohort in the district

Source: Global Insight (2008)

The following is a depicting of the male: female ratio in the uThungulu district for the respective age cohorts.

Table 4: Male Female Percentages

Age	% Males	% Females
00-04	6.07	5.91
05-09	6.36	5.99
10-14	5.95	5.70
15-19	5.94	5.77
20-24	5.42	5.30
25-29	4.47	4.19
30-34	3.64	3.18
35-39	2.59	2.76
40-44	2.04	2.82
45-49	1.70	2.13
50-54	1.35	2.02
55-59	1.04	1.32
60-64	0.83	1.33
65-69	0.54	0.94
70-74	0.37	0.79
75+	0.45	1.12
Total	48.75	51.25

Source: Global Insight (2008)

It is interesting to note that it is only in the age cohort 35 – 39 that the female percentage passes the male percentage.

The uThungulu age profile indicated that the majority of the population, approximately 60%, is between the ages of 15 and 64 with children accounting for about 36% of the population. The elderly only make up about 4.2% of the population.

Table 5: Population per age cohort

	1996	2008	%
00-04	117,160	114,891	
05-09	113,101	118,406	
10-14	107,878	111,723	35.98
15-19	86,705	112,217	
20-24	70,734	102,816	
25-29	54,340	82,973	
30-34	48,365	65,396	
35-39	41,988	51,237	
40-44	33,238	46,545	
45-49	28,709	36,795	
50-54	20,426	32,272	
55-59	20,539	22,678	
60-64	14,836	20,675	59.82
65-69	14,613	14,198	
70-74	9,000	11,111	
75+	9,657	15,025	4.21
Total	791,287	958,958	100.00

Source: Global Insight (2008)

The uThungulu district undertook its fifth Quality of Life (QOL) Survey during 2009 and a draft report has been compiled. The following table shows a comparison of the incidence of Pensioner Headed Households (expressed as a %) in the uThungulu district since 2004. It is apparent that there has been a significant increase in the number of pensioner headed households since 2007 from 32.43% to 46.84%.

The incidence of pensioner headed households is high and some reasons for this could be (1) parents working elsewhere, (2) deceased parents (3) the traditional culture of extended families as well as the (4) effects of migrant labour.

Table 6: Pensioner Headed Households

Municipality	% Pensioner Headed Households			
	2004	2005	2007	2009
Mbonambi	38.41	32.68	22.30	55.92
Mthonjaneni	47.27	22.47	43.43	20.26
Nkandla	29.95	44.29	39.41	49.39
Ntambanana	36.70	33.91	36.75	54.89
uMhlathuze	23.37	16.22	18.77	42.02
uMlalazi	42.94	39.47	37.29	43.91
UTHUNGULU	35.60	31.45	32.43	46.84

Source: Quality of Life Survey 2009

Note: Mbonambi Local Municipality changed its name to Mfolozi Municipality.

3.3 EDUCATION

The Quality of Life Survey (2009) reported that there has not been much of a change in the education levels of the district. Of concern is the increase in the percentage of people with no/basic education from 17.55% to 19% and the reduction in the tertiary education levels from 6% to 5.8%. There appears to be an improved access to secondary education.

Table 7: Levels of Education

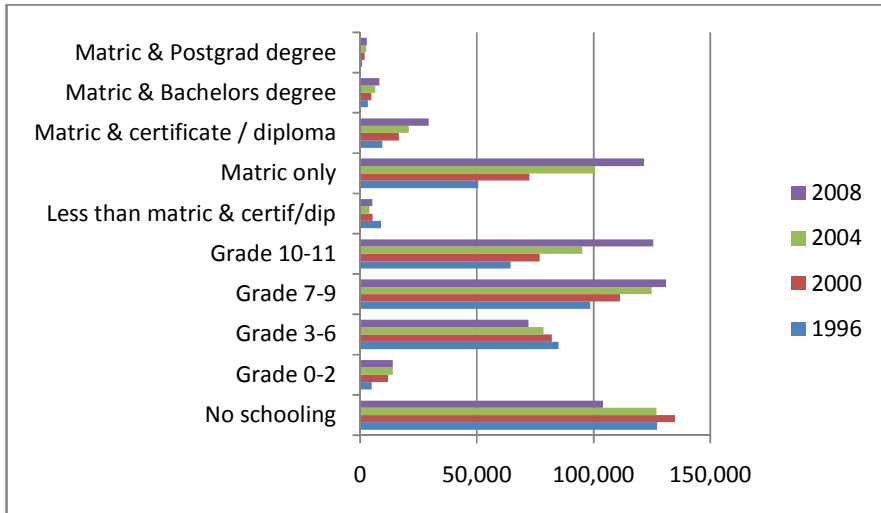
Municipality	Year	Education Levels			
		None /Basic	Primary	Secondary	Tertiary
UTHUNGULU	2004	15.69	22.11	56.20	6.01
	2005	22.75	31.85	38.33	7.06
	2007	17.55	34.82	42.47	5.15
	2009	19	18.4	55.4	5.8

Source: Quality of Life Survey 2009

3.4 HIV

The impact of HIV/Aids is very serious issue and should be incorporated into whatever strategies or developments are undertaken in an area. Typical impacts of AIDS include decreased productivity of workers, increased absenteeism and additional costs of training of new workers. It also represents a greater demand and pressure on health facilities and as the statistics gathered from antenatal clinics indicate a very real problem of AIDS orphans and child (minor) headed households. These factors must be taken cognizance of when devising local economic development strategies. The concerns about the impact of HIV on uThungulu need to be reiterated as KwaZulu-Natal has the highest HIV prevalence rate of all the provinces.

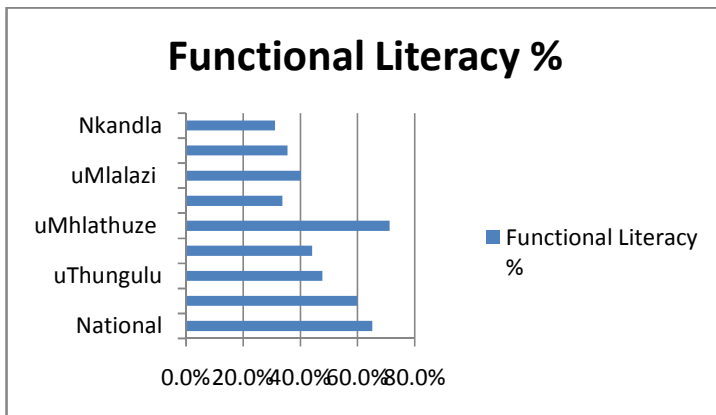
The Centre for Actuarial Research compiled a report that considers the Demographic Impact of HIV/Aids in South Africa and a number of findings from the above mentioned report are also shown in this section (Dorrington R E, Johnson L F, Bradshaw D and Daniel T. The Demographic Impact of HIV/Aids in South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



Source: Global Insight (2008)

Figure 4: Detailed levels of education

The functional literacy rate is the percentage of the population who aged 20 and above that have completed Grade 7 and is depicted in the following:



Source: Global Insight (2008)

Figure 5: Functional Literacy

Table 8: KZN Morality Indicators (2006)

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

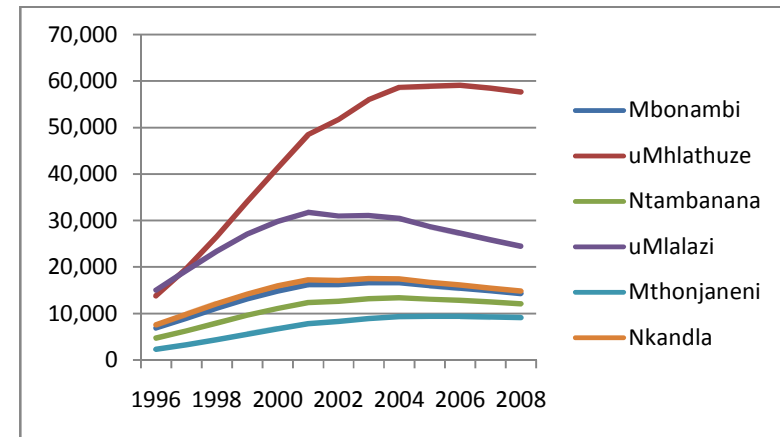
uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

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

Table 9: HIV/Aids related statistics for KZN

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

Information has been extracted from the uThungulu District Municipality Global Insight (2008) database in respect of the incidence of HIV/Aids in the uThungulu District and its Local Municipalities.



Source: Global Insight (2008)

Figure 6: Incidence of HIV/Aids in uThungulu

It is interesting to note from the above figure that the incidence of HIV/Aids seems to have stabilized – this is in line with the notion that the disease is reaching maturity.

More details are provided in the following table with regard to the infection numbers for the district and its local municipalities between 1996 to 2008.

Table 10: Incidence of HIV/Aids

	KZN	uThungulu	Mbonambi	uMhlathuze	Ntambanana	uMlalazi	Mthonjaneni	Nkandla
1996	548,065	50,382	6,863	13,790	4,757	15,051	2,343	7,577
1997	724,922	67,367	8,964	19,667	6,336	19,264	3,305	9,832
1998	911,221	85,551	11,111	26,544	8,007	23,380	4,407	12,102
1999	1,093,690	103,761	13,158	34,032	9,670	27,078	5,594	14,230
2000	1,248,504	119,693	14,823	41,301	11,114	29,802	6,731	15,921
2001	1,382,173	133,897	16,196	48,435	12,390	31,772	7,832	17,272
2002	1,403,087	136,980	16,194	51,697	12,634	31,005	8,308	17,142
2003	1,457,086	143,357	16,630	55,934	13,206	31,109	8,967	17,511
2004	1,474,813	145,947	16,631	58,642	13,421	30,450	9,375	17,429
2005	1,436,264	142,829	15,997	58,899	13,108	28,729	9,394	16,702
2006	1,405,089	140,284	15,482	59,067	12,861	27,330	9,413	16,131
2007	1,361,817	136,440	14,861	58,450	12,499	25,847	9,313	15,470
2008	1,319,154	132,627	14,287	57,644	12,142	24,514	9,186	14,855

Source: Global Insight (2008)

4. THE DISTRICT ECONOMY

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

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

4.1 MAIN ECONOMIC CONTRIBUTORS

The manufacturing sector is the largest sectoral contributor to the economy of the district albeit that its proportionate contribution has decreased slightly since 1996. Interestingly, only those contributions from the mining and finance sectors have shown an increase during the same period. The increase in the mining sector has been significant in that this sector is the second largest economic contributor above community services.

From 1996 to 2008, the economy of the uThungulu District grew at a slightly slower pace than the national economy at an average annual growth rate of 3.2% per annum compared to 3.29% for the national economy. This resulted in the uThungulu economy decreasing its share in national output from 1.45 % in 1996 to 1.44% in 2008.

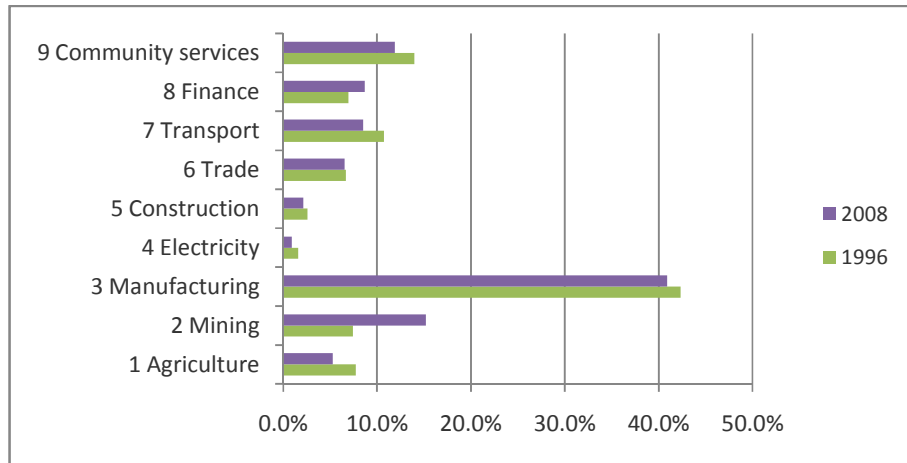
Table 11: Sectoral contributions to Economy

	Agriculture	Mining	Manufacturing	Electricity	Construction	Trade	Transport	Finance	Community Service
1996									
National Total	4.2%	6.9%	20.2%	3.3%	3.1%	14.1%	9.2%	16.6%	22.5%
KwaZulu-Natal	6.5%	1.9%	25.6%	3.4%	3.2%	13.3%	12.6%	13.6%	19.9%
Uthungulu District	7.7%	7.4%	42.3%	1.6%	2.6%	6.7%	10.7%	6.9%	14.0%
Mbonambi	5.8%	11.9%	41.4%	1.4%	2.8%	7.3%	12.8%	6.2%	10.4%
uMhlathuze	4.9%	6.0%	46.6%	1.1%	2.5%	6.2%	11.5%	8.3%	12.9%
Ntambanana	10.0%	10.8%	39.3%	1.4%	2.8%	7.1%	11.9%	5.9%	10.8%
uMlalazi	13.7%	1.8%	40.5%	3.2%	2.0%	6.2%	5.2%	6.2%	21.3%
Mthonjaneni	39.1%	0.0%	16.0%	2.0%	3.0%	7.2%	7.8%	5.5%	19.1%
Nkandla	14.1%	0.0%	2.5%	1.2%	2.5%	10.6%	6.4%	0.7%	61.9%
2008									
National Total	3.3%	9.5%	18.8%	2.3%	3.1%	12.7%	8.1%	21.7%	20.5%
KwaZulu-Natal	5.1%	2.1%	25.0%	2.4%	2.7%	13.3%	11.0%	18.9%	19.4%
Uthungulu District	5.3%	15.2%	40.9%	0.9%	2.1%	6.5%	8.5%	8.7%	11.9%
Mbonambi	3.5%	21.7%	39.9%	0.7%	2.2%	7.1%	9.4%	7.2%	8.1%
uMhlathuze	3.2%	11.6%	45.9%	0.6%	2.2%	6.3%	9.2%	10.7%	10.4%
Ntambanana	6.3%	20.9%	37.8%	0.8%	2.2%	7.0%	9.0%	7.2%	8.9%
uMlalazi	13.8%	6.3%	33.7%	2.4%	1.6%	5.4%	3.9%	7.5%	25.4%
Mthonjaneni	33.5%	0.0%	14.0%	2.0%	2.9%	8.5%	7.2%	10.9%	20.9%
Nkandla	14.5%	0.1%	1.1%	0.5%	1.1%	6.2%	2.5%	0.8%	73.1%

Source: Global Insight (2008)

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The following graph is a depiction of the previous table.



Source: Global Insight (2008)

Figure 7: Sectoral Contributions to Economy

4.2 EMPLOYMENT AND INCOME LEVELS

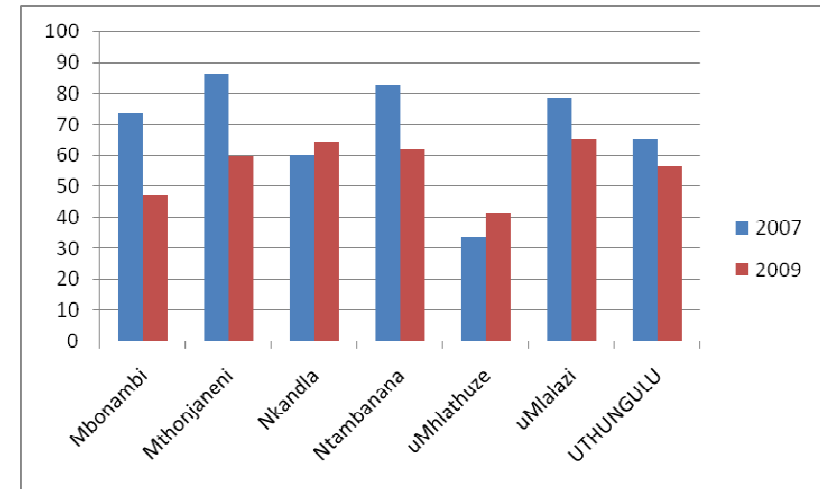
Unemployment is high in the uThungulu district. The results of the 2009 Quality of Life Survey provides the following information pertaining the number of dependants per person employed.

Table 12: Dependents per Person Employed

Local Municipality	Dependants per Person Employed
Mbonambi	7.5
Mthonjaneni	6.4
Nkandla	8
Ntambanana	6
uMhlathuze	8.2
uMlalazi	8.2
UThungulu	7.4

Source: Quality of Life Survey 2009

It has to be borne in mind that income levels are also very low as can be seen from the following inset.



Source: Quality of Life Survey 2009

Figure 8: Households earning less than R1600 per month

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

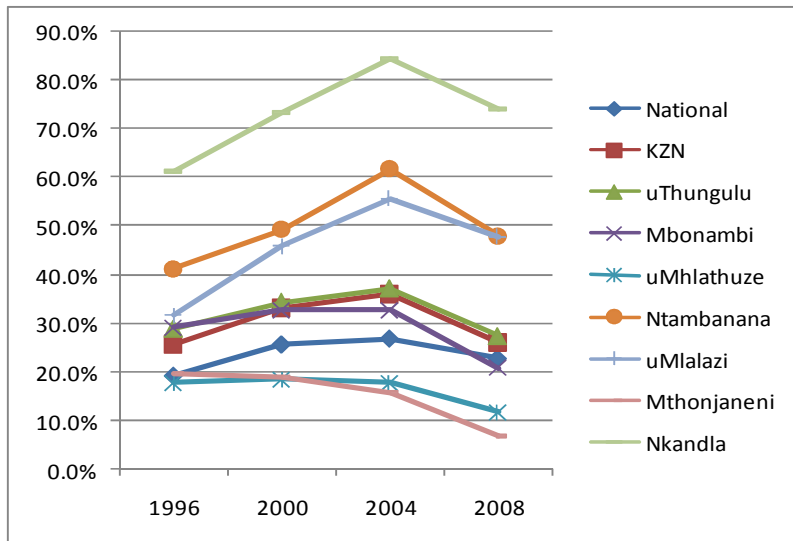
The following information relating to unemployment levels has been extracted:

Table 13: Unemployment percentage

	National	KZN	uThungulu	Mbonambi	uMhlathuze	Ntambanana	uMlalazi	Mthonjaneni	Nkandla
1996	19.3%	25.7%	28.8%	29.1%	17.8%	41.3%	31.7%	19.7%	61.3%
2000	25.6%	33.2%	34.3%	32.7%	18.5%	49.3%	45.9%	18.8%	73.6%
2004	26.8%	36.0%	37.1%	32.6%	17.7%	61.8%	55.6%	15.7%	84.5%
2008	22.8%	26.3%	27.3%	20.8%	11.7%	48.0%	47.9%	6.7%	74.1%

Source: Global Insight (2008)

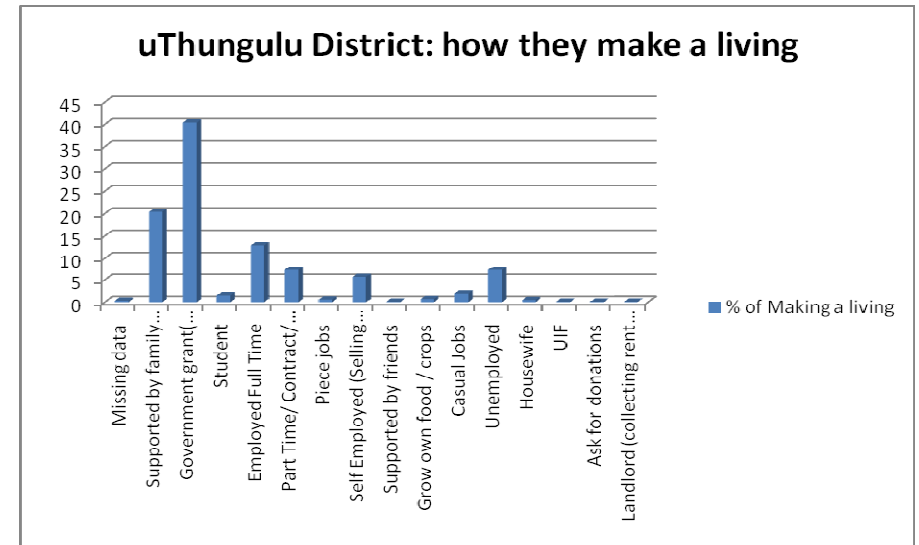
As can be seen from the following graph, there appears to have been a decline in unemployment levels from 2004.



Source: Global Insight (2008)

Figure 9: Unemployment Levels

As part of the Quality of Life Survey, respondents were requested to indicate how they make a living. The results thereof are shown herewith. It is a concern that there is reliance of more than 40% on the range of government grants available.



Source: Quality of Life Survey 2009

Table 14: How People Make a Living

4.3 LOCAL ECONOMIC DEVELOPMENT

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

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The following LED goals are contained in the strategy:

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

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

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

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

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

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

The uThungulu District Municipality has budgeted for the review of its LED Strategy/Plan during the 2010/2011 financial year.

4.4 SMME

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

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

The Uthungulu District Municipality has drafted a SMME Business Support Services Strategy and Policy (2009) for its area of jurisdiction.

The report contained the following projects/activities for implementation:

- To establish a SMME Forum in the district for all SMME
- To develop a common SMME database in the district using among other means, the provision of an online registration and the provision of a simple and single form (that includes the tender processes, application form, letter of good standing and other required forms)
- Regular workshops grouping Supply Chain Managers from the district and local municipalities to review the MFMA, SCMP, CIDB and PPPFA; and to lobby for the

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National Treasury and the National Department of Works to amend and make provision to these regulations

- To organise small SMME fairs four times in each local municipality
- Current LED staff (from the district as well as local municipalities) to undergo an extensive SMME development related trainings
- DEDT One Stop Shop needs to improve the facilitation processes for SMMEs to easily access ABSA/Standard Bank/Ithala SMME fund
- To prioritise the service provision to rural SMMEs before providing to urban SMMEs.
- To provide training to SMMEs via DEDT One Stop Shop and Umfolozi College
- The district and local municipalities to facilitate SMMEs in the rural areas to form joint ventures in order to reduce the transport cost of the raw materials.
- District and local municipalities to facilitate the easy access to land for SMME development
- To provide a SMME incubator in the district
- Mentorship programme need to be developed and rolled out by the current SMME satellites.

4.5 AGRICULTURE

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

An Agricultural Development Plan has been prepared for the UDM in 2003. The objective of the Agricultural Development Plan was to identify specific programmes and projects to address rural poverty and stimulate job creation. The uThungulu agricultural development plan has recently been reviewed with the following deliverables:

1. Status Quo Analysis;
2. Vision;
3. Objectives and Strategies;

4. Programmes with associated Projects.

The Reviewed uThungulu Development Plan has the following vision:

"To develop the agricultural potential of uThungulu through "climate-smart", ecologically sustainable policies, practices and financing at the levels of food security production, small farmer and commercial agricultural production, processing and marketing, so that agriculture regains its position as an essential contributor to economic and social stability within the district."

The issue of climate change has been included in the vision.

The Reviewed Agricultural Development Plan has the following objectives:

1. To create an enabling policy and institutional environment at local level to facilitate climate-smart and ecologically sustainable agriculture
2. To encourage the adoption of agricultural systems and practices that are responsive to the challenges of climate change and the need for environmental and ecologically sustainable futures
3. To investigate financial and investment opportunities and mechanisms to assist farmers at all three levels of production to adopt climate-smart and ultimately financially and economically smart agricultural practices
4. To promote training, capacity building and mentorship in order to improve skills levels in agriculture amongst farmers, extension officers and all other relevant stakeholders with the aim of optimising information, understanding and knowledge of environmentally, ecologically and socially sustainable agricultural practices ;
5. To promote processing and marketing of produce in uThungulu.
6. To facilitate access to production inputs and transport for farmers at all three levels of production*

In order to achieve the objectives the following programmes have been identified:

- Programme 1: Institutional Framework for District Agriculture
- Programme 2: Turnaround for Land Reform
- Programme 3: Ingonyama Trust: Developing Productive Land
- Programme 4: Climate Smart, Environmental Sustainable Agriculture
- Programme 5: Logistics: Inputs, Processing and Marketing

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A package of projects has been identified under each programme as listed in the Reviewed uThungulu Agricultural Development Plan.

Also, uThungulu district has proceeded with the establishment of their Agricultural Development Forum. The concept was proposed by the KZN Department of Agriculture to improve service delivery, communication and liaison.

In consultation with key agricultural role players an appropriate institutional structure will be established to ensure the implementation of the Reviewed uThungulu Development Plan.

4.6 TOURISM

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

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

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

A review of the above was undertaken by the uThungulu District Municipality during 2009 and the following is a list of the Product and Infrastructure Strategies.

Table 15: Tourism Product and Infrastructure Strategies

	Strategy	Description	Priority
1.	Develop the Coastline for Tourism Purposes	<ul style="list-style-type: none"> ○ Improve accessibility ○ Reclaim coast for tourism ○ Accommodation development 	H
2.	Pursue Big Five Game Reserve in District	<ul style="list-style-type: none"> ○ Provide support for private game reserve projects ○ Interact with KZN Wildlife 	H
3.	Encourage Cruise Ship Tourism in Richards Bay	<ul style="list-style-type: none"> ○ Construct dedicated passenger liner terminal ○ Improve linkages with region’s attractions for cruise tourists 	M/H
4.	Extensively develop the Route 66 Product	<ul style="list-style-type: none"> ○ Encourage tourism related SMMEs to locate on Route ○ Product development ○ Standardise the signage 	H
5.	Develop Great Forests of Zululand Experience	<ul style="list-style-type: none"> ○ Construct campsites/cabins ○ Develop paths ○ Package Great Forest tours 	M
6.	Develop Contemporary African Cultural Tourism	<ul style="list-style-type: none"> ○ Add to existing cultural attractions be developing urban African tourism 	M
7.	Improve Accessibility and Visibility of Existing Attractions	<ul style="list-style-type: none"> ○ Tar strategically important access roads ○ Improve signage to remote areas 	H
8.	Develop Adventure Tourism in the District	<ul style="list-style-type: none"> ○ Promote adventure sports ○ Improve high-thrill attractions 	M
9	Ensure Tourist Safety in Volatile areas	<ul style="list-style-type: none"> ○ Create safe tourism precincts ○ Ensure community cooperation ○ Provide armed security 	H
10.	Provide more Family Attractions and Facilities	<ul style="list-style-type: none"> ○ Develop child friendly and family-orientated attractions in the district 	M
11.	Nodal Tourism Development	<ul style="list-style-type: none"> ○ Identify and define areas in 	M/H

	Strategy	which local economic development efforts should focus on tourism. o Identify tourism corridors.	
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4.7 MANUFACTURING

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

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

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

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

4.8 MINING

The mining sector is becoming a sector of increasing importance and its contribution to the district economy increased from 7.4% in 1996 to 15.2% in 2008 making it the second most economic sector in the district in 2008 behind manufacturing. This sector experienced growth in four of the six local municipalities, i.e. Mfolozi, Umhlathuze, Ntambanana and Umlalazi. (Global Insight data 2008)

4.9 CONSTRUCTION

Employment in the construction sector dropped by nearly 28% between 1995 and 2004 which is indicative of low growth in hard infrastructure development. Still, the sector employs an estimated 4182 people (4,4% of the employment in the district). Between 1995 and 2004 it has decreased by an average of 3,5%. The sectors contribution to the district economy has dropped from 2.6% in 1996 to 2.1% in 2008.

4.10 MUNICIPAL LED STRATEGIES

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

<p>Ntambanana Focussed on the development of agricultural diversification through the development of co-operatives, accessibility to machinery and equipment as well as the establishment of periodic markets. Focus on beneficiation schemes related to agri-processing. The Royal Zulu Biosphere remains a key feature of the tourism sector development, along with improvements in marketing and institutional structures. Business support</p>	<p>uMlalazi Agriculture LED focused on beneficiation activities; including an agri-processing plant, bio-diesel production and the introduction of further farmer co-operatives and additional market spaces. The tourism sector LED projects focused on improved service delivery and better clustering of locally available services. Trade and industry related LED initiatives relate predominantly to generating a more enabling</p>
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services and skills training programmes will help facilitate an enabling environment for the furthering of the municipality's LED goals.	environment for local business.
Mfolozi LED Strategy is anchored in the tourism sector, with the key local project being the development of the N2 Gateway Cultural Village and the development of the Mbonambi Craft Emporium Project. Other key sectors are agriculture with focus on forestry products and agri processing through the formation of co-operatives as well as additional commercial food production schemes. Manufacturing sector initiatives are centred on block and furniture making.	uMhlathuze LED strategy is multi-sectoral and integrated as both the formal and informal economies in the municipality are well developed. Key area of focus is the manufacturing sector, and the development of the 'missing middle' or small suppliers of services and goods to large firms as well as in technical skills and capacity building. Interestingly, despite the highly developed multiple sector economy, emphasis remains on the enhancement of infrastructure in order to better develop an enabling environment for LED growth.
Mthonjaneni LED focused on agricultural and tourism sectors. Formulating and integrated agricultural plan, developing local markets as well as generating and enabling environment for agricultural growth are all key features. Tourism related LED programmes are fairly diverse, key issues relate to the recognition of local potential, intensive marketing as well as environmental concerns. Business retention plans are an essential component of Mthonjaneni's LED; centred on infrastructure improvements and retention mechanisms.	Nkandla LED focused on infrastructure development to create a more conducive environment for economic activity. Proposed programmes and projects are designed to make use of local content (skills and inputs) and to generate greater capacity building. Tourism and agriculture are two key sectors. Projects include better access to tourism sites, the development of a cultural village and a comprehensive tourism strategy. Agriculture LED focus on forestry and agri-processing, utilising established best practices from the already existing Nkandla essential oils' project and the Ntingwa tea estate project. Soft infrastructure should also

	be addressed, i.e. a key emphasis on skills development and participation of local stakeholders to better encourage local economic development.
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4.11 ECONOMIC KEY ISSUES

The following priority development issues were identified in respect of the district economy.

Local Economic Development

- ❖ LED contributes to alleviating poverty & job creation
- ❖ Access to financial support & services
- ❖ Support to SMMEs
- ❖ Economy has to be integrated
- ❖ Infrastructure development to support LED
- ❖ Institutional development and management
- ❖ Enhance Communication
- ❖ Some areas less economically viable than others and focus in rural outlying areas should be on agriculture and the informal sector

Local Tourism Development

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

Agricultural Development

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

Business & Industrial Development

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

4.12 MILESTONES ATTAINED

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

- ❖ Hosting of 13th Annual Regional Zulu Dance Competition to promote tourism and tourism-related job creation.
- ❖ Film Office established to market the uThungulu region as a preferred destination for film makers, as well as provide day-to-day operational assistance to them.
- ❖ Annual Socio-Economic Survey in partnership with University of KZN to measure economic growth within the district.
- ❖ Tourism accommodations and activity brochure for the UDM servicing area widely distributed.
- ❖ Mthonjaneni, Entumeni and KwaMthethwa Essential Oils plantations established.
- ❖ Essential Oils Extraction Plant at Nkandla established and distillation plant is currently in operation
- ❖ Construction of KwaBulawayo Tourism Development facility ongoing
- ❖ Construction of KwaMpungose HIV/AIDS Hospice for abandoned children in the uMlalazi Local Municipality area in the Mpungose Tribal Council.
- ❖ Successful and well attended Growth and Development Summits hosted.
- ❖ Successful LED intervention projects such as "Essential Oils" project in Nkandla, Mthonjaneni, Umlalazi and Mbonambi.
- ❖ Tourism arts and crafts, where local crafters from our district, exhibit their products and enter the commercial market, as well as uThungulu's successful participation in all Tourism Exhibitions and Trade Shows.
- ❖ Initiated a project to establish a Craft Hub in the Small Craft Harbour area of uMhlathuze, and a mobile unit to support crafters in the rural areas of the district.
- ❖ Passenger liner welcoming facilities and service in partnerships with the Ports Authority.
- ❖ Hosting of the 2009 uThungulu District Growth and Development Summit.
- ❖ Institutional and Operational Support programmes to SMME's within Uthungulu servicing area.
- ❖ Participation in the Gijima KZN Provincial Steering Committee to channel funding towards LED opportunities.
- ❖ Preparation of SMME Strategy.
- ❖ Implementation of the investigation into the Tourism Institutional Framework.
- ❖ Richards Bay Boardwalk Inkwazi Info Hub established.
- ❖ E-Marketing Newsletter launched.

- ❖ Zululand Birding Route financially supported.
- ❖ Craft Development Training facilitated and trainees sponsored to participate at Craft Development Decorex show.
- ❖ Hosting of Tourism Enterprise Workshops.
- ❖ Extensive district tourism advertising and marketing in publications and brochures.
- ❖ Participation in Tourism Marketing Shows.
- ❖ Successful implementation and development of the following corridor development fund projects:
 - Kwabulawayo Tourism Development;
 - R66 Heritage Route Development;
 - Craft Development Hub;
 - Film Office Development;
 - Transport Plan Review;
 - Mbonambi Development Framework.
- ❖ Hosting of Agricultural Indabas for commercial and emerging agriculture sectors.
- ❖ Participation in Agricultural Forums and working agreement with KZN Department of Agriculture

5. INFRASTRUCTURE PROVISION

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

5.1 WATER AND SANITATION PROVISION

The uThungulu District Municipality, in terms of the Water Services Act¹, is the Water Services Authority in respect of its area of jurisdiction, apart from the City of uMhlathuze.

¹ Act 108 of 1997 Section II G

(The review of the WSDP is underway at present)

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

Table 16: Access to Water Sources

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

Source: 2001 Census

As part of the annual Quality of Life survey, respondents were requested to indicate the respective access to sanitation and water. The results thereof are contained in the following tables.

Table 17: Survey of Access to Sanitation

Year	No Response	Waterborne Flush Toilet	Septic Tank	Chemical Toilet	VIP	Pit Basic Latrine	None	Other
2004	11.30	12.80	2.00	7.30	0.00	36.30	22.10	8.70
2005	3.90	15.60	3.70	2.20	10.40	45.70	16.10	2.50
2007	0.49	17.76	1.46	2.68	8.03	42.09	27.25	0.73
2009	-	19.70	1.30	6.10	8.60	43.9	20.30	-

Source: Quality of Life Survey (2009)

Table 18: Survey of Access to Water Sources

Water Sources	Mfolozi	Mthonjaneni	Nkandla	Ntambanana	uMhlatuze	uMlalazi	uThungulu
Piped water in dwelling from pipes	4.9	5.5	7.6	0.3	46.1	5.2	17.7
Piped water in dwelling from roof tank	0.8	-	0.8	-	1.2	0.4	0.7
Ground tanks	1.2	0.7	1.9	3.5	0.4	0.6	1.1
On site taps	27.3	13.8	35.6	16.2	38.6	16.8	27.6
Street taps	40.5	44.4	24.5	53.4	10.5	41.5	30.1
Borehole/ rainwater tank/ well	18.3	8.4	0.9	0	0.4	6.4	4.5
Dam/ river/ stream/ spring	5.5	27.3	24.1	14.0	2.1	26.6	15.4
Other	1.2	-	4.7	12.7	0.8	2.4	2.9

Source: Quality of Life Survey (2009)

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

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

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

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

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

- ❖ Low cost housing projects
 - The UDM will install basic water infrastructure (reticulation and bulk)
 - Rural: Metered connection within 200 m from dwelling (funded from housing subsidy)
 - Urban: Metered connection on plot boundary
 - Households have a choice of minimum free basic or metered above 6 kl/month stepped tariffs
 - Developer to construct basic on-site sanitation (VIP's)
- ❖ Upper income housing developments
 - The developer constructs all water and sanitation infrastructure, including bulk where there is not sufficient capacity, at own cost
 - UDM to approve design standards
 - Households billed on metered stepped tariffs
- ❖ Industrial developments
 - The developer constructs all water and wastewater infrastructure, including bulk where there is not sufficient capacity, at own cost
 - UDM to approve design standards
 - Water consumption billed on metered fixed tariff

- New policy to be developed regarding wastewater disposal of large wet industries – incentives to do pre-treatment

❖ Metering System

- Proposed metering of inlets/outlets of all bulk water infrastructure, WTW, pump stations, reservoirs, for water balancing purposes
- All connections, including communal stand pipes to be metered
- New design created for metered yard connections

❖ Implementation of SMME programmes including EPWP

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

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

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

Table 19: Funds required to eradicate total backlogs:

Local Municipality	Estimated funds required per Local Municipality		Estimated total funds required
	Water Supply	Sanitation Supply	
Mbonambi	R 334,457,347	R 68,017,968	R 402,475,315
Ntambanana	R 493,958,444	R 44,541,792	R 538,500,236
uMalazi	R 1,210,563,792	R 222,407,640	R 1,432,971,432
Mthonjaneni	R 270,379,491	R 16,296,064	R 286,675,555
Nkandla	R 1,174,289,839	R 96,871,032	R 1,271,160,871
Total	R 3,483,648,915	R 448,136,496	R 3,931,785,411

uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

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

Table 20: Water Supply Backlog in uThungulu district

Local Municipality	2008 / 2009 Households	Households with Water	Household without Water	2009/2010 % Backlog
Mfolozi (KZ281)	20 615	11 571	8 865	43%
Ntambanana (KZ283)	16 339	8 987	7 353	45%
uMlalazi (KZ284)	42 623	21 885	20 738	48%
Mthonjaneni (KZ285)	9 712	4 565	5 147	53%
Nkandla (KZ286)	25 757	17 506	8 251	32%
Total	115 046	64 514	50 354	44 %

Source: WSDP Review 2009

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

Table 21: Sanitation Backlogs in uThungulu district

Local Municipality	2008 / 2009 Households	Households with Sanitation	Households without Sanitation	2009/2010 % Backlog
Mbonambi (KZ281)	20 615	10 457	10 158	49%
Ntambanana (KZ283)	16 339	9 687	6 652	41%
uMlalazi (KZ284)	42 623	9 408	33 215	78%
Mthonjaneni (KZ285)	9 712	7 278	2 434	25%
Nkandla (KZ286)	25 757	11 290	14 467	56%
Total	115 046	48 120	66 926	58 %

Source: WSDP Review 2009

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

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

5.2 REGIONAL SOLID WASTE

A Regional Solid Waste site has been established and waste transfer stations are being set up at some of the local municipalities to transport waste to the regional site. The review of the Integrated Waste Management Plan has been completed during the 2009/2010 financial year.

According to a comparison between the 1996 and 2001 census, the number of households that have access to weekly municipal refuse removal has increased by 38% although the number of households that are reliance on their own dump has also increased significantly by 62% from 60991 in 1996 to 99071 in 2001.

5.3 WASTE WATER

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

5.4 CEMETERIES AND CREMATORIA

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

The development of the uThungulu Regional cemetery has been completed. Local and Traditional Authorities have traditionally taken responsibility for burials in rural areas which are predominantly being within the household grounds as it is a

traditional practice. Many areas cannot afford to continue to accommodate burials on residential plots due to land availability constraints.

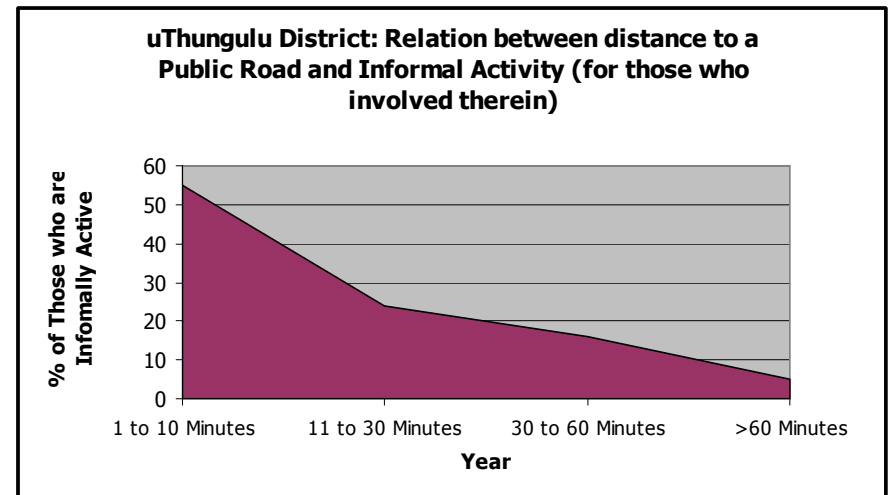
The only crematorium in the area is located at Eshowe, which may need to have its capacity extended to cope with the regional demand.

5.5 MUNICIPAL ROADS AND PUBLIC TRANSPORTATION

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

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

Figure 10: Relation between distance to a public road and involvement in informal activity



Source: 2007 Quality of Life Survey

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

The uThungulu District completed its Integrated Transport Plan during April 2005 and the review of the Public Transport Plan component thereof has recently been drafted.

Broadly, the scope of work is as follow:

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

To this end, the uThungulu District is engaging closely with the Department of Transport in respect of the following:

- To ensure that there is a clear understanding of the financial and operational implications of the reviewed PTP on the district.
- The classification of roads
- The proposed preparation of an Integrated Rapid Public Transport Plan

5.6 ELECTRICITY

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

Eskom's supplies grid electrification while the Department of Mineral and Energy Affairs is responsible for non-grid electrification. A combined strategy/partnership between uThungulu and Eskom is urgently required to form an integrated and sustainable electrical service delivery within the district. In conjunction with the

Department of Minerals & Energy and Eskom a plan should be devised to implement the uThungulu Energy Master Plan as compiled.

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

The Uthungulu District Municipality has reviewed its Energy Master Plan during 2009/2010.

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

5.7 INFRASTRUCTURE KEY ISSUES

The following priority development issues were identified for this section.

Potable Water, Waste Water & Sanitation

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

Water Services Authority & Planning

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

Energy

- ❖ Eskom reticulation
- ❖ Renewable (natural) energy resources have to be identified and utilized
- ❖ Energy crises impact on basic service delivery and operating costs

Regional Solid Waste

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

Regional Cemeteries & Crematoria

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

Municipal Roads & Public Transport Services

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

Municipal Airports

- ❖ Dube Trade Port is established
- ❖ Impact on tourism

5.8 MILESTONES ATTAINED

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

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

6. SOCIAL AND COMMUNITY DEVELOPMENT

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

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

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

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

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

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

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

6.1 ACCESS TO COMMUNITY FACILITIES

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

The majority of problems at facilities related to the following:

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

As a result of the high number of facilities that will require funding for new or improved infrastructure and/or services, it was decided to focus on the District, Primary, Secondary and Tertiary Nodes (as per the then UDM IDP Spatial Framework Plan), in the preparation of the Community Facilities Plan. Facilities within a certain radius of District, Primary, Secondary and Tertiary Nodes were identified (as per the then UDM Spatial Development Plan). Hereunder, a table is attached summarizing the results:

Table 22: Funding required for upgrading of Community Facilities

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

Within the above identified nodes the following was found:

- ❖ The greatest financial need is for the upgrading of sport facilities and child care facilities; and
- ❖ There is also a need for the provisioning of shelters and ablution facilities at Pension Payout Points.

6.2 IMPACT OF HIV/AIDS

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

According to a 2005 publication of Development Bank of South Africa², the KZN population that was HIV positive during 1991, 1996 and 2001 was 40 000, 634 000

² KwaZulu-Natal Province: Socio-Economic Profile (March 2005)

and 1 643 000 respectively - the highest concentration of HIV positive people in South Africa.

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

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

The effect of HIV/AIDS economically is:

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

The likely effect of HIV/AIDS on planning:

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

6.3 IMPROVED COMMUNITY INVOLVEMENT

- ❖ IDP Road Shows are held annually to inform communities of the Programmes and Projects contained in the IDP.
- ❖ After each EXCO Meeting, discussions and decisions are summarized and published in the local newspaper. The EXCO & Council meetings are open for members of the public to attend.
- ❖ As part of the UDM's Performance Management System, a Service Commitment Charter is published annually as a pull-out in the Zululand Observer (local newspaper). It gets printed in English and isiZulu and distributed to stakeholders throughout the District.
- ❖ The flagship publication of the municipality, Izindaba Ezimtoti is printed in English and isiZulu.
- ❖ A Radio Slot for the UDM Mayor is reserved monthly on Radio uKhozi. The Mayor talks about matters relating to the Integrated Development Plan and events of interest to our communities.
- ❖ uThungulu has also developed a comprehensive informative Website.
- ❖ uThungulu publishes Annual Reports
- ❖ Techcom Meetings are held bi-monthly, with the Municipal Managers of the local and district municipalities. This is followed, on the same day, by District Mayors Coordination Forum Meetings where the respective Mayors join the Municipal Managers.
- ❖ Local Municipality Manco Meetings are held quarterly attended by both the District and Local Municipalities Manco's.
- ❖ IDP Alignment Meetings take place during the IDP Review process. The District and Local Municipalities as well as selected Service Providers are invited to these meetings. In addition, a series of Sector Plans have been completed or are underway at which representatives of the respective government departments are members of the Steering Committees.

6.4 SOCIAL AND COMMUNITY KEY ISSUES

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

Municipal Health (Environmental Health)

- ❖ Inadequate funding for Municipal Health Function

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

Education, Training & Capacity Building

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

Safety & Security

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

Community Service, Facilities & Actions

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

Disaster Management

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

Fire Fighting

- ❖ Shared service with municipalities
- ❖ ZFPS

Poverty Alleviation

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

Marginalized Groups

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

HIV/Aids

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

6.5 MILESTONES ATTAINED

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

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

- ❖ 30 houses built in uMlalazi for Orphaned and Vulnerable Children
- ❖ Complete sets of school uniforms provided annually to 60 Orphaned and Vulnerable Children
- ❖ Ongoing programme to supply seedlings to communities, through NGOs, in support of the one home one garden campaign and poverty alleviation
- ❖ Three new fire engines purchased for the Shared Fire Fighting Services
- ❖ Fire awareness campaigns held regularly in the high risk areas during the period approaching the dry season (autumn)

7. PLANNING AND THE ENVIRONMENT

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

7.1 INTEGRATED DEVELOPMENT PLANNING

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

- ❖ From a land reform and housing perspective, the district is responsible for planning, coordination and alignment. The district's responsibility for the provision of bulk infrastructure to housing projects specifically is very important.
- ❖ Land-Use planning aims to co-ordinate and manage all the land uses and their relationship to each other in order to protect natural resources and to create safe and liveable environments. In respect of land-use planning, the District Municipality is responsible for the provision of the Land-Use Management Framework, whilst the Local Municipalities are responsible for the preparation of detailed Land Use Management Systems (LUMS).
- ❖ The bi-annual quality of life survey of the UDM provides the mechanism to monitor progress on key development projects and programmes as identified in the IDP.

7.2 DEVELOPMENT PLANNING SHARED SERVICES

Since 1 February 2009, a Chief Planner (Shared Services) position has been established to provide development planning assistance to the Ntambanana, Mfolozi, Nkandla and Mthonjaneni Local Municipalities of the District.

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

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

- Spatial Planning
- Strategic Planning
- Development Administration
- Information Management and Systems Development
- Future additional functions include:
 - Building Inspections and Control
 - Housing
 - Environment
 - Land Reform

The main support provided by the uThungulu District Municipality to the participating Local Municipalities is to provide the service of a Professional Planner that ensures the effective and efficient administration of development under the recently promulgated KwaZulu-Natal Planning 7 Development Act (Act No. 06 of 2008).

7.3 THE ENVIRONMENT

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

- A good climate that opens up avenues for productive agricultural and tourism development;
- Agriculture with irrigation infrastructure in place;
- A scenic environment and the coastal terrain thus creating more opportunities for tourism development; and
- The district's location within KwaZulu-Natal that is reputable for its African Experience.

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

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

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

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

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

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The area also has a number of wetlands, the most notable being Lake Cubhu and the Greater Mhlatuze Wetland System to the south of Richards Bay at Esikhaleni. The Phobane Dam on the Mhlatuze River is the only major dam in the area. This dam is used to regulate the flow in the lower reaches of the Mhlatuze River in order to ensure adequate flow to supply agricultural irrigation needs (sugarcane, citrus and cotton are the major crops in the area), industrial requirements (Richards Bay, Empangeni and the recently commenced ISCOR (Ticor) Heavy Mineral mining operations at Hillendale) as well as for domestic needs.

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

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

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

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

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

- Agriculture with irrigation

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

Table 23: Environmental Concerns

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

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

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

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

7.4 CLIMATE CHANGE

As a result of the 2010 Kwanaloga Summit on Rural Development & Climate Change and in anticipation of the 17th Conference of Parties (COP 17) to the United Nations Framework Convention on Climate Change to be held end of 2011, the uThungulu District Municipality is addressing climate change with the following adaptation and mitigation measures:

Adaptation Measures:

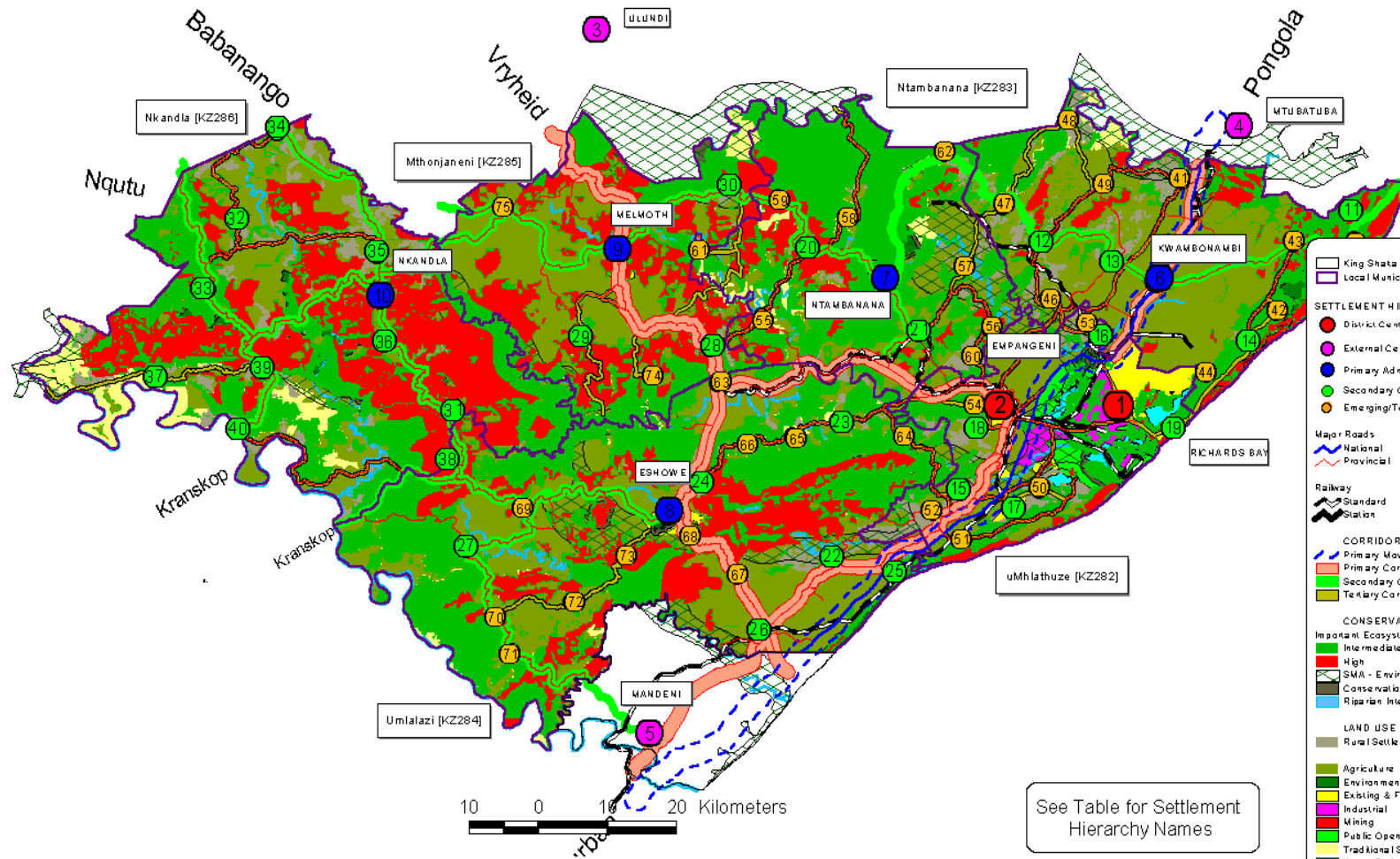
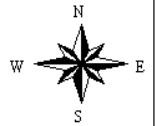
- ❖ An uThungulu District Round Table discussion was held between Kwanaloga and the uThungulu Family of Municipalities on 16 February 2011 at the uThungulu Municipal Offices to discuss the recommendations and implementation measures as a result of the Kwanaloga Summit on Rural Development & Climate Change.
- ❖ Climate Change issues will be addressed by during the Review of the following Sector Plans of the uThungulu IDP:
 - Current Review of the uThungulu Agricultural Development Plan;
 - Current Review of the uThungulu Coastal Management Programme;
 - Proposed Refinement of the uThungulu Spatial Development Framework;
 - Proposed Preparation of the State of the Environment Report (SOR) as part of the envisages uThungulu Strategic Environmental Assessment (SEA);
 - Proposed Review of the uThungulu Disaster Management Plan;
- ❖ Climate Change is a standing item on the agenda of the uThungulu Coastal Working Group and the same will apply with the proposed uThungulu IDP Sector and Services Alignment Forum.

Mitigation Measures:

- ❖ With the assistance of the KZN Department of Transport, a Integrated Rapid Public Transport Network (IRPTN) Plan is currently being prepared to ensure the effective and efficient functioning of public transport within the uThungulu district. By promoting public transport the carbon footprint of the uThungulu district will be reduced.
- ❖ When the Energy Sector Plan will be reviewed, climate change mitigation measures will be considered.



UTHUNGULU ENVIRONMENTAL MAP



See Table for Settlement Hierarchy Names

	King Shaka DC
	Local Municipal Boundaries
SETTLEMENT HIERARCHY	
	District Centre
	External Centre of Note
	Primary Administrative Centre
	Secondary Centre
	Emerging/Tertiary Centre
Major Roads	
	National
	Provincial
Railway	
	Standard
	Station
CORRIDORS	
	Primary Movement Corridor
	Primary Corridor
	Secondary Corridor
	Tertiary Corridor
CONSERVATION	
Important Ecosystems	
	Intermediate
	High
	SMA - Environmental Linkages
	Conservation Interface Zone (500 m)
	Riparian Interface (20m)
LAND USE	
	Rural Settlement Clusters
	Agriculture
	Environmental Management
	Existing & Future Residential
	Industrial
	Mining
	Public Open Space
	Traditional Settlement
	Water Body

7.5 SPATIAL ANALYSIS

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

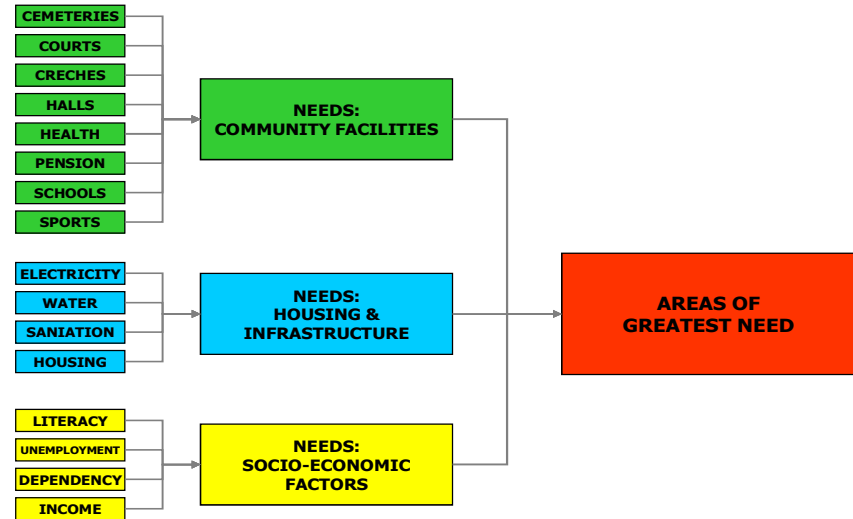
At the outset of the process, the principles that direct the preparation of the uThungulu SDF and its implementation were workshopped and agreed upon as summarized hereunder:

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

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

The identification of potential was guided by the following:

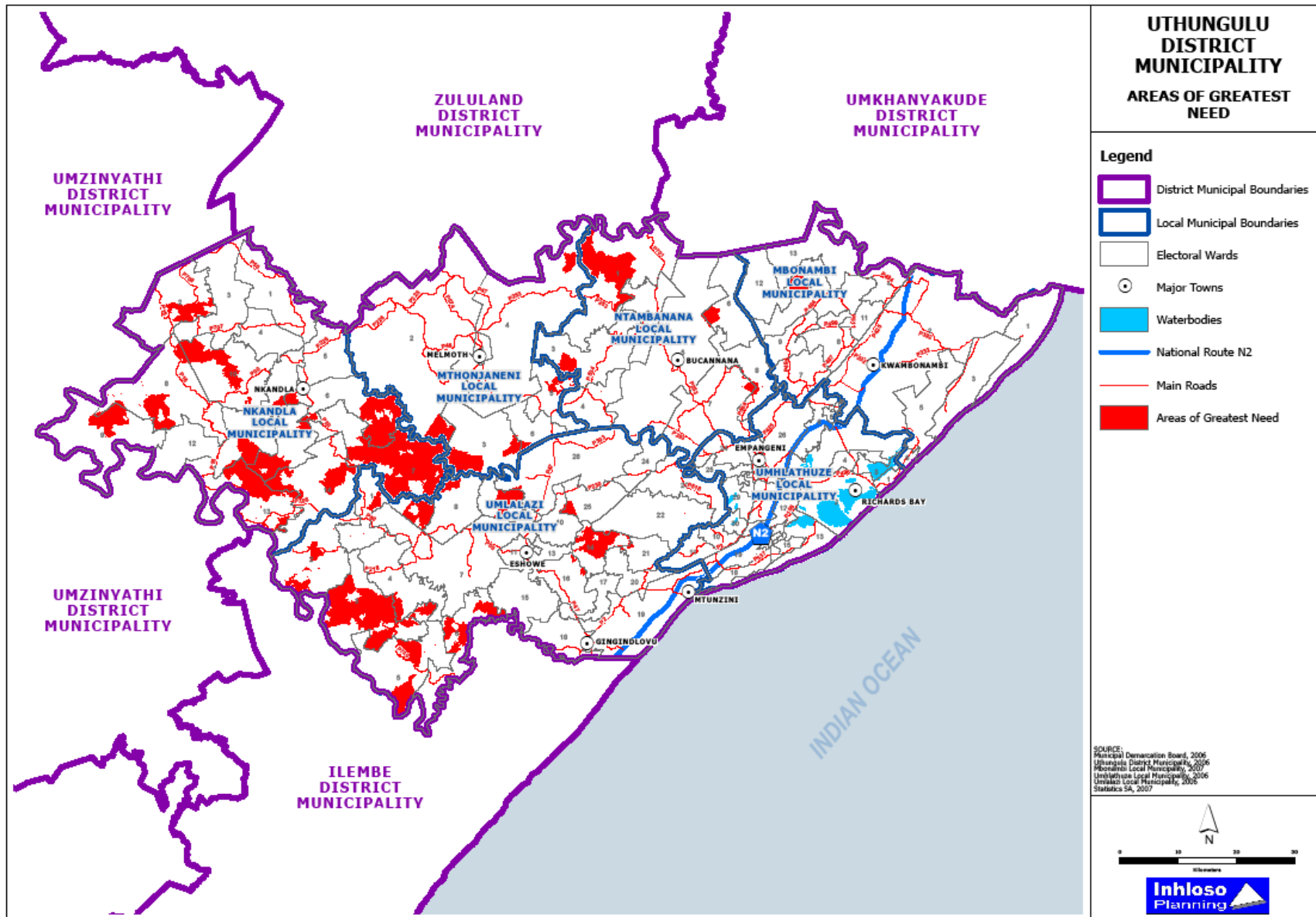
- Population density
- Availability of bulk services
- Agricultural potential



- The uThungulu coastal belt
- Major infrastructure investment such as the P700 and the P701
- Centres of economic opportunity reflected as primary and secondary nodes in the respective Local Municipality SDFs

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

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



7.6 PLANNING AND ENVIRONMENTAL KEY ISSUES

The following priority development issues were identified for this section.

Integrated Development Planning

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

Land Reform

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

Housing

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

Environmental Management

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

Telecommunications & Technology

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

7.7 SUMMARY OF KEY MILESTONES ACHIEVED

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

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

8 FINANCE AND ADMINISTRATION

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

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

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

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

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

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

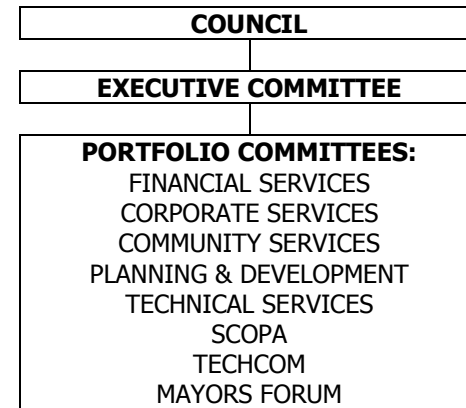
- ❖ Drought relief and the cost of tankering services. In this regard, proposals are in the process of being submitted DWAF and DLTGA for additional funds.
- ❖ The district has some unfunded Mandates, notably Disaster Management and Fire Fighting. As a result, the funds that are allocated to these mandates are not adequate.

8.1 INSTITUTIONAL ARRANGEMENTS

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

8.2 COUNCIL & MFMA COMMITTEES

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



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

8.3 ORGANISATIONAL STRUCTURE (ORGANOGRAM)

uThungulu District Municipality currently has a projected number of 271 (310 including Councillors) staff for the year ending 30th June 2010. During the budget process positions required by departments were reviewed in terms of available funding, savings identified in other accounts, a specific allocation of grant funding, a legislative requirement for the position, and if the position was within

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

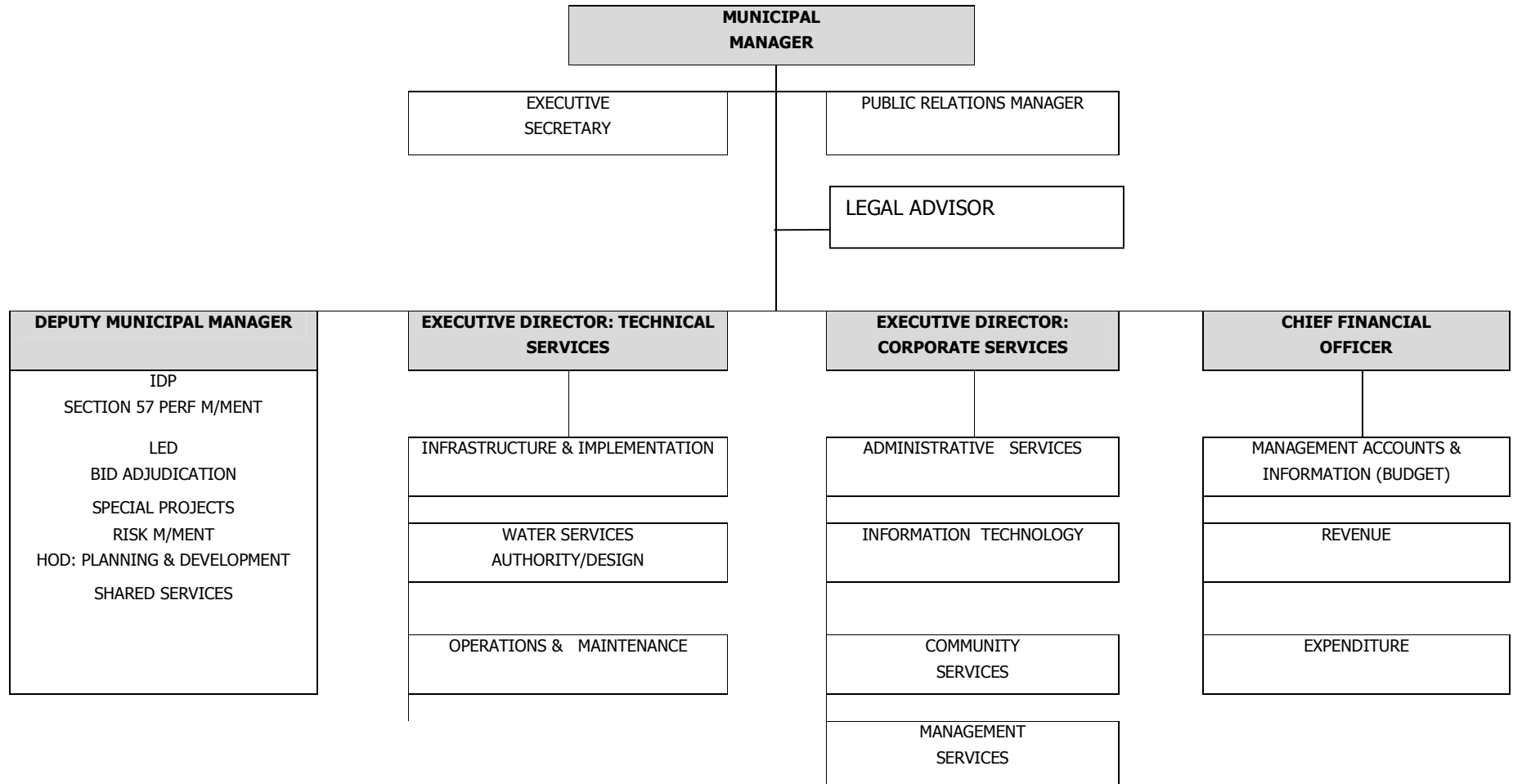
the 2009/10 approved multi-year budget. A total of **37 new positions** are included in the 2010/11 budget year, which includes, 3 admin services staff, 2 information technology staff, 1 planning & development staff, 22 municipal corporate staff, 5 technical facilities staff and 4 water services staff.

Table 24: uThungulu Institutional Analysis

uThungulu Institutional Analysis		
SUMMARY OF PERSONNEL NUMBERS	2008/2009	2009/2010
<i>Municipality</i>		
Councillors (Political Office Bearers plus Other)	39	39
Snr Managers (Incl. MM)	5	5
Other Managers	14	9
Technical/Professional	48	62
Other Staff (clerical, labourers etc)	202	195
Total Personnel Numbers	308	310

The uThungulu Organogram was approved by ExCo on 09 June 2010.

Figure 11: uThungulu District Municipality Organogram



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

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

Table 25: Staff Complement

Department	Budgeted Staff 09/10	Current Staff 09/10	Vacancies
Executive Division - Corporate	1	0	1
Admin Division	19	16	3
Dept of MM	4	4	0
Management Services/HR	9	8	1
IT	3	1	2
Executive Division - Financial	1	1	0
Expenditure	9	7	2
SCM	21	19	2
Budgeting	5	3	2
Consumer Billing	38	33	5
Planning - Division	8	7	1
Environmental Protection	2	2	0
Disaster Management	3	3	0
Cemetery	4	4	0
Executive Division - Technical	1	1	0
MIOM (Operations)	7	6	1
MII (Infrastructure)	11	11	0
Water Services Authority - Division	11	10	1
Water Services Provision	67	61	6
Water Services Mthonjaneni	7	7	0
Water Services uMlalazi	35	32	3
Water Waste Management	1	1	0
TOTAL PERMANENT	267	237	30

Department	Budgeted Staff 09/10	Current Staff 09/10	Vacancies
CONTRACT (SECTION 57)			
Municipal Manager	1	1	0
Deputy Municipal Manager	1	1	0
Executive Director: Corporate Services	1	1	0
Executive Director: Technical Services	1	1	0
Chief Financial Officer	1	1	0
TOTAL SECTION 57	5	5	0
OTHER CONTRACT			
uThungulu House	9	9	0
Satellite Offices	4	4	0
Bateleur Park	4	4	0
Budget Interns (National Treasury)	2	2	0
Consumer Billing	3	1	2
Administration	2	2	0
Disaster Management	1	1	0
Municipal Managers Office	1	1	0
Planning & Development	1	1	0
Municipal Infrastructure	3	3	3
Municipal Operations	1	1	0
TOTAL SECTION 57	31	29	5

8.4 HUMAN RESOURCES POLICIES

• CODE OF CONDUCT

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

- **HR DEVELOPMENT PLAN (WORKPLACE SKILLS PLAN)**

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

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

- **EMPLOYMENT EQUITY PLAN**

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

- ❖ Skills Development
- ❖ Set Numerical Targets per Employment Category
- ❖ Employment of people with disabilities
- ❖ Provision of Bursaries for scarce skills.

8.5 DISTRICT INFORMATION MANAGEMENT SYSTEM (DIMS)

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

performance management system, and to implement and monitor a district wide IDP.

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

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

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

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

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

Since the implementation of DIMS at the uThungulu District Municipality, new performance regulations were gazetted effectively from 1 August 2006. The procedures specifically with regards to the assessment of individuals (Section 57)

employees differ from the procedure followed previously within DIMS. The assessment rating and scoring criteria are also now prescribed by the regulations and an applicable performance assessment calculator has been developed by the DPLG.

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

8.6 FINANCE AND ADMINISTRATIVE KEY ISSUES

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

Financial Control

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

Management Services

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

Administrative Services

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

Public Relations & Communications

- ❖ Intergovernmental Relations to be enhanced
- ❖ PR & Communications Strategy to be reviewed & resources allocated
- ❖ Strategy to be developed to win next VUNA award

- ❖ Poor communication on developments between local government and departments results in duplication of efforts

Shared Services

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

Performance Management Programme

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

Institutional Development

- ❖ Organizational Structure Review
- ❖ Policies

8.7 SUMMARY OF KEY MILESTONES ACHIEVED

Some of the key milestones achieved are outlined hereunder:

- ❖ Unqualified audit reports from the Auditor General for 2006/07 financial year (for 7 years running) are evidence of the commitment to excellent financial management.
- ❖ Successful implementation of new GRAP/GAMAP accounting standards.
- ❖ Completion of credit rating, done by Global Rating Co. and the report is encouraging.
- ❖ Second place in the Provincial Vuna Awards under the District category.
- ❖ Ongoing effective communication of uThungulu's activities.
- ❖ Implementation of PMS.
- ❖ Improved record-keeping through electronic Record Management System.
- ❖ Implementation of effective and efficient IT systems to meet the needs of the organization and keep abreast with technology.
- ❖ The formulation, implementation and amendment of a number of policies, including the Recruitment Policy, Travel and Subsistence Policy and Employee Assistance Policy
- ❖ The ICT Directorate has implemented a number of improvements that have served as a business enabler to the many systems and processes that the municipality has.
- ❖ The Supply Chain Management Policy has been implemented in accordance with the Municipal Finance Management Act regulations.
- ❖ There were 34 tenders awarded during the 2007/08 financial year. The total value of the top ten tenders awarded amounts to R93.9 million.
- ❖ Implemented various methods to encourage consumers to pay for the services (incentive policy) or to restrict the service to consumers who are not paying their accounts, either through the conditions of the incentive policy or the restrictions.
- ❖ The municipality intensified its debt management actions against those debtors who can pay for services.
- ❖ The 2006/2007 budget of the municipality was IDP aligned, ensuring that all programmes within the IDP are strategically focused.
- ❖ The reporting requirements per National Treasury for the 2006/2007 financial year have been adhered to successfully.
- ❖ Grant funding received from DLGTA to establish a multi-purpose sports facilities aimed at Soccer 2010, to host a 2010 training camp and to be able to bid to host a soccer-playing country within the district.
- ❖ The development of a District 2010 Multi-Sports Facility in uMhlathuze;
- ❖ The development of "Fan Festivals Sites" in all six local municipalities.
- ❖ Successfully complied with the requirement from the Auditor-General's office by having an Enterprise Risk Management Strategy compiled as well as a procedure manual.
- ❖ Implementation of the Substance abuse policy
- ❖ Implementation of the Employee Assistance programme
- ❖ Filling of 07/08 vacancies
- ❖ Implementation of Health and Safety Committees and Risk Plans
- ❖ Significant progress with implementation of EE Plan.
- ❖ Ongoing progress with Skills Development Plan.
- ❖ Successful Organizational Teambuilding
- ❖ Approval of new & Revised HR policies.
- ❖ Effective & sound provision of legal services
- ❖ Awarding of internal and external bursaries
- ❖ HR Roadshows.
- ❖ Compiled pocket size Induction Programme.
- ❖ Implemented Induction Programme.
- ❖ Progress in respect of ABET Programme.

C. DEVELOPMENT VISION, STRATEGIES AND PROGRAMMES

1 MILLENIUM DEVELOPMENT GOALS

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

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

Table 26: Millennium Development Goals & uThungulu Programmes

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

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

2 NATIONAL AND PROVINCIAL PERSPECTIVE

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

Poverty indicators for KZN reveal that in 2005:

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

2.1 NATIONAL GOALS

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

2.2 NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE

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

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

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

APPLICATION:

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

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

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

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

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

The following deliverables are proposed for this project:

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

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

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

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

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

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

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

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

APPLICATION:

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

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

Table 27: ASGISA & uThungulu Programmes Alignment

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

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○ Potable Water, Waste Water and Sanitation	need to increase infrastructure investment in order to address backlogs.
○ Business and Industrial Development ○ Local Economic Development ○ EPWP	ASGISA has identified the need to support and introduce more labour absorbing economic activities while the role of the EPWP in eliminating the 2 nd economy is also highlighted.
○ Integrated Development Planning	It is crucial that the planning and management of land use (in terms of zoning) does not prevent the timeous development of land. Similarly, environmental procedures should be expedited for developments to obtain approvals faster.
○ Marginalized Groups	Need to work closely with women and youth in order to halve poverty. Typical interventions required by these groups include having access to finance, basic services, involvement in the EPWP and migration out of the 2 nd economy.
○ Learnerships ○ Bursary Schemes	The national skills shortage is considered as the largest impediment to sustained economic growth.
○ Telecommunications and Technology	Improve electronic communication

2.4 NEW ECONOMIC GROWTH PATH

Government, under the leadership of Minister Ebrahim Patel, on 23 November 2010 released the Framework of the New Economic Growth Path aimed at enhancing growth, employment creation and equity. The policy's principal target is to create five million jobs over the next 10 years.

Central to the New Growth Path is investment in infrastructure as a critical driver of jobs across the economy.

- The framework identifies investments in five key areas: energy, transport, communication, water and housing. Sustaining high levels of public investment in these areas to create jobs in construction, operation and maintenance of infrastructure.
- The new growth path sees the infrastructure programme as a trigger to build a local supplier industry for the manufacture of the components for the build-programme.

- Specific measures, particularly changes to procurement policy and regulations, are identified to ensure that this is achieved. Risks include the still fragile global recovery; competition and collaboration with the new fast-growing economies; and competing interests domestically.

The New Growth Path identifies five other priority areas as part of the programme to create jobs, through a series of partnerships between the State and the private sector.

- **Green economy:** expansions in construction and the production of technologies for solar, wind and biofuels is supported by the draft Energy on Integrated Resource Plan. Clean manufacturing and environmental services are projected to create 300 000 jobs over the next decade.
- **Agriculture:** jobs will be created by addressing the high input costs and upscaling processing and export marketing. Support for small holders will include access to key inputs. Government will explore ways to improve working and living conditions for the country's 660 000 farm workers. The growth path also commits the Government to unblocking stalled land transfers, which constrain new investment.
- **Mining:** calls for increased mineral extraction and improving infrastructure and skills development. It focuses support for beneficiation on the final manufacture of consumer and capital goods, which can create large-scale employment. It foresees the establishment of a state mining company concentrating on beneficiation and enhanced resource exploitation in competition with a strong private mining sector.
- **Manufacturing:** calls for re-industrialisation in the South African economy based on improving performance through innovation, skills development and reduced input costs in the economy. The document targets a doubling of South Africa's research and development investment to 2% of gross domestic product by 2018.
- **Tourism and other high-level services:** hold employment potential and the framework calls for South Africa to position itself as the higher education hub of the African continent.

Smarter coordination between government and stronger partnerships with the private sector and organised labour will galvanise our resources in achieving the aims of the New Growth Path.

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- Government calls on every South African to contribute to building our nation over the coming 20 years to ensure a collective effort, creativity and solidarity.
- Good leadership and strong governance are critical in ensuring that South Africa takes charge of the new opportunities. Government commits to cut wasteful spending, tackle corruption and align the allocation of public money with developmental priorities.
- Government recognises that job targets can only be achieved if the State performs better and if the private sector grows in labour-absorbing parts of the economy.
- The New Growth Path identifies measures to strengthen the capacity of the state and enhance the performance of the private sector to achieve employment and growth goals.

The New Growth Path proposes major improvements in government, with a call for slashing unnecessary red tape, improving competition in the economy and stepping up skills development.

- The role of government departments and agencies in meeting set targets for scarce and key skills is critical. This emphasis on skills applies across the economy and will be a centrepiece of partnership with business and labour.
- Key targets include the aim to produce 30 000 engineers by 2014, with a focus on Mathematics and Science as well as changes to university funding formulae to achieve this, and 50 000 artisans by 2015, with annual targets for Eskom and Transnet and for individual Sector Education and Training Authority institutions to achieve this.
- The document calls for greater focus on workplace training, targeting on-the-job training and refresher programmes for 10% of the workforce every year.
- It also calls for measures to make it easier to import scarce skills by streamlining the work permit and visa system. This will be accompanied by a skills transfer programme to ensure that local skills development is enhanced.

The framework identifies a “development package” – a coordinated set of actions across a broad front, this consists of macroeconomic strategies, microeconomic measures and stakeholder commitments to drive employment and economic growth.

- The document recognises the challenges of an uncompetitive currency and sets out clear steps for government to address the impact of the Rand on the economy.
- In expanding on government’s tools to address inflation, a stronger role will be considered for competition policy and strategic investigations into conduct leading to high and volatile prices for intermediate inputs for producers and basic consumer goods, including important commodities such as maize, steel and fertilisers.
- Government calls for greater focus by South African business on opportunities in Africa’s fast-growing economies. This is accompanied by commitments to improve cross-border infrastructure and measures to address unnecessary regulatory obstacles to the movement of people and goods, as part of building a common market on the continent.

2.5 FIVE (5) KEY PERFORMANCE AREAS OF THE FIVE YEAR LOCAL GOVERNMENT STRATEGIC AGENDA

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

The national key performance areas are the following:

1. Basic Service Delivery

Aspects such as basic water, sanitation, electricity, refuse and roads. Includes social infrastructure, e.g. housing, health, education, welfare and cemeteries.

It also relates to the following:

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

2. Local Economic Development

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

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

3. Governance and Public Participation

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

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

4. Municipal Transformation and Organisational Development

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

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

- ❖ Organisational PMS

5. Municipal Financial Viability and Management

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

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

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

6. Spatial Planning and Spatial Development Frameworks

This KPA relates to the following:

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

2.6 SIX PROVINCIAL KEY PRIORITIES

Government is committed to the priorities announced at the beginning of the term. They are:

1. Rural development/agrarian reform and food security
2. Creating decent work and economic growth
3. Fighting crime
4. Education
5. Health
6. Nation-building and good governance.

The alignment between the National Key Performance Areas, the Six Provincial Key Priorities and the uThungulu IDP Development Strategies, Programmes and Institutional arrangements are outlined in Figure 12 of this document under Section C 6: Strategic Programmes.

2.7 KZN'S 2014 GROWTH & DEVELOPMENT GOALS

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

Table 28: KZN Growth & Development Goals

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

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

2.8 KWAZULU-NATAL PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY

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

1. Strengthening governance and service delivery
2. Integrating investments in community infrastructure
3. Sustainable economic development and job creation
4. developing human capability
5. Developing a comprehensive response to HIV/Aids
6. Fighting poverty and protecting vulnerable groups in society

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

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

Table 29: Alignment with KZN PGDS

PGDS		UTHUNGULU PROGRAMMES
PGDS GOALS	Build a People Focused and Effective, Efficient Government	Programme 1: Good Governance <ul style="list-style-type: none"> ○ Financial Control ○ Public Relations and Communications ○ Shared Services ○ Co-operative Governance(Techcom,CMC, Mayors forum) ○ MFMA Compliance
		Programme 2: Transformation <ul style="list-style-type: none"> ○ Management services (includes employment equity, skills development, learnerships and transformation management)

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Build the Economy	Programme 3: Competitive Investment	<ul style="list-style-type: none"> o Local Economic Development (includes LED Forum, Development Fund, Marketing and Investment) o Investment Incentive Strategy(Family of municipalities) o KMMI/TIK Affiliation o Participation in Investment and trade missions
	Programme 4: Local Economic Development	<ul style="list-style-type: none"> o Local Economic Development (includes LED Forum, Development Fund, Marketing and Investment) o LED strategy review(Family of Municipalities) o Hosting of EU/Gijima Programme o Investment in John Ross upgrade
Reduce Poverty and Create Sustainable Communities	Programme 5: Sustainable Communities	<ul style="list-style-type: none"> o Local Economic Development (Tourism and Agriculture) o Potable Water, Waste Water and Sanitation o Coastal Management
	Programme 6: Basic Income Opportunities	<ul style="list-style-type: none"> o Local Economic Development o Business and Industrial Development o Poverty Alleviation o SMME Development (Asisebenze) o EPWP Initiatives
Cross Cutting Issues	HIV and Aids	<ul style="list-style-type: none"> o HIV/Aids Policy o UNDP Programme
	BEE	<ul style="list-style-type: none"> o Preferential Procurement o MFMA Compliance o EPWP
	Environmental Management	<ul style="list-style-type: none"> o Invader Eradication Plan o Coastal Management Plan o Integrated Environmental Plan o Waste Transfer Stations o Cemetery Plan
	Human Rights and AA	<ul style="list-style-type: none"> o Marginalized Groups Management Services o Employment Equity
	Integration	<ul style="list-style-type: none"> o Establishment of stakeholders Forum for alignment purposes

	Capacity Building	<ul style="list-style-type: none"> o Skills Audits o Learnerships o Bursary Schemes o EPWP
	Science and Technology	<ul style="list-style-type: none"> o DIMS o Learnerships o GIS Development o Organic Production

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

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

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

Principles of development and growth underpinning PSEDS:

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

3. STRATEGIC FOCUS AREA (APPROACH)

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

social development and those areas that illustrate the potential to bring about the greatest returns in terms of economic development.

OPTION A: BASIC NEEDS APPROACH

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

This approach would guide the government to prioritise investment to water, housing, sanitation and other such basic services. The guiding philosophy is that basic needs of human beings must be met before they can endeavour on efforts of economic upliftment. The emphasis of the approach is on supply side strategies through the provision of physical infrastructure and social services.

OPTION B: ECONOMIC FOCUSED APPROACH

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

PREFERRED OPTION C: INTEGRATED DEVELOPMENT APPROACH

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

4. A VISION FOR UTHUNGULU

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

4.1 VISION

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

4.2 MISSION

The mission of uThungulu District Municipality is:

To create a prosperous district by:

Providing a high standard of essential basic services;

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

4.3 CORE VALUES

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

4.4 SUSTAINABLE AND INTEGRATED DEVELOPMENT

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

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

5. DEVELOPMENT STRATEGIES

The following five development strategies were adopted:

5.1 STRATEGY ONE: ECONOMICALLY SOUND DISTRICT

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

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

The outcome of this strategy is informed by the following:

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

5.2 STRATEGY TWO: EFFECTIVE INFRASTRUCTURE

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

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

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

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

The outcome of this strategy is informed by the following:

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

5.3 STRATEGY THREE: PEOPLE EMPOWERMENT

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

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

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

The outcome of this strategy is informed by the following:

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

5.4 STRATEGY FOUR: INTEGRATED ENVIRONMENT

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

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

The outcome of this strategy is informed by the following:

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

5.5 STRATEGY FIVE: LEADERSHIP EXCELLENCE

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

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

The outcome of this strategy is informed by the following:

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

6. STRATEGIC PROGRAMMES

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

The strategic programmes are derived from the following:

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

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

Table 30: Summary of Strategic Programmes

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

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

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

legislated in the Section 85(1). The table below represents a list of functional responsibility prescribed by legislation.

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

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

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

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

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

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Table 31: Powers and Functions in terms of Legislation

POWERS AND FUNCTIONS

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



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

During November 2009, the Uthungulu District Municipality hosted its **Growth and Development Summit**.

The summit was given the appropriate theme: **Partnerships in Gearing up for Economic Recovery**. The significance of the above theme was borne in the following:

- The world economy has been in turmoil and there is a need to adopt a combined approach to development under these circumstances as well as the anticipated economic upturn.
- In order to harness such future opportunities, strong partnerships between the public, private and other sector interest groups are needed.

During the presentations/discussions, key development issues were alluded to. A composite list of key development issues for the district – based on previous and the 2009 Summit results – is provided herewith. The key development issues have been grouped according to the core elements in creating an enabling environment for economic development, i.e. Infrastructure, Investment in People and Sustainable use of Natural Resources.

	Allocated functions to the District
	Functions omitted from existing enactment in terms of Extraordinary Provincial Gazette of KZN Vol3 No 299 dated 30 June 2009

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

Core Element		Brief Key Issue Description
A	Infrastructure	<ul style="list-style-type: none"> ○ Proposed Richards Bay Port expansion has significant economic growth implications, employment opportunities etc but comes with a number of challenges, i.e.: <ul style="list-style-type: none"> ○ Impact on access road from Esikhaleni ○ Impact on John Ross alignment ○ Supply of bulk water ○ All growth and development requires social support services, i.e. housing, schools and clinics. Limited funding available for such purposes. ○ With current funding schemes, millennium targets for water and sanitation cannot be met. ○ Service provision remains uncoordinated. ○ Funding major infrastructure projects limited, i.e. completion of the John Ross ○ Main Road P700 opportunities and linkages ○ Bulk services costly, i.e. electricity and sewer while potential water shortages a concern. ○ Infrastructure needed in rural areas to support economic development ○ Inadequate public transport to support efficient economy and lack of commuter rail service ○ IDZ could create a number of opportunities ○ Lack of housing stock across all housing spheres ○ Unsustainable urbanization and settlement patterns ○ DTP and uThungulu linkages/corridor
B	Investment in People	<ul style="list-style-type: none"> ○ Skills development and retention needed ○ Low levels of higher education in district ○ Only 9 FETs in KZN ○ SMMEs experience a number of problems/constraints: <ul style="list-style-type: none"> ○ Compliance with MFMA requirements ○ Require start-up support ○ Access to information is critical i.e. websites ○ Attention to HIV/Aids social impacts ○ Need to focus on youth development

		<ul style="list-style-type: none"> ○ Identify and un-lock opportunities in under developed sectors ○ Downstream and beneficiation opportunities not explored
C	Sustainable Use of Natural Resources	<ul style="list-style-type: none"> ○ Delays in approval of environmental applications ○ Economic cost of loss of ecosystems ○ Agriculture <ul style="list-style-type: none"> ○ Productive use of Ingonyama Trust Land ○ Loss of productive land to settlement ○ Loss of productivity on many farms ○ Food security ○ Value adding ○ Drought ○ Unresolved land claims impacting on use and productivity of land ○ Impact of global warming on climate ○ Rain water harvesting to assist in local food production and food security. Opportunities for partnerships to address poverty in rural areas. ○ EMF can be prepared for intervention areas, i.e. specific areas and corridors and result in development applications beings expedited. ○ Critical that EMFs cover correct study area ○ Liaison with Traditional Councils to access land ○ Availability of suitably located land for development ○ Loss of wetlands in area has water treatment cost implication <ul style="list-style-type: none"> ○ Need for water recycling ○ Pollution of ground and surface water ○ Air pollution as a result of proliferation of industry ○ Pollution as a result of sugar cane burning ○ Mining activities cause dust ○ Few legal landfill sites available in district ○ Lifespan of existing regional landfill site is a concern ○ Managing waste in the rural areas a concern ○ Recycling of waste not a priority

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

		<ul style="list-style-type: none"> o Energy shortage and increased cost thereof o Loss of top soil (erosion) and increased run-off as a result of development
D	Other	<ul style="list-style-type: none"> o Alignment between local government and sector departments on IDP implementation has not been effective o With regard to tourism, more attention needed on beach and forestry tourism, proposed passenger liner terminal and the local airport. o Implementation of new planning registration imminent (PDA) to have impacts on development application process.

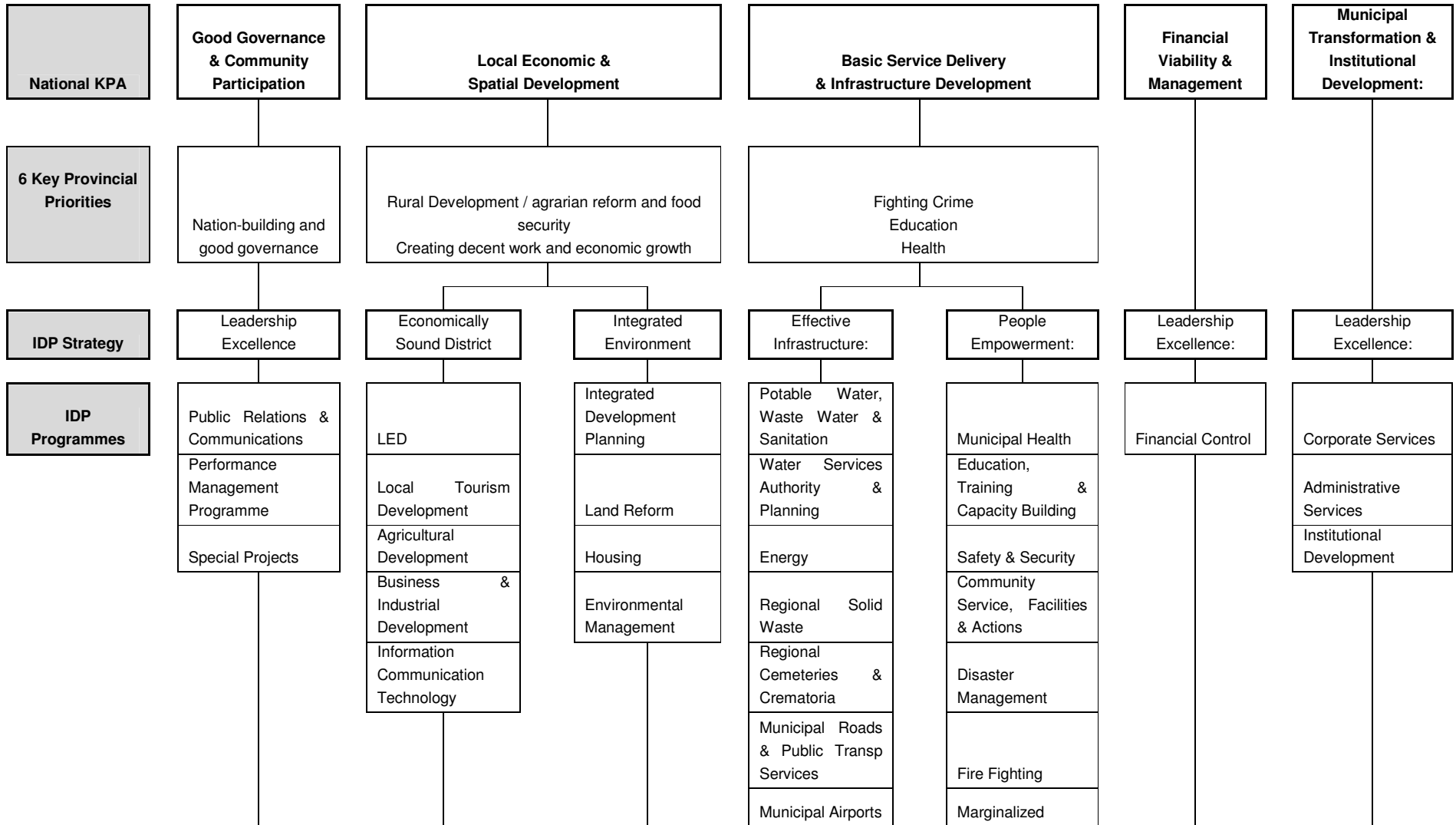
A detailed Action Plan was compiled during 2006 and 2007 and the content of this Action Plan has been reviewed and key actions are proposed herewith in the context of the presentations and discussions at the 2009 GDS.

Core Element	Alignment Action	Responsibility (Time Frames: S, M, L)
A Infrastructure	1. Planning (SDFs and IDPs) to be pro-active and consider impacts of proposed Port expansion on area	DM & LMs (S)
	2. Assessment of bulk services capacity for future development	DM & LMs (S)
	3. Assess land available (and zone appropriately) for support services	LMs (S)
	4. Cluster infrastructure service providers in a single Forum to meeting quarterly and report on relevant issues	DM (S)
	5. Identify rural areas with potential that require supporting infrastructure	DMs & LMs (S)
	6. Investigate commuter rail	DM (M)

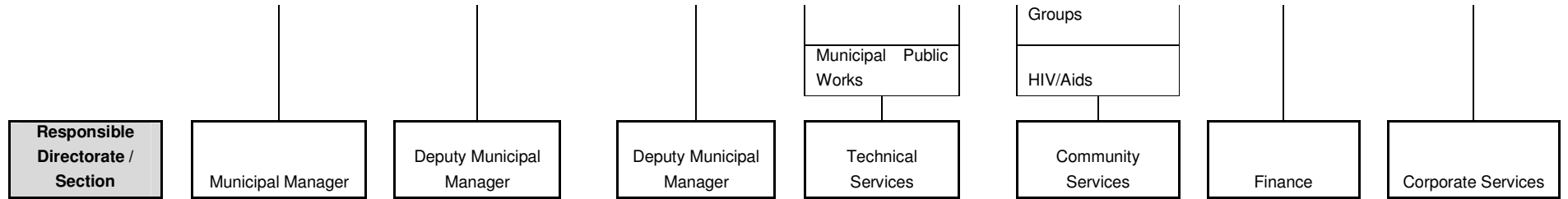
		and road transport through IPTN (Integrated Public Transport Network)	DM & LMs (S)
		7. Ongoing liaison with IDZ to identify opportunities	DM & LM (S)
		8. Investigate opportunities linked to Dube Trade Port	DM & LM (S)
B	Investment in People	<ol style="list-style-type: none"> 1. Implementation of SMME and Business Support strategy 2. Assessment of skills shortage 3. Support to education in terms of priority service provision 4. Improved information dissemination 5. Attention to marginalized groups, i.e. youth, women, orphans, families impacted by HIV/Aids 	DM Educational institutions DM & All service providers All All
C	Sustainable Use of Natural Resources	<ol style="list-style-type: none"> 1. Investigate alternative energy sources (e.g. wind, solar, landfill site gas, etc.) 2. Conserve wetlands through planning (e.g. SEA for district, SDFs) 3. Use water more efficiently 4. Improve agriculture and land use practices 5. Recycling needs to be prioritized at source needs to be encourage 6. Plan another regional landfill site for the district 7. Introduce eco-friendly practices to rural communities 	DAEARD DAEARD, DM, LMs DWA DAEARD LMs DM DAEARD

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

Figure 13: Alignment between the National Key Performance Areas, the Six Provincial Key Priorities and the uThungulu IDP Development Strategies, Programmes and Institutional arrangements



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



D. SPATIAL DEVELOPMENT FRAMEWORK

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

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

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

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

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

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

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

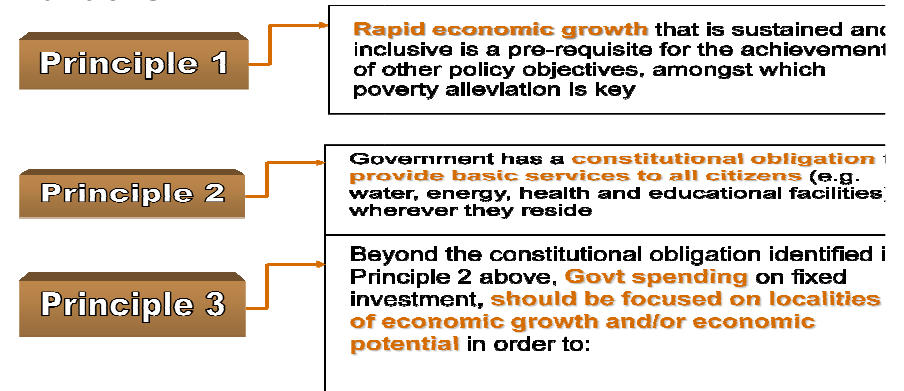
- Millennium Development Goals
- National Spatial Development Perspective (NSDP)
- Provincial Spatial Economic Development Strategy (PSEDS)

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

From the **Millennium Development Goals**

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

From the **NSDP**





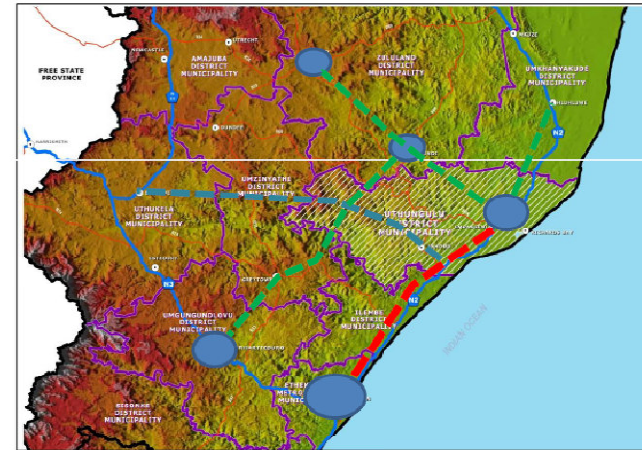
From the **PSEDS**

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

The following summary of key principles is provided:

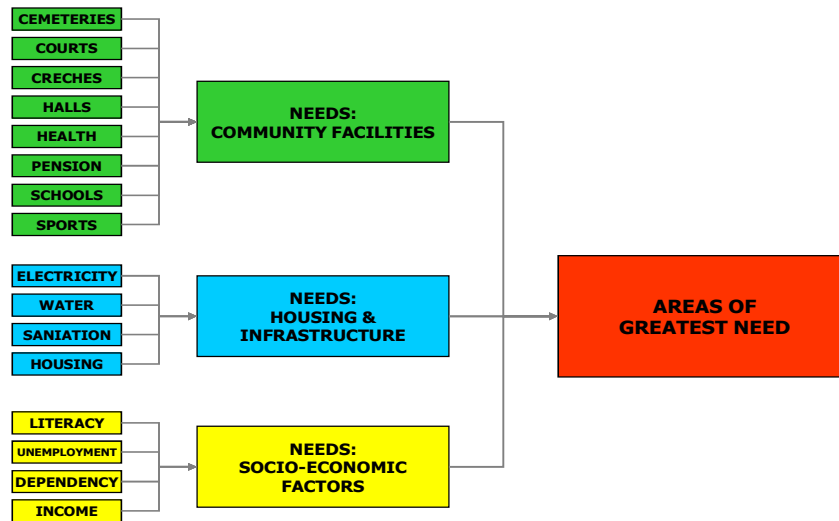
- All communities are to be provided with at least a basic level of service
- Areas targeted for economic growth and development are provided with appropriate levels of infrastructure to attract investment interest - not only to address the immediate need, but also to provide for reliable expansion and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

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



Multi-Sectoral Active Corridor
Agricultural Activity Corridor
Tourism Activity Corridor

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

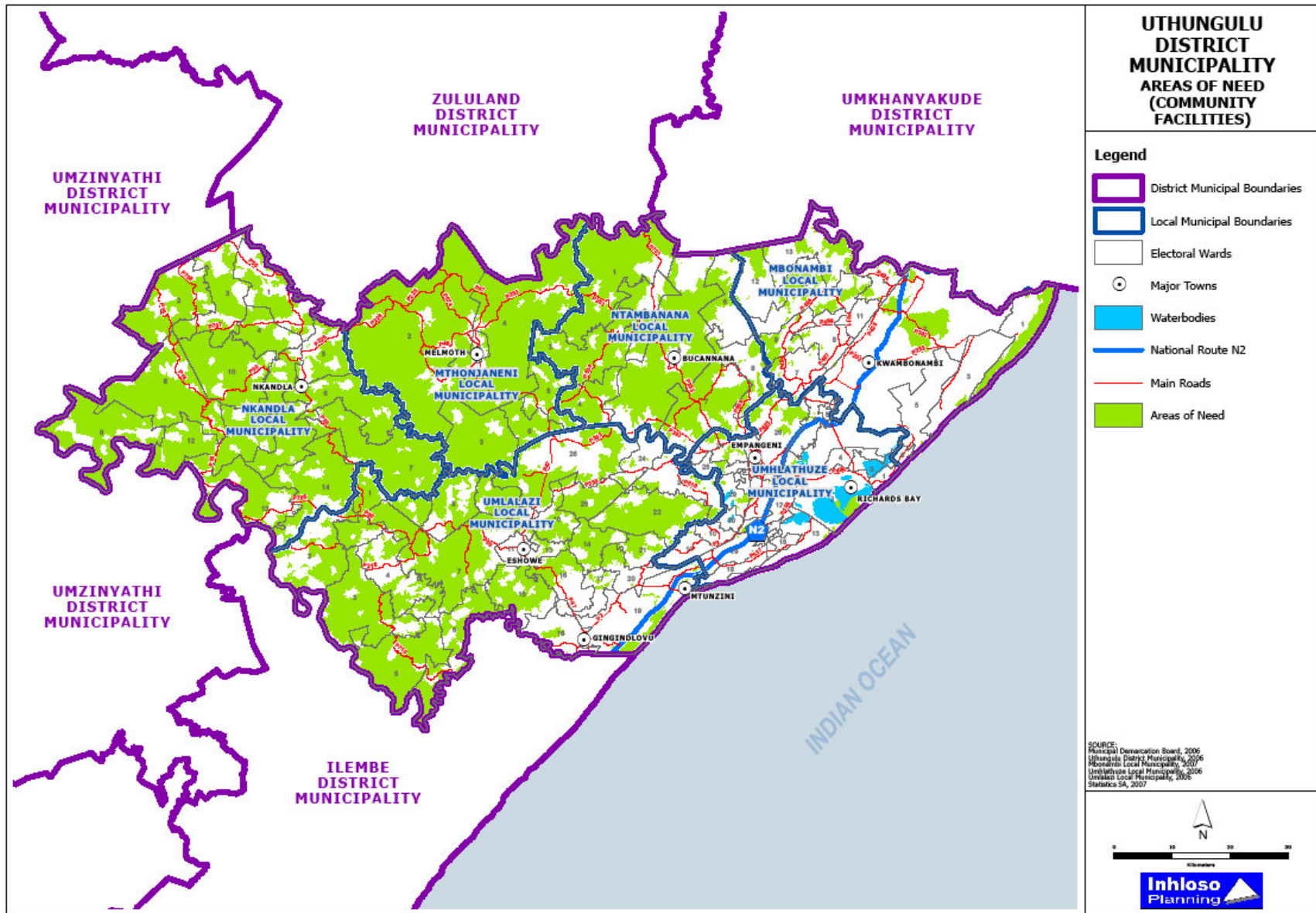


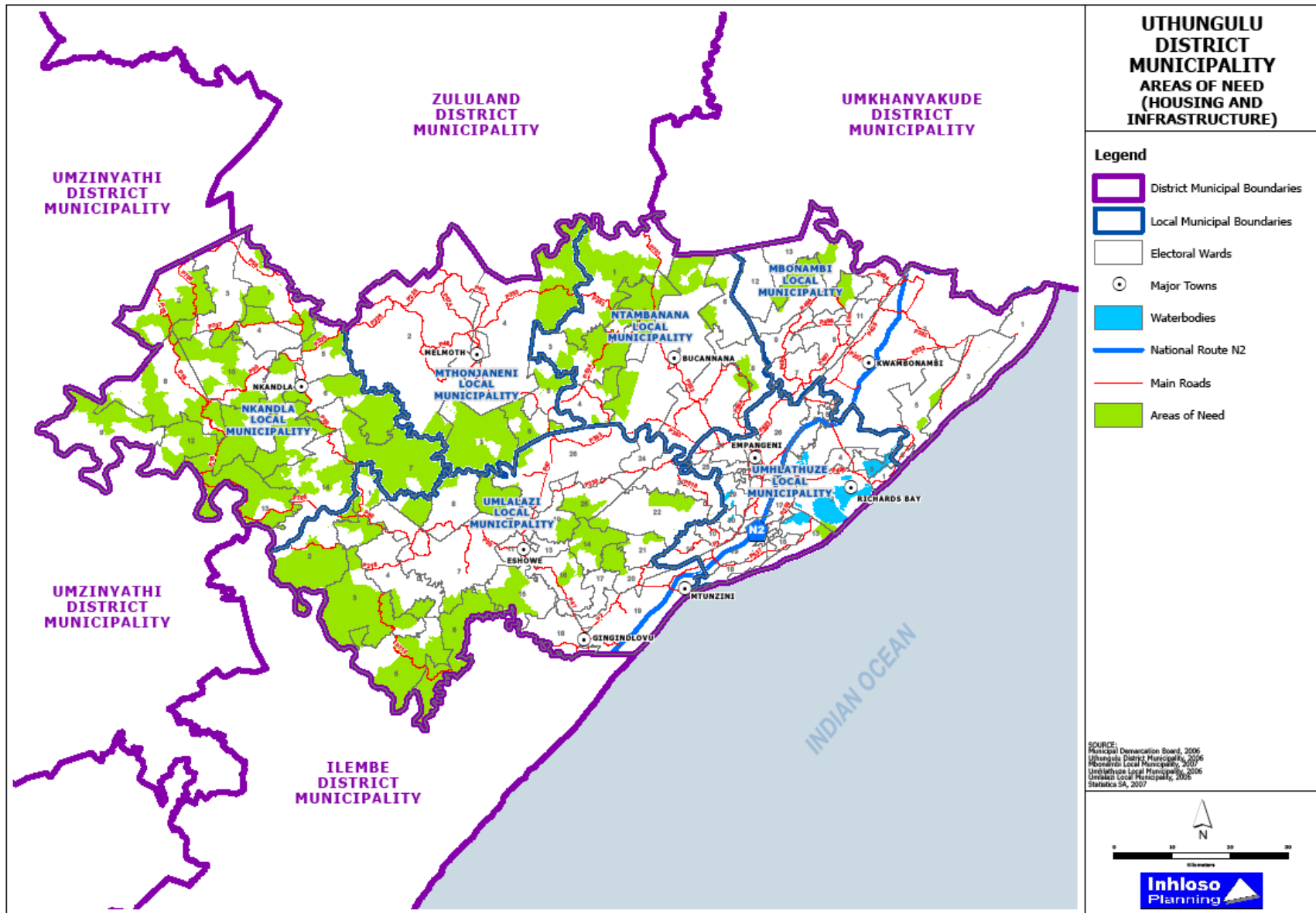
the following pages. These maps are followed by a map indicating areas of greatest potential in relation to greatest need.

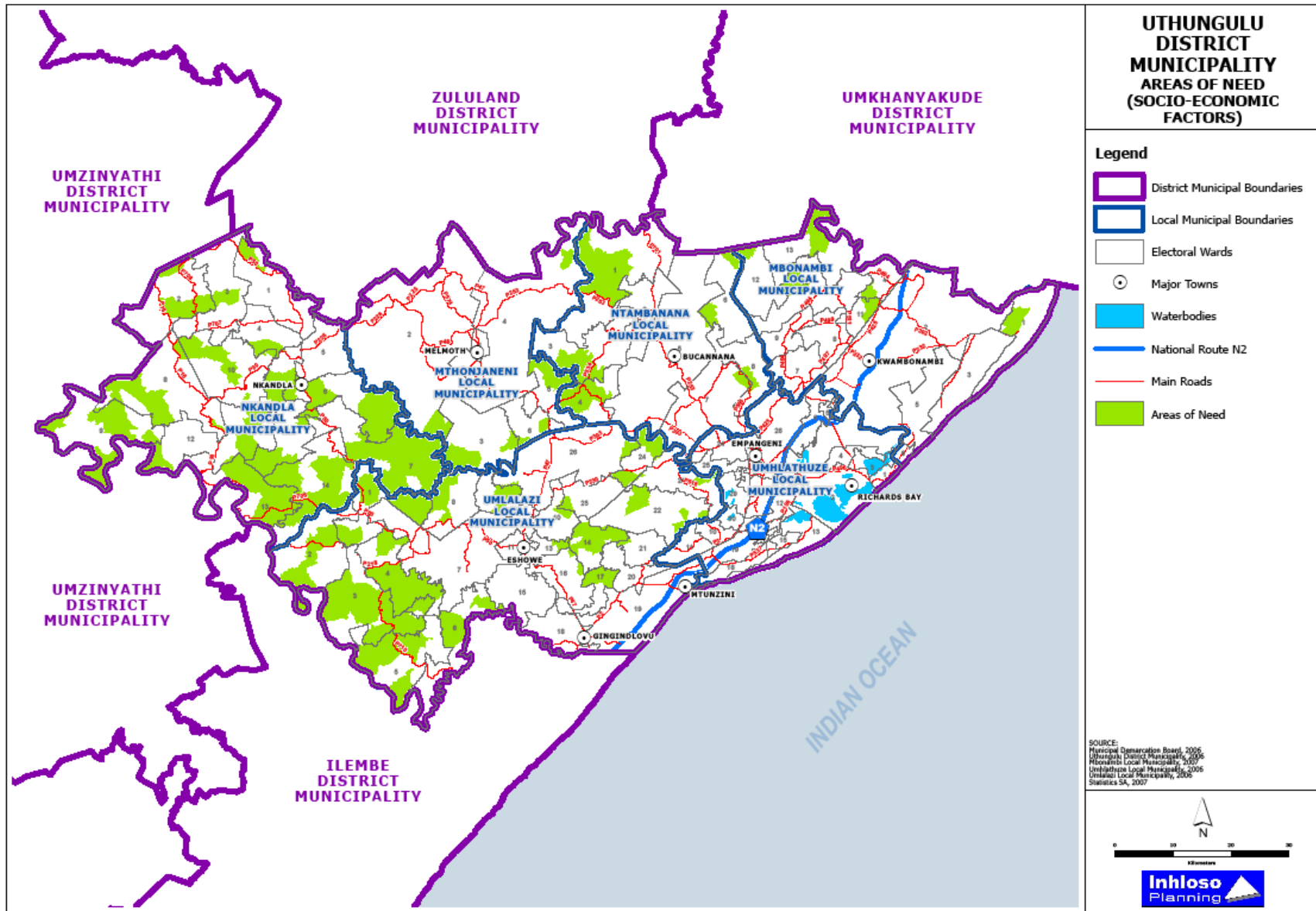
The identification of potential was guided by the following:

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

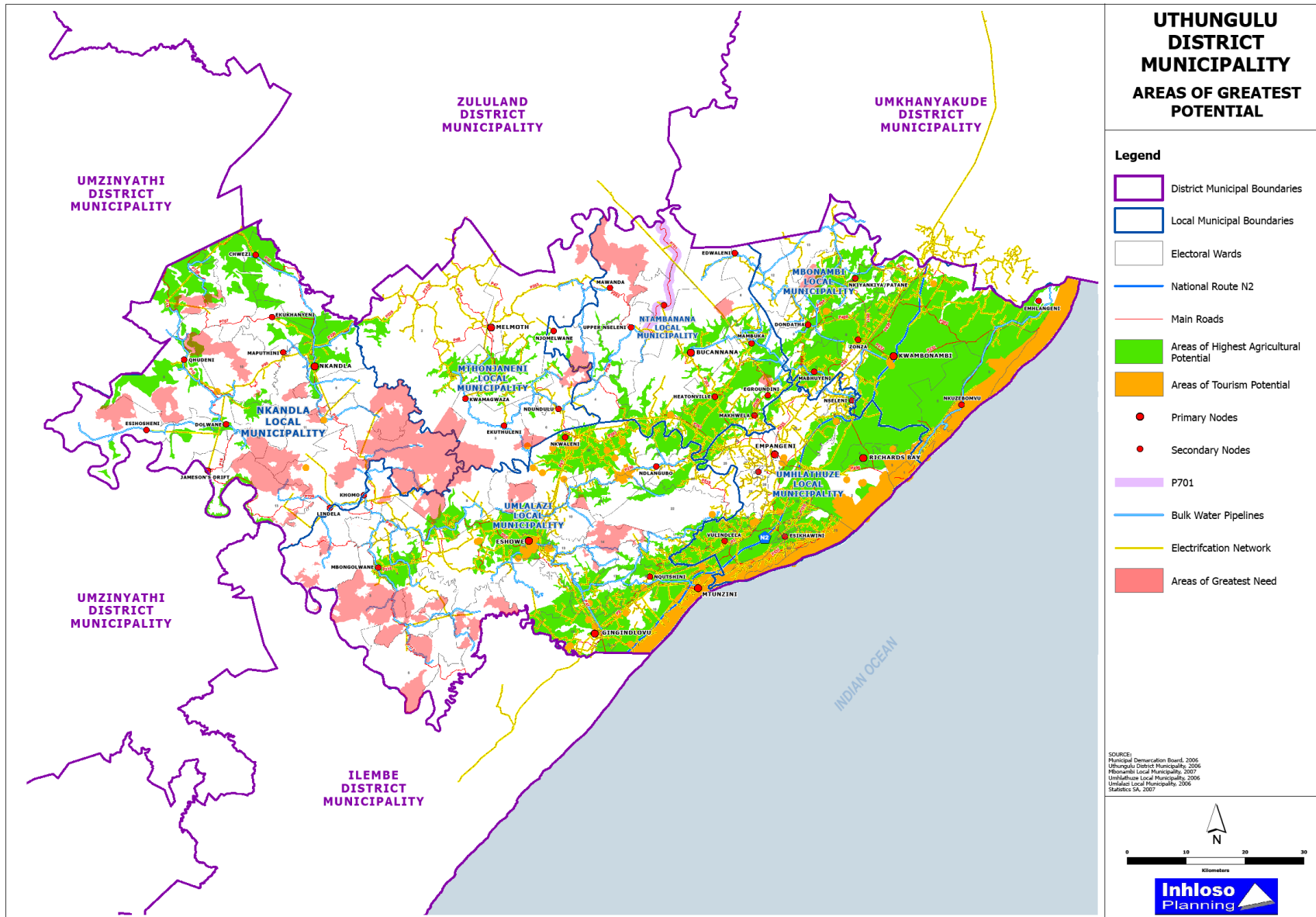
The composite maps indicating the areas of highest need in respect of community facilities, housing and infrastructure as well as socio-economic factors is shown on







uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)



DESIRED SPATIAL PATTERN AND INTERVENTION AREAS

Desired Spatial Pattern

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

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

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

Intervention Areas

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

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

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

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

The intervention map indicates areas of **priority community facility investment** as well. Again, emphasis has to be placed that basic needs have to be met. Through sector planning the district has identified that community facilities needs are vast in the district and investment in this regard will have to be targeted. Thus, as a first priority, those areas that have a proven community facility need, and have a population density of more than 151 people/km² have been identified. A total of 15 such intervention areas were identified.

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

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

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

See map at overleaf indicating the mentioned intervention areas.

CONSOLIDATED SPATIAL FRAMEWORK PLAN

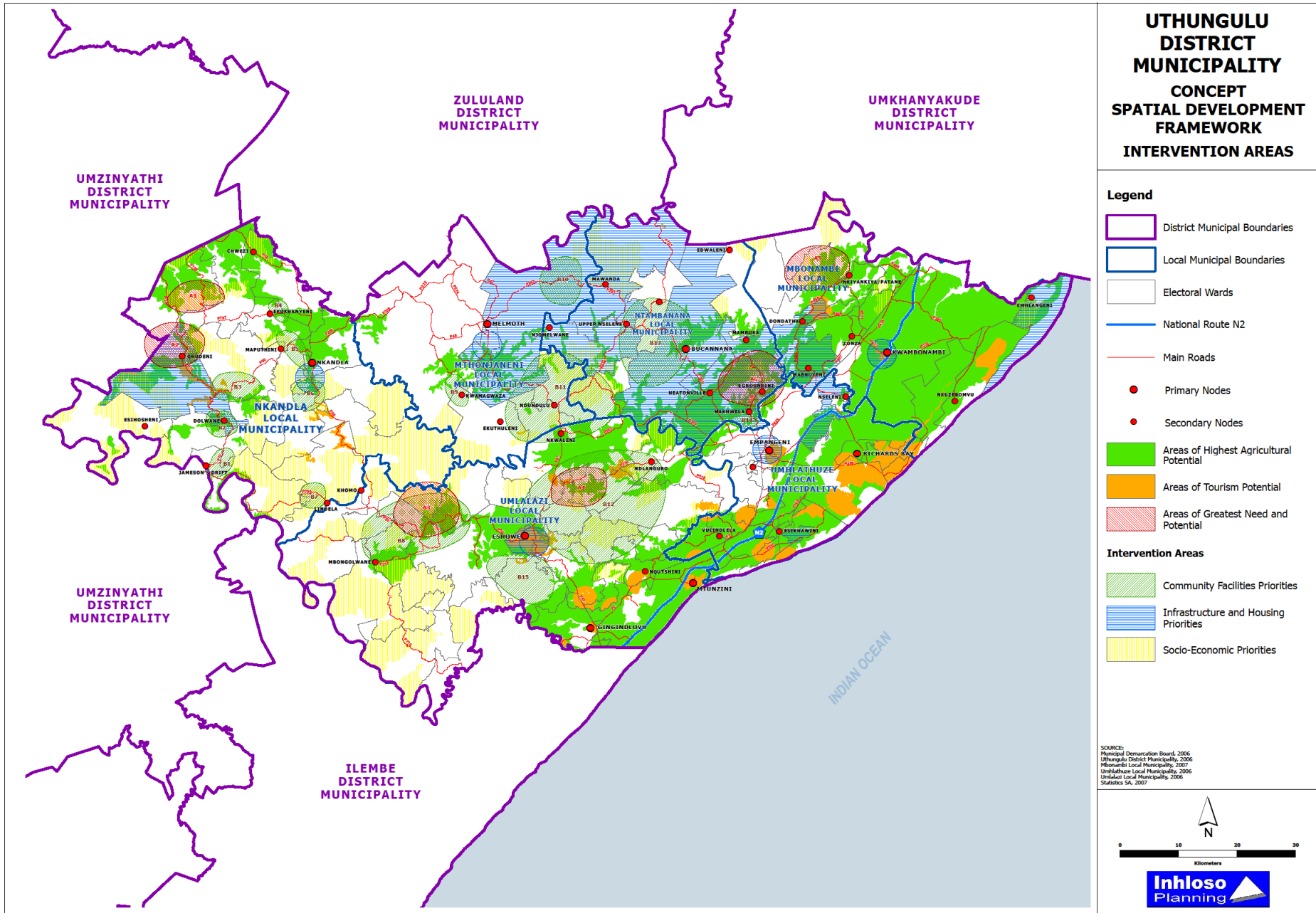
This section of the report discusses the consolidated Spatial Development Framework for the uThungulu District. The following will be discussed:

- Primary and Secondary Nodes
- The following Corridors and Focus Areas
 - Ongoye Triangle

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

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

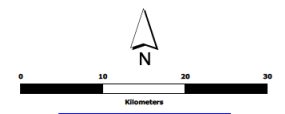
See map attached at overleaf.



UTHUNGULU DISTRICT MUNICIPALITY
CONCEPT SPATIAL DEVELOPMENT FRAMEWORK
INTERVENTION AREAS










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

SOURCE:
Municipal Demarcation Board, 2006
Uthungulu District Municipality, 2006
Mthonjaneni Local Municipality, 2007
Umhlabuyizini Local Municipality, 2006
Umhlathuze Local Municipality, 2006
Statistics SA, 2007



UTHUNGULU DISTRICT MUNICIPALITY CONCEPT SPATIAL DEVELOPMENT FRAMEWORK CORRIDORS

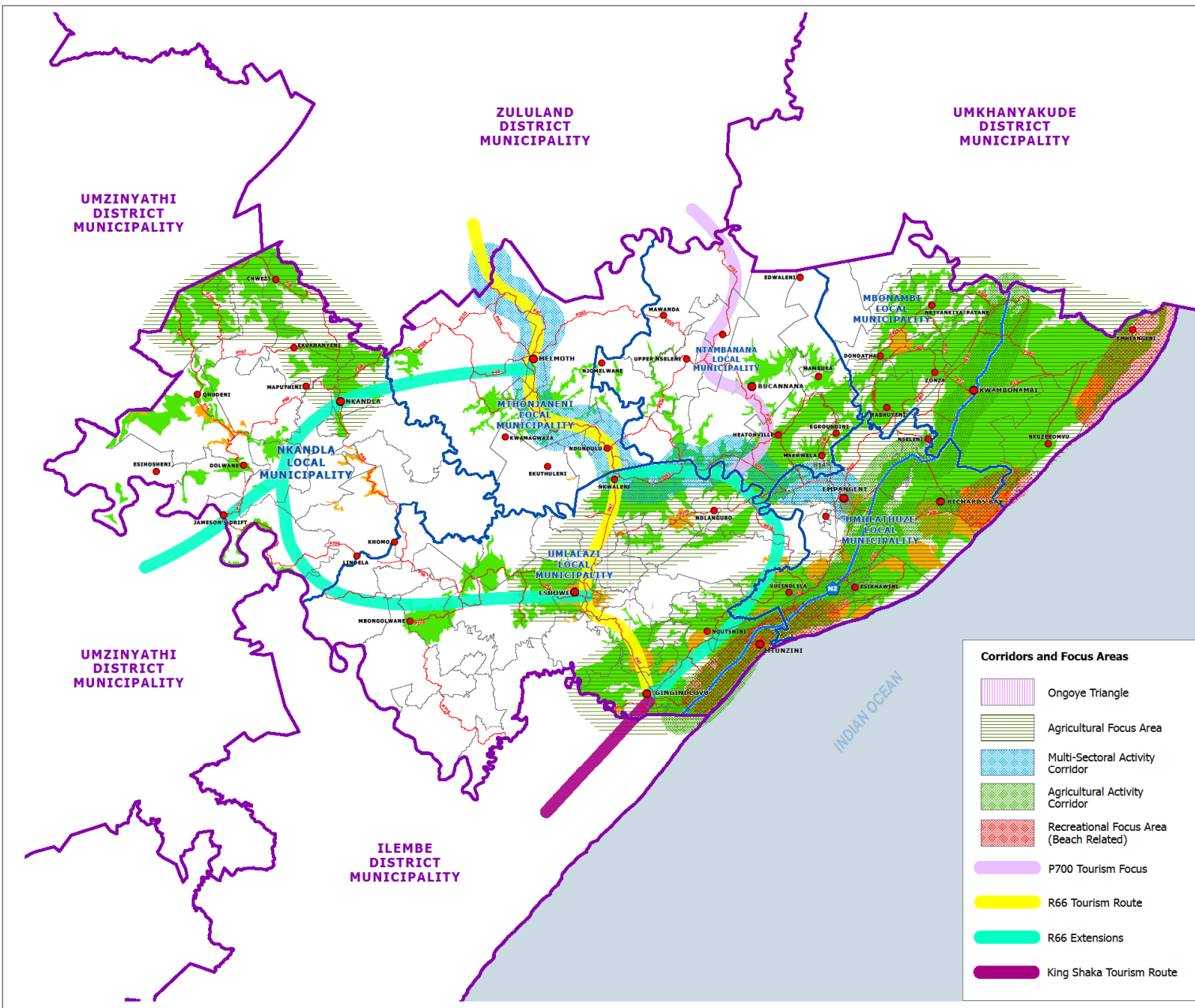
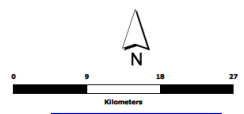
Legend

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

Corridors and Focus Areas

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

SOURCE:
Municipal Demarcation Board, 2006
Uthungulu District Municipality, 2006
Mbonambi Local Municipality, 2007
Umkhanyakude Local Municipality, 2006
Umkhanyathi District Municipality, 2006
Umkhanyathi Local Municipality, 2006
Umkhanyathi Local Municipality, 2006
Statistics SA, 2007



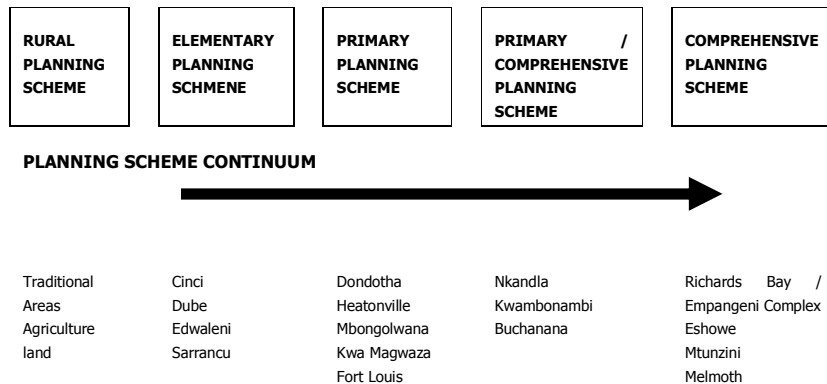
1 UTHUNGULU LAND USE MANAGEMENT FRAMEWORK

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

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

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

The following diagram illustrates this process:

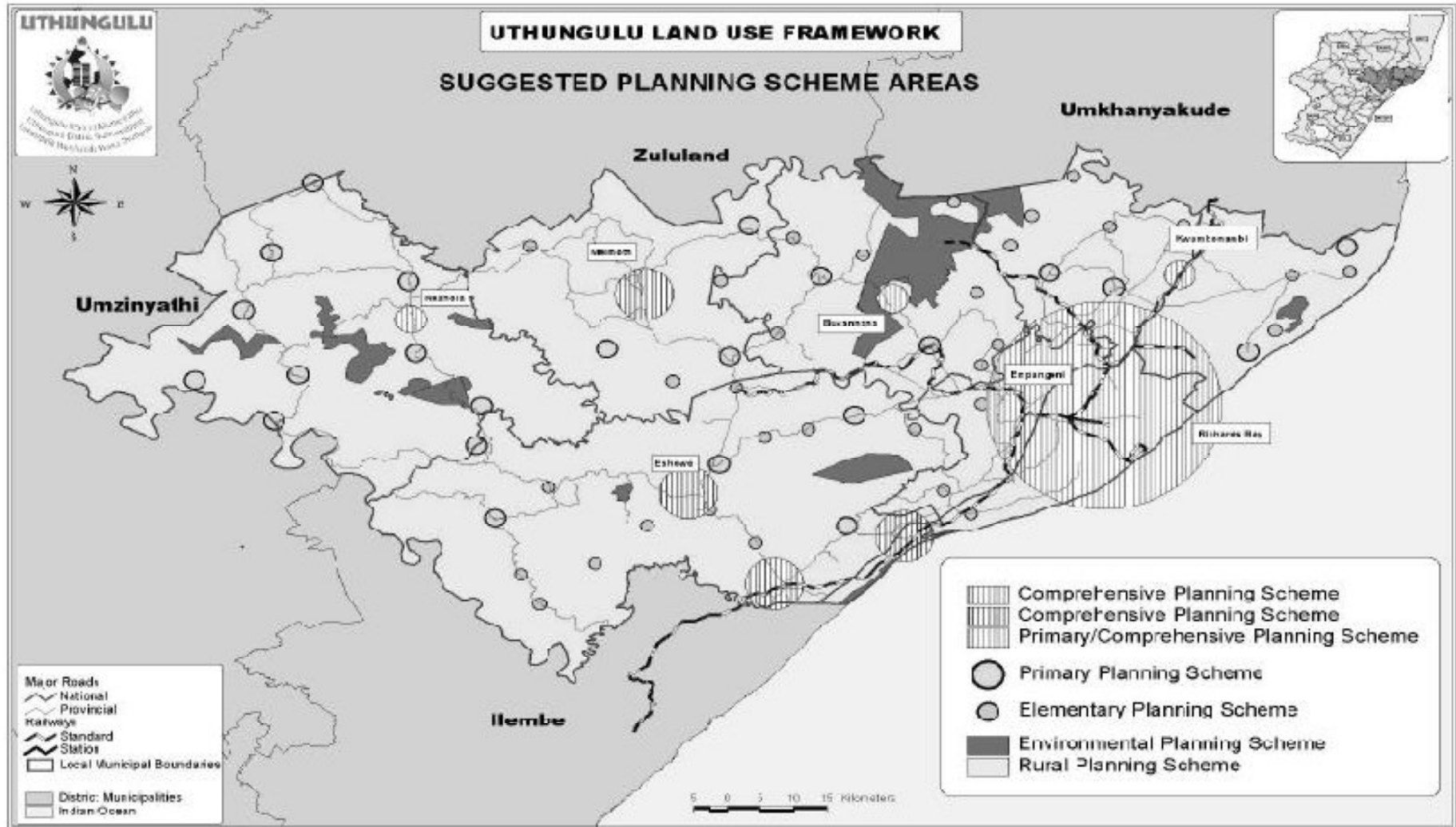


The LUMF incorporates and integrates the Traditional Areas/Agricultural land with the economically active commercial and industrial areas or growth nodes in the Uthungulu District. It is important to note that a policy-based approach is used in Traditional Areas whereby policy statements/guidelines are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

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

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

Figure 14: uThungulu LUMF: Suggested Planning Scheme Areas



E. SECTOR PLANS AND SECTOR INVOLVEMENT

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

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

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

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

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

1 INTEGRATED POVERTY ALLEVIATION FOCUSING ON ITS IMPACT ON THE MARGINALISED

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

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

A key issue that has emerged in regards to poverty alleviation is the fact that poverty is multi-dimensional and therefore requires a multi-pronged and integrated approach for its alleviation. Poverty alleviation is a core area of focus of this IDP, it has been dealt with as a cross-cutting issue that is addressed throughout the process of formulation. Poverty

alleviation has social and economic dimensions and has an impact on service delivery. Furthermore, analysis has proved that a number of government departments are involved in the poverty alleviation programmes in an uncoordinated manner. As such, there is a need for the coordination of poverty alleviation programmes for them to be more effective and to avoid the duplication of initiatives. Subsequently, it is recommended that various governmental programmes be considered at all times so that they may be integrated in the attempt to alleviate poverty in the district.

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

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

APPLICATION:

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

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

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

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

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

2 INTEGRATED HIV/AIDS PROGRAMME

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

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

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

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

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

APPLICATION:

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

Table 32: Draft UNDP Annual Work Plan 2007

<p>1. PROGRAMME: PREVENTION AND AWARENESS: OBJECTIVE: To strengthen and expand existing prevention and awareness programmes taking into account the cultural context and prevailing gaps in knowledge and myths that still surround HIV&AIDS</p>	
<p>MOU between stakeholders prepared to promote partnership on service delivery capacity;</p> <p>Compiled database on existing service providers</p> <p>Targets:</p> <ul style="list-style-type: none"> coordinated intervention to address the community challenges to eliminate duplication of activities and to promote participatory governance 	<p>Formalize relationship with stakeholders (Traditional leaders, NGOs/CBOs, Traditional Health Practitioners, Private Sector & Government Departments)</p>
	<p>Identify stakeholders within LMs dealing with Life Skills incl. HIV/AIDS and poverty alleviation programmes</p>
	<p>Building meaningful relations with CDWs, CHWs, HBCs, peer educators and other key community structures</p>
	<p>Formation and supporting of HIV/AIDS & Poverty related cultural music and drama groups</p>
	<p>Formation and supporting of HIV/AIDS & Poverty related cultural music and drama groups in all 6 local municipalities</p>
	<p>Empowering traditional authorities through workshop on Human Rights values to take a leading role in HIV&AIDS awareness and prevention interventions</p>

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Target Documented practiced supporting behavioural change geared towards HIV & AIDS prevention strategy	Training on Human Rights and social/community values in the context of HIV/AIDS for youth, young adults and traditional leaders, youth, women & physical challenged people
	Painting two murals for each municipality & Organising quilt workshop

2. Programme : Care and support	
OBJECTIVE: To reduce stigma and discrimination and improve care and support for people living with and affected by HIV/AIDS	
Database of Support Groups DoH district office, clinics via DoH developed <ul style="list-style-type: none"> • 	Identify existing caregivers, HBC, PLWHA's and civil society organisations and traditional groupings to provide psychological, spiritual care and assist PLWHA's <ul style="list-style-type: none"> • Promote fully functional linkages between health facilities and community based organisation
Target: <ul style="list-style-type: none"> • Mentorship programme for Home Based Carers and HIV & AIDS Counselling • Functional forums and referral system in place • Establishment of gender forums • Establishment of environmental education programme 	Coordinate in service training for Home Base Carers and coordinate HIV/AIDS Counselling training (offered by DoH)
	Identify and establish OVC Forum and child Care Committees in line with UNICEF standards
	Initiate support for elderly cares through provision of essential training e.g Health, Hygiene and Financial Management
	Identify and Support local government structures in gender responsive institutional transformation and the increased representation of women in management positions
	Sensitize communities on environmental conservation
3. Programme: Impact Mitigation	

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To reduce vulnerability of households and to strengthen their livelihood capacity to respond to the epidemic	
<p>Strengthen linkages between informal & formal structures</p> <p>Targets:</p> <ul style="list-style-type: none"> Government / community partnerships -civic engagement) enhance equitable and efficient delivery of basic services e.g. through LED Programme 	Strengthen formal and informal structures of HIV/AIDS impact mitigation
	Strengthening the child headed households by channelling their needs to relevant sectors
	Liaise with relevant SETAS for possible enrolment to learnerships by local unemployed people and youth in particular
	Mentor and support overall economic development working closely with Local Economic Development Office
	Encouraging the groups involved in gardening to enter annual gardening project competition run by Agriculture
4.Programme: Coordination	
OBJECTIVE: To strengthen working relations between provincial departments and Regional councils with clear definition of roles and responsibilities	
<p>Undertake status quo report on access of services by affected and infected at community level</p> <p>Target:</p> <ul style="list-style-type: none"> Strengthen the capacity of local governments and communities to track, monitor and improve service delivery Support operationalization of LAC strategy 	Commission a survey by a reputable organization to conduct situational analysis on access of social services
	Use information from analysis and diagnostic study to compile comprehensive IGR/Service delivery improvement/ implementation plan for the District.
	Identify need for Community centres
	Facilitate formation of Local Aids Councils (LAC) across the region
	Formalise relations with national, provincial and other relevant stakeholders such as Khomanani, Lovelife, Mipaa & Wipaa

3 DISASTER MANAGEMENT PLAN

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

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

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

APPLICATION:

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

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

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

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

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

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

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

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

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

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

- ❖ Operation of the disaster management centre
- ❖ Operation of the Communications Centre
- ❖ Community Awareness & Education
- ❖ Develop of a Policy Framework including Bylaws
- ❖ Formulation & Completion of Disaster Management Plan

- ❖ Implementation of Fire Fighting services (Shared Services)

4 INTEGRATED LOCAL ECONOMIC DEVELOPMENT PROGRAMME

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

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

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

APPLICATION:

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

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

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

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

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

❖ **Grow Tourism**

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

- Clustering Support

❖ **Grow Manufacturing Sector**

- SMME development
- Increases in foreign direct investment
- Growth in employment
- Increased BEE participation
- Development of ICT sub-sector

❖ **Support Agricultural Development**

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

❖ **Enhance Information Communication Technology Sector**

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

❖ **Improve LED Support Mechanisms**

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

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

Some information on projects and initiatives is provided herewith:

AGRICULTURE:

Mbonambi Essential Oils Farm

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

Umlalazi Essential Oils Farm

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

Mthonjaneni Essential Oils

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

Nkandla Essential Oils Farm

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

KwaBulawayo Tourism Development

The development aims to create a tourism attraction based on historical significance and is situated in rural Bhekeshowe. The Tribal Council consists of seven sub-wards in a 15km area. The actual site of the King Shaka KwaBulawayo Military Capital is the focus of the attraction, surrounded by a wealth of historical and cultural tourism sites. Phase 1 of the project is complete and will be operated as a day facility.

KwaMpungose HIV/AIDS Centre

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

Number of people employed through job creation schemes:

Short Term	305
Long Term	170

TOURISM:

Tourism Forum

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

R66 Zulu Heritage Route

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

- Define and package a number of underutilized cultural tourism resources.
- Contribute significantly to the branding of uThungulu as a Zulu Cultural and heritage destination

- Increase Tourism Revenue Yield in rural areas lacking formal economic opportunities;
- Provide the opportunity for Previous Disadvantaged individuals and groups in the ownership and operation of tourism plant.

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

Establishment of Craft Warehouse in Richards Bay

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

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

Zululand Film Office

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

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

Cruise Passenger Liner Terminal

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

Zululand Birding Route

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

Forests of Zululand

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

The Forests include:

- The Ongoye Forest which has a large array of rare and endemic tree and plant species and is of great importance as a water catchment area;

- Dlinza Forest which is a 250ha forest within the urban development of Eshowe and is famed for the number of bird species found here;
- Entumeni Forest consists of a gorge covered by forest and has a particularly high and impressive canopy provided by trees;
- Nkandla and Qhudeneni Forests also boast an impressive variety of birds, plants and mammals.

13th Annual Zulu Dance Competition

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

This competition was started 13 years ago with the following goals:

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

5 INTEGRATED ENVIRONMENTAL PROGRAMME

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

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

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

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

The abovementioned driving forces have put pressure on the environment. It is important to note that the pressures arise from both current and past driving forces, as there is often a time lag between the actions of humans, and the reaction of the environment. Macro economic and sectoral policies of the past contributed to the pressure on resources

to meet present demands. For example, the subsidies on water and energy made commodities very cheap for industrial, agricultural, and domestic users and hence took away the incentive to use them conservatively, to recycle or re-use these resources.

This is particularly applicable to developments in the Richards Bay-Empangeni areas that were identified as industrial zones of the apartheid era. The lack of accounting for natural capital (the monetary value of natural resources) in the national accounting system has also encouraged exploitative use of resources. The sectoral policies of the day could have made a contribution towards this to ensure that resources were used sustainably, just as minerals were and are extracted at an economically optimal rate. Sectoral policies can assist the distribution of demand for resources, which is presently spread across the country as settlement patterns have been driven by historical distribution of population patterns and employment. Social factors such as dense urbanization and improving socio-economic conditions further pressurize resources through changes in attitudes among the population of increased levels of consumption and waste production. These are issues and principles that this IDP will promote and on which it will be ensured that monitoring mechanisms will be based. Increased generation of waste and pollution put pressure on ecosystems in three ways. Firstly, the environment can only accept certain levels of waste products until a point when levels outstrip the capacity of the environment. This results in higher pressures for waste disposal sites.

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

APPLICATION:

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

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

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

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

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

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

6 INTEGRATED SOCCER 2010 WORLD CUP STRATEGY

The Uthungulu District Municipality together with three other district municipalities in KZN were selected as satellite training venues to the host city Ethekwini during Soccer 2010.

STADIUM CONSTRUCTION:

For this purpose Uthungulu received grant funding of R52 million over three financial years from the KZN Department of Traditional and Local Government Affairs towards the establishment of a FIFA Spec 2010 Training Venue.

It was quite evident from tenders received that R52 million would never be sufficient to construct the 2010 FIFA Training venue and through a lot of effort, motivation and negotiation the amount secured during the 2009/10 financial year totalled some R100 million with additional contributions from the City of uMhlathuze and Uthungulu District Municipality.

From the outset, Uthungulu opted for sustainability beyond 2010, by having the FIFA Spec 2010 Training Venue developed as a First phase of the Multi-purpose Sport Stadium with Indoor, Outdoor and Conference Facilities, to be developed after the 2010 event. This approach saw accelerated 2010 infrastructural funding being utilized to bring much needed sport facilities to the Uthungulu District and bigger Zululand Region.

The 2009/10 financial year was really the critical year in preparing for the 2010 FWC as such event was scheduled to commence at the end of the financial year, being 11 June 2010. Through a lot of hard work, dedication and commitment all roleplayers involved delivered on the so-called "Strategic Readiness of the district to host 2010".

The FIFA Spec 2010 Training Stadium was finally completed and handed over on 31 May 2010, just in time to receive the 2010 Soccer Team from Nigeria. The securing of the Nigerian 2010 Soccer Team for a basecamp was a pleasant surprise and a much deserved reward as initially Nigeria only chose Richards Bay as a Training camp prior to the World Cup event. The Nigerian team was however so impressed with the quality of the 2010 Training Stadium facilities and the standard of the pitch, that they cancelled their planned basecamp at Ballito, paid the cancellation penalty fee to FIFA, and remained in Richards Bay for their basecamp. Unfortunately we could only host Nigeria for the first round of the Soccer 10 tournament, as they failed to qualify for round 2, and had to return home.

STRATEGIC READINESS:

"Strategic Readiness" for the 2010 FWC event also related to overall readiness of the Tourism sector within the Uthungulu District. A very successful 2 day 2010 Tourism Indaba was hosted focusing on preparations to receive both international and domestic visitors to our district.

Even though initially concern was raised prior to the event in respect of the lack of bookings of Tourism Accommodation, it quickly became evident just before and during the event, that the Tourism Sector in our district was dealing with a different kind of Tourist for 2010, as visitors from all over arrived on our doorstep and then enquired about

available accommodation. Some hotels in our district reported a higher than average of 80% + occupancy during the 2010 FWC period. The Protea Hotel Waterfront also received the benefit of being selected the "basecamp hotel" for the Nigerian Soccer Team during both their training camp and basecamp periods.

The 2010 Strategic Readiness Forum met on the first Friday of every month to track overall readiness to host 2010. The Strategic Readiness Forum functioned as an umbrella for five strategic workstreams, of which each individually met and co-ordinated their own activities such as Infrastructure Development; Disaster Management and Safety and Security, Tourism, Marketing and Communication; and Legacy Programmes and Community Mobilization.

DISASTER MANAGEMENT PLAN:

A 2010 Disaster Management Plan was compiled with the help and input from all stakeholders in the Disaster Management and Safety and Security Sectors. The plan was aimed at both the 2010 FIFA Spec Training Stadium as well as the Public Viewing Area in Esikhaleni. The plan was also compiled in such a way that it was not only a plan to use to prepare for the 2010 event, but represents a guideline document to the municipality to prepare for any event in future after the 2010 FWC at the uMhlathuze Sport Stadium and the facilities at Esikhaleni where the public will gather.

PUBLIC VIEWING AREA:

The official 2010 Public Viewing Area (PVA) at Esikhaleni in the uMhlathuze Municipal Area was very well attended and night after night saw attendance figures far exceeding the anticipated number. A further unexpected feather in the cap for Uthungulu 2010 readiness was when the Esikhaleni PVA took second place, after the Magaliesburg PVA, for being one of the best in the country. The Esikhaleni PVA also received extensive coverage on SABC TV.

MILESTONES ACHIEVED:

- District 2010 Strategic Readiness Forum established and Plan compiled.
- 2010 FIFA Spec Training Stadium constructed.
- 2010 District-Coordination Office and Help Desk implemented and maintained.
- 2010 District Public Viewing Area established.
- 2010 District Disaster Management Plan and Safety and Security Plan compiled and implemented.
- 2010 District Tourism Forum established.

SUSTAINABILITY FOR THE FUTURE:

1. All in all, the 2010 FWC proved to be a huge success for the Uthungulu District, resulting in extensive exposure of what Uthungulu has to offer to the international and domestic markets in terms of tourism and investment potential.
2. The Football stadium and facilities were handed over to the City of uMhlathuze as the landowner, after the 2010 event, to administer, with an anchor tenant, Thanda Royal Zulu Football Club secured.

3. Thanda Royal Zulu Football Club has since taken full-time occupation of the stadium and its facilities and is at present playing all its "home matches" in the 1st division at the stadium.
4. All the necessary planning, estimates, timelines for construction and drawings have been finalized in respect of the future Phase II Multi-Sport indoor and outdoor facilities, and such have been presented to the City of uMhlathuze.

7 MASTER AND WATER SERVICES DEVELOPMENT PLAN UPDATE

The Water Services Act (Act 108 of 1997, Section 12) specifies that each Water Service Authority (WSA) must prepare a Water Services Development Plan (WSDP) in order to progressively ensure efficient, affordable, economical, and sustainable access to water services. Water services also form an integral part of the inter-sectoral umbrella of the Integrated Development Plan (IDP) that Municipalities are required to prepare. The WSDP sectoral planning and integrated development planning must for this reason inform each other. The WSDP should therefore be prepared as part of the consultative IDP process aimed at involving a variety of stakeholders and perspectives³.

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

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

- a) IDP and WSDP Goals and Integration
 - Identification of IDP priorities related to water services
- b) Socio-Economic Profile
 - Demographics, health, employment, income, and macro-economic trends
- c) Service Level Profile
 - Consumption profile of residential, institutional, and industrial customers
 - Quantification of backlogs in the provision of basic services
- d) Water Resource Profile
 - Assessment of the capacity of groundwater, surface water, and purchased water sources to meet current and future requirements
 - Assessment of the water quality of existing sources
 - Assessment of waterborne sanitation services to meet current and future demands
- e) Water Conservation/Demand Management (WC/WDM)
 - Assessment of targets to reduce unaccounted for water, leakages, and high pressures in pipes
 - Assessment of targets to reduce consumer demand and promote conservation amongst users
- f) Water Services Infrastructure Profile

³ "A water services development plan must form part of any integrated development plan contemplated in the Local Government Transition Act, 1993 (Act No. 209 of 1993)" {Chapter III, 15 (5)}; Water Services Act 108 of 1997 (RSA, 1997)

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- Assessment of the condition of existing infrastructure
 - Assessment of operations and maintenance plans
 - Planning of future infrastructure
- g) Water Balance
- Assessment of water abstracted versus consumption and return to sources
- h) Water Services Institutional Arrangements Profile
- Assessment of the division of roles between the Water Service Authority (WSA) and Water Service Provider (WSP) or Support Services Agent (SSA)
- i) Customer Services Profile
- Assessment of service quality, attending to complaints, health and hygiene education, and pollution awareness programmes
- j) Financial Profile
- Assessment of capital expenditure versus capital income (funding)
 - Assessment of operating costs versus operating income (sales)
 - Assessment of charges, tariffs, and free basic water subsidization
- k) List of Projects
- Identification of water and sanitation projects aimed at meeting priorities and reducing backlogs

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

- (a) Recounting of all the dwellings in the UDM's area of jurisdiction based on the latest aerial photography
- (b) Incorporating all as-built information since the previous master plan update
- (c) Calculation of backlogs based on the above information
- (d) Re-engineering and consolidating the bulk supply schemes based on the source of supply whilst incorporating existing towns
- (e) Recalculation of the cost of new capital infrastructure required based on the confirmed population figures, the higher level of service (60 l/c/d vs 25 l/c/d), and updated cost models for both water and sanitation
- (f) Investigating the potential of cross border supplies with Umzinyathi and uMhlathuze District Municipalities whilst engaging DWAF for potential bulk infrastructure funding
- (g) A bulk water feasibility study for the Vutshini area
- (h) Making recommendations regarding policies for low and upper income housing projects and industrial developments
- (i) Developing guidelines for SMME development regarding the implementation of projects
- (j) Updating the five and twenty year capital expenditure budgets.

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

8 SECTOR PLANS

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

Table 33: Status of Sector Plans

Strategy	Plan	Status
1: Economically Sound District	LED Framework Plan	Complete
	Agricultural Development Plan	Review
	SMME and Sector Development Plan	Complete
	Local Tourism Development Plan	Complete
	Investment Incentive Strategy	Complete
2: Effective Infrastructure	Water Services Development Plan	5 Year Review
	Energy Master Plan	Complete
	Integrated Waste Management Plan	Complete
	Cemeteries/ Crematoria Sector Plan	Complete
	Integrated Transport Plan: Phase 2	Complete
3: People Empowerment	Community Services Plan	Complete
	Disaster Management Plan: Phase 2	In Process
	HIV/Aids Policy	In Progress
4: Integrated Environment	IDP Review	Ongoing
	QOL Survey (2009)	Complete
	DIMS: Development and Implementation	Ongoing
	Integrated Environmental Programme	Completed
	Coastal Management Programme	Review

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5: Leadership Excellence	Human Resource Development Plan	Annual Review
	Employment Equity Plan	Under Review
	Skills Development Plan	Ongoing

9 SECTOR INVOLVEMENT

The uThungulu District Municipality engages with service providers (government departments) by way of Alignment Sessions. The following alignment session took place:

Consultation	Date
Service Provider Alignment	19 October 2010
<ul style="list-style-type: none"> ○ Local Municipalities ○ Department of Education ○ Department of Land Affairs ○ Department of Agriculture, Environmental Affairs and Rural Development ○ Department of Social Development ○ Department of Health ○ Department of Human Settlements 	28 October 2010

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

It should also be noted that some departments do not implement project per se but have more of a monitoring role and as such no project budgets are reflected here. Also, the project budget allocations of service providers have been affected by the international economic situation and as such, more effort was put into attaining alignment of activities and sharing of knowledge or information as part of these sessions.

More engagements with service providers/sector departments will continue prior to the finalization of the IDP. It should further be noted that the uThungulu District Municipality will be establishing an IDP Commitment Charter and IDP Sector and Services Alignment Forum shortly to obtain better involvement from Sector Departments and Service Providers.

9.1 PROMOTING INTERGOVERNMENTAL RELATIONS (IGR)

The uThungulu District Municipality has recently received grant funding from the KZN Department of Cooperative and Traditional Affairs to prepare an Integrated Development Plan Commitment Charter to ensure alignment and commitment of the relevant Sector Departments and Service Providers to the uThungulu IDP. In addition, IDP Sector and Services Alignment Forum will also be established to address alignment of plans, budgets and projects.

The main aim of the project is to ensure that a uniform, mutually agreed upon, aligned and structured process is followed by all sector departments and service providers in identifying, prioritizing and implementing their projects in the uThungulu district for coordinated, efficient and effective service delivery by all spheres of government with the main tool being the Integrated Development Plans of the municipalities in the district

The following Objectives will apply to support the District Municipality to strengthen institutional and co-operative governance in the district area through an improved institutional framework, including but not limited to:

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- Promote implementation of appropriate structures and IGR protocols;
- Improving intergovernmental relations between the district and local municipalities, between two or more local municipalities and stakeholders;
- Ensuring that improved IGR protocols and structures will support coordinated planning, prioritization and delivery of services in the district;
- Ensure that the IDPs of the district and local municipalities are recognized and utilized as the main tool to achieve the above;
- To ensure appropriate level of stakeholder involvement in IGR and the IDP processes.

9.2 DEPARTMENT OF HUMAN SETTLEMENTS

The following project details have been obtained from the Department of Housing:

Project Name	Local Municipality	Project Type	Total Units	Total Project Cost (start)
Slovus	Mbonambi KZ281	Slums Clearance	507	12,377,304
Mhlana/Masak.	Mbonambi KZ281	Rural	1000	43,303,750
Cwaka Housing Project	Mbonambi KZ281	Rural	1000	41,756,420
Umhlatuzi Housing	uMhlathuze KZ282	Urban	1191	20,879,400
Gingindlovu Ph 5&6	Umlalazi KZ284	Urban	239	6,349,035
Sunnydale Phase 2	Umlalazi KZ284	Urban	403	5,313,000
Thubaletu ph 4&5	Mthonjaneni KZ285	Urban	569	9,247,725
Melmoth Victoria St	Mthonjaneni KZ285	Urban	10	237,200
Ndundulu Rural Housing	Mthonjaneni KZ285	Rural	1000	1,637,420
Hawule Rural Housing	Mthonjaneni KZ285	Rural	1000	
Kwayanguye	Mthonjaneni KZ285	Rural	840	1,375,080
Thubaletu ph 3	Mthonjaneni KZ285	Urban	373	6,051,300
Godide	Nkandla KZ286	Rural	500	818,710
Qhudeni	Nkandla KZ286	Rural	500	818,710
Nkandla Institutional	Nkandla KZ286	institutional	500	7,951,000
Nkandla Phase 2	Nkandla KZ286	Urban	500	818,710
Obuka	Ntambanana KZ283	Rural	1000	38,865,000
Obizo	Ntambanana KZ283	Rural	1000	29,670,000
Somopho	Ntambanana KZ283	Rural	1000	45,083,400
Njomelwane	Ntambanana KZ283	Rural	1000	29,670,000
Luwamba MPCC	Ntambanana KZ283	Rural	250	29,670,000
Bhiliya	Ntambanana KZ283	Rural	1000	29,670,000
Ogelweni	Ntambanana KZ283	Rural	1000	29,670,000
Bhukanana	Ntambanana KZ283	Rural	1000	29,670,000
Nomponjwane	Ntambanana KZ283	Rural	1000	38,984,000
Ngwelezane Consol	uMhlathuze KZ282	Urban	133	2,176,000
Acquaden Housing Project	uMhlathuze KZ282	Rural	1000	
Dube Housing and Slum Clearance	uMhlathuze KZ282	Rural	1000	
Sunnydale	Umlalazi KZ284	Urban	307	5,295,750
Masakhisane	Mthonjaneni KZ285	Rural	1000	

9.3 DEPARTMENT OF EDUCATION

An extensive project list was provided by the Department of Education for their 2009 – 2011 MTEF. Information was provided on the state of schools in the district in respect of the following:

- Electricity
- Mobiles
- Fencing
- Toilets
- Water and Sanitation
- New Schools
- Curriculum upgrades
- Upgrades and additions

The above details were distributed to all the local municipalities as well as those service providers who attended alignment sessions.

9.4 DEPARTMENT OF AGRICULTURE, ENVIRONMENT AFFAIRS AND RURAL DEVELOPMENT

The **environmental components** of the Department of Agriculture, Environment and Rural Development provided the meeting with a very useful explanation of their various sections/divisions. As such, detailed presentations and discussions were held regarding the following very important aspects that impact on the development process:

- Environmental Planning and Information Management
- Environmental Impact Assessments
- Compliance Monitoring and Enforcements
- Pollution and Waste Management

The following information was obtained from the **agricultural component** of the Department of Agriculture, Environment and Rural Development:

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LM	PROJECT NAME	PROJECT SIZE (Ha, km, etc.)	PROGRAMME	ESTIMATED BUDGET
Ntambanana	Sikhulangolwazi	2x500 broiler units	Infrastructure	R54 560.00
Mthonjaneni	Sizathina Vukayibambe	50ha	Infrastructure	R200 000.00
Mthonjaneni	Ubizo	1 dam	Infrastructure	400 000.00
Mlalazi	Vukubone	1 dam	Infrastructure	R500 000.00
Mlalazi	KwaShange	200ha	Massification	R2 500 000.00
Mlalazi	Vukuzame cluster project	2 tunnels	Infrastructure	R500 000.00
Mlalazi	AmaMbatha	4 tunnels	Infrastructure	R500 000.00
Mlalazi	Nqeza vegetable production	15ha	Infrastructure	R250 000
Mlalazi	Sivelakude crop production	42ha	Infrastructure	R250 000
Mlalazi	Gijimani poultry	4x500 broiler units	Infrastructure	R500 000.00
Nkandla	Singoba ngolwazi	20ha	Infrastructure, inputs and irrigation	R800 000.00
Nkandla	Siyathokoza Piggery		infrastructure and inputs	R500 000.00
Nkandla	Ngono Gardens	30ha	infrastructure and inputs	R1000 000.00
Nkandla	Magwaza gardens	32ha	infrastructure and inputs	R1000 000.00
Nkandla	Chibini garden	4ha	infrastructure and inputs	R250 000.00
Nkandla	Godide Poultry	2x500 broiler units	infrastructure and inputs	R300 000.00
Nkandla	Magwaza dam	2 dams	dam scooping	R500 000
Nkandla	Mandaba Grazing	300 ha	infrastructure	R1000 000.00
Nkandla	Mbhele dryland project	25ha	infrastructure	R300 000.00
Mhlathuze	Vukuzithathe vegetable production	18ha	Infrastructure	R500 000.00
Mhlathuze	Iniwe Widows vegetable production	25ha	Infrastructure	R800 000.00
Mhlathuze	Zamokuhle vegetable garden	3ha	Infrastructure	R100 000.00
Mhlathuze	Sivukile vegetable production	11ha	Infrastructure	R500 000.00
Mhlathuze	Amantungwa Tunnels	3 tunnels	Infrastructure	R500 000.00
Mhlathuze	Kangaroo Poultry	2x500 broiler units	Infrastructure	R500 000.00
Mhlathuze	Gwabeni Goat Production		Infrastructure	R300 000.00
Mhlathuze	Ukukhanya Poultry	2x500 broiler units	Infrastructure	R300 000.00
Mbonambi	Ethubeni Crop Production	90ha	Massification	R1 064 377.20
Mbonambi	Sokhulu Sugar Cane	120 ha	Cane Development	R2 368 854.00
Mbonambi	Sangamona Goat production		Livestock	R300 000.00
Mbonambi	Abaphumeleli Goat production		Livestock	R300 000.00

9.5 DEPARTMENT OF SOCIAL DEVELOPMENT

Details available and obtained from the Department of Social Development (at municipal ward level) include:

- Local Municipality
- Ward name/number and councillor details
- Responsible Official and contact number
- Volunteer details
- Current Service Infrastructure
- Planned Services
- Beneficiary details

Again, the above details were distributed to all the local municipalities as well as those service providers who attended alignment sessions.

9.6 IMPROVED SECTOR ALIGNMENT AND COORDINATION

It is very important to note that the district has become involved with specific alignment activities/actions with the Department of Agriculture as well as the Department of Land Affairs (includes Rural Development). To this end, special fora are in the process of being established or have already been established, i.e. the District Agricultural Forum. The aim of all these initiatives is improved alignment and service delivery.

The district has also become more involved in a number of potential development projects that are at feasibility/pre-feasibility stage in their area. Interestingly, a number of such initiatives are being investigated in one of the most impoverished wards in the district according to the PIMD – see next heading. Specific reference is made to the Lindela/Nxamalala area in Nkandla. The district is interested in a number of proposals in the area from a sustainable service provision perspective, i.e.:

- Proposed IEC (Integrated Energy Centre)
- Proposed Lindela Trading Centre
- Proposed extensive chicken farming activities at Nsuze/Mamba

9.7 PROVINCIAL INDEX OF MULTIPLE DEPRIVATION

Based on the 2001 census, the nine provinces of South Africa had indices prepared, at ward level, of Multiple Deprivation (PIMDs). Multiple deprivations are seen as an accumulation of single deprivations, and deprivation is seen as people's unmet needs (whereas poverty refers to the lack of resources required to meet those needs).

The Kwazulu-Natal PIMD consists of five domains, i.e.:

- Income and Material Deprivation
- Education Deprivation
- Living Environment Deprivation
- Employment Deprivation
- Health Deprivation

The result has been the identification of a number of priority wards that require intervention. Of the 57 poorest wards in the province, the following are located in the uThungulu District:

Ward Name	Municipality	Ward Population ('000)	Households
Emachubeni	Nkandla	10 000	1751
Ward 5	Umlalazi	9 000	1554
Ward 3	Umlalazi	9 000	1538
Emfongosi	Nkandla	9 000	2400
KwaNxamalala	Nkandla	9 000	1586
Halambu	Nkandla	12 000	2265
Qhudeni	Nkandla	10 000	1607

F. IMPLEMENTATION PLAN

At overleaf, the three year Implementation Plan with committed human & financial resources (IDP Framework) detailing the projects and funding, in line with the multi-year budget for the financial years 2010/11 to 2012/13, is attached.

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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:

Table 34: Budget Summary

2011/12 - 2013/14 Budget Discussion Document	10/11 Adjusted Budget	11/12 Budget	% Change	12/13 Budget Forecast	13/14 Budget Forecast
Expenditure					
Internally Funded Operational Exp (Inc Salaries)	297,920,922	329,324,532	11%	350,781,711	372,514,374
Internally Funded Operational Projects	66,458,006	45,035,176	-32%	51,325,485	53,207,075
Internally Funded Capital Projects	58,041,524	36,942,500	-36%	33,950,000	25,250,000
Grant Funded Opex (FMG, Planning Shared Serv & PMU)	16,960,589	17,678,584	4%	20,065,426	21,453,442
Externally Funded Operational Projects	55,865,384	49,773,023	-11%	28,978,876	13,743,542
Externally Funded Capital Projects	174,534,640	159,812,368	-8%	209,301,421	248,262,000
Total Expenditure	669,781,065	638,566,182	-5%	694,402,920	734,430,433
Equitable Share & LRG	(246,198,323)	(284,789,000)	16%	(312,865,794)	(337,225,385)
Environmental Health QS	(13,779,677)	(14,389,000)	4%	(15,950,207)	(16,972,615)
Internally Generated Funds	(63,440,364)	(66,162,864)	4%	(71,317,626)	(76,426,806)
Conditional Grants Revenue	(166,395,000)	(212,229,000)	28%	(241,711,000)	(265,761,000)
Prior Year's Conditional Grants	(66,925,356)	(645,975)	-99%	(684,516)	(725,370)
Depreciation Funding Reserve	(32,000,000)	(32,000,000)	0%	(32,000,000)	(32,000,000)
Provision for Rehabilitation - Solid Waste Cell	-	(10,000,000)	100%	(7,600,000)	-
Project Rollovers - Internally Funded Capital	(12,397,381)	-	-100%	-	-
Surplus Brought Forward (2010/11)		(18,350,343)		(12,273,778)	(5,319,258)
Surplus Brought Forward (2009/10)	(45,335,870)	-	-100%	-	-
Borrowings	(23,309,094)	-	-100%	-	-
Total Revenue	(669,781,065)	(638,566,182)	-5%	(694,402,920)	(734,430,433)

1 CAPITAL PROJECTS

Table 35: Three Year Implementation Plan 2010/11 to 2012/13 – Capital Budget

Strategy	Action Plan	Capital Projects	Funding Source	2011/2012	2012/2013	2013/2014
		Internal Fixed Assets	Surplus	270,000		
		Administrative Services		270,000	-	-
5		Internal Fixed Assets	Surplus	15,000	-	-
		Municipal Manager's Dept		15,000		
		Internal Fixed Assets	Surplus	25,000		
		Deputy Municipal Manager's Dept		25,000	-	-
		Assessment Software	Surplus	76,000		
		Management Services - HR		76,000	-	-
		Insurance Claims (Capital)	Surplus	300,000	300,000	300,000
		Executive Division - Finance		300,000	300,000	300,000
		Mandawe Cemetery	Surplus	500,000	1,500,000	1,500,000
		Regional Cemetery Phase 2	Surplus	-	1,500,000	1,500,000
		Cemetery Total		500,000	3,000,000	3,000,000
		Disaster Management Center	Surplus		200,000	200,000
		Disaster Management		-	200,000	200,000
5		Internal Fixed Assets	Grant	40,000	40,000	20,000
		Finance Interns Total		40,000	40,000	20,000
		Internal Fixed Assets	Surplus	25,000		
		Executive Division - Technical Services		25,000	-	-
3.5.4.1		Fire Fighting Equipment	Surplus	250,000		
		Fire Protection Total		250,000	-	-
5		Internal Fixed Assets	Surplus	1,201,500		
		IT Total		1,201,500	-	-

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		Mbonambi Water Phase 2	Grant	15,871,750	25,960,421	10,420,336
2.1.1.2		Mbonambi Water Phase 3	Grant	-	-	
		Mbonambi Water SSA2	Grant			3,000,000
2.1.1.1		Mhlana Somopho Phase 3C	Grant	12,000,000	28,000,000	29,819,140
2.1.1.6		Upper Nseleni Phase 1, 2 & 3	Grant	6,714,308	-	
2.1.1.10		Vutshini Phase 1	Grant	5,000,000	12,000,000	13,500,000
2.1.1.1		Greater Mthonjaneni Phase 1 & 2 MIG	Grant	16,966,495	-	
2.1.1.17		Mpungose Phase 1D Reticulation	Grant	5,750,965	10,000,000	3,249,035
2.1.1.1		Middledrift SSA3	Grant	-	2,000,000	5,433,868
		Middledrift SSA5	Grant	-	5,000,000	25,000,000
2.1.1.21		KwaHlokohloko SSA 5/ uMhlathuze LM	Grant	12,500,000	22,000,000	28,515,604
2.1.1.20		Middledrift Phase 2	Grant	33,030,850	27,000,000	10,000,000
2.1.1.12		Greater Mthonjaneni SSA5 - DWA	Grant	10,000,000	10,000,000	10,000,000
		Greater Mthonjaneni Phase SSA 4 (Phase 3) DWAF	Grant	6,999,000	5,001,000	-
		Greater Mthonjaneni Phase SSA2 - MIG	Grant	-	-	6,357,497
		Greater Mthonjaneni Phase SSA2 - DWA	Grant			10,000,000
		Greater Mthonjaneni Phase SSA4 - MIG	Grant	5,000,000	5,000,000	5,362,433
		Greater Mthonjaneni Phase SSA5 - MIG	Grant			10,000,000
		KwaHlokohloko SSA 1	Grant	-	18,000,000	20,000,000
		KwaHlokohloko SSA 1 (DWAF)	Grant	17,000,000	25,000,000	25,000,000
		Eshowe SSA1	Grant	-	2,300,000	7,281,575
		Eshowe SSA1 (DWAF)	Grant	-	-	5,000,000
2.1.5.1		Melmoth Water Services Network Upgrade	Surplus	1,500,000	1,000,000	1,500,000
2.1.5.2		Mtunzini Water Services Network Upgrade	Surplus	1,750,000	1,250,000	1,750,000
2.1.5.3		Gingindlovu Water Services Network Upgrade	Surplus	1,500,000	1,000,000	1,500,000
2.1.5.4		Eshowe Water Services Network Upgrade	Surplus	1,750,000	1,250,000	1,750,000
2.1.5.5		Kwambo Water Services Network Upgrade	Surplus	1,500,000	1,000,000	1,500,000
2.1.5.6		Nkandla Water Services Network Upgrade	Surplus	1,250,000	750,000	1,250,000
		Nkandla Vutshini Supply Area SSA5	Grant	7,000,000	10,000,000	20,302,512
		Municipal Infrastructure Implementation		163,083,368	213,511,421	257,492,000

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		Mbonambi Water Phase 2	Grant	15,871,750	25,960,421	10,420,336
2.1.1.2		Mbonambi Water Phase 3	Grant	-	-	
		Mbonambi Water SSA2	Grant			3,000,000
2.1.1.1		Mhlana Somopho Phase 3C	Grant	12,000,000	28,000,000	29,819,140
2.1.1.6		Upper Nseleni Phase 1, 2 & 3	Grant	6,714,308	-	
2.1.1.10		Vutshini Phase 1	Grant	5,000,000	12,000,000	13,500,000
2.1.1.1		Greater Mthonjaneni Phase 1 & 2 MIG	Grant	16,966,495	-	
2.1.1.17		Mpungose Phase 1D Reticulation	Grant	5,750,965	10,000,000	3,249,035
2.1.1.1		Middledrift SSA3	Grant	-	2,000,000	5,433,868
		Middledrift SSA5	Grant	-	5,000,000	25,000,000
2.1.1.21		KwaHlokohloko SSA 5/uMhlathuze LM	Grant	12,500,000	22,000,000	28,515,604
2.1.1.20		Middledrift Phase 2	Grant	33,030,850	27,000,000	10,000,000
2.1.1.12		Greater Mthonjaneni SSA5 - DWA	Grant	10,000,000	10,000,000	10,000,000
		Greater Mthonjaneni Phase SSA 4 (Phase 3) DWAF	Grant	6,999,000	5,001,000	-
		Greater Mthonjaneni Phase SSA2 - MIG	Grant	-	-	6,357,497
		Greater Mthonjaneni Phase SSA2 - DWA	Grant			10,000,000
		Greater Mthonjaneni Phase SSA4 - MIG	Grant	5,000,000	5,000,000	5,362,433
		Greater Mthonjaneni Phase SSA5 - MIG	Grant			10,000,000
		KwaHlokohloko SSA 1	Grant	-	18,000,000	20,000,000
		KwaHlokohloko SSA 1 (DWAF)	Grant	17,000,000	25,000,000	25,000,000
		Eshowe SSA1	Grant	-	2,300,000	7,281,575
		Eshowe SSA1 (DWAF)	Grant	-	-	5,000,000
2.1.5.1		Melmoth Water Services Network Upgrade	Surplus	1,500,000	1,000,000	1,500,000
2.1.5.2		Mtunzini Water Services Network Upgrade	Surplus	1,750,000	1,250,000	1,750,000
2.1.5.3		Gingindlovu Water Services Network Upgrade	Surplus	1,500,000	1,000,000	1,500,000
2.1.5.4		Eshowe Water Services Network Upgrade	Surplus	1,750,000	1,250,000	1,750,000
2.1.5.5		Kwambo Water Services Network Upgrade	Surplus	1,500,000	1,000,000	1,500,000
2.1.5.6		Nkandla Water Services Network Upgrade	Surplus	1,250,000	750,000	1,250,000
		Nkandla Vutshini Supply Area SSA5	Grant	7,000,000	10,000,000	20,302,512
		Municipal Infrastructure Implementation		163,083,368	213,511,421	257,492,000

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		Internal Fixed Assets	Surplus	45,000		
		Solid Waste Rehabilitation Cell 1	Surplus	10,000,000	7,600,000	-
		Regional Solid Waste Cell	Surplus	-	-	5,000,000
		Waste Management Total		10,045,000	7,600,000	5,000,000
		Mtunzini Sewer Plant	Surplus	-	4,000,000	4,000,000
		Waste Water Management Total		-	4,000,000	4,000,000
		Survival Water Programme (Boreholes)	Surplus	6,100,000	4,600,000	-
		Water Tanker Reduction Strategy	Surplus	6,000,000	4,500,000	-
		Internal Fixed Assets	Surplus	15,000	-	-
		Massification Programme	Grant	3,939,000	-	-
		Water Services Authority Total		16,054,000	9,100,000	-
5		Internal Fixed Assets	Surplus	60,000	-	-
		Occupational Health and safety	Surplus	500,000	500,000	500,000
		Water metre installation	Surplus	1,210,000	1,500,000	1,500,000
		Water metre installation (RBM)	Grant	2,000,000	2,000,000	
		Existing Projects Extensions	Surplus	1,100,000	1,500,000	1,500,000
		Water Services Provider Total		4,870,000	5,500,000	3,500,000
		Grand Total		196,754,868	243,251,421	273,512,000
		Reconciles to Budget Summary				
		SURPLUS		36,942,500	33,950,000	25,250,000
		GRANTS		159,812,368	209,301,421	248,262,000
		LOANS		-		
		Total		196,754,868	243,251,421	273,512,000

2 OPERATIONAL PROJECTS

Table 36: Three Year Implementation Plan 2009/10 to 2011/12 – Capital Budget

Operational Projects	Funding	2011/12	2012/13	2013/14
Implementation of MFMA	Grant	152,391	79,297	24,542
Finance Interns		152,391	79,297	24,542
Community Services Plan (Review)	Surplus	300,000	300,000	-
Crime Prevention Programmes	Surplus	75,000	75,000	75,000
District Elimination & Kwanaloga Games	Surplus	1,000,000	1,000,000	2,000,000
Sport Development	Surplus	100,000	-	100,000
Programmes for the Marginalised (Gender, Youth, Children, Disabled, Senior Citizens)	Surplus	350,000	450,000	450,000
Implementation of HIV/ AIDS Programme	Surplus	440,000	500,000	480,000
Community Services Total		2,265,000	2,325,000	3,105,000
Disaster Management Plan Review	Surplus	300,000	300,000	310,000
District Advisory Committee	Surplus	28,000	28,000	28,000
Disaster Stock Items	Surplus	150,000	150,000	150,000
Disaster Management Total		478,000	478,000	488,000
Asset Care Centre	Grant	490,000	700,000	650,000
Expenditure Total		490,000	700,000	650,000
Revenue Enhancement Plan	Grant	150,000	150,000	150,000
Credit Rating	Surplus	80,000	80,000	100,000
uThungulu Financing Partnership	Surplus	5,642,391	5,642,391	5,642,391
Municipal Systems Improvement Grant	Grant	150,000	150,000	200,000
Insurance Claims (Operational)	Surplus	100,000	100,000	100,000
Finance Executive Total		6,122,391	6,122,391	6,192,391

uTthungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

Internship Programme	Surplus	200,000	200,000	200,000
TASK Job Evaluation Implementation (Est. of payscales)	Surplus	1,400,000	-	-
Employee Assistance Programme	Surplus	250,000	250,000	250,000
Implementation of Occupational Health & Safety Act	Surplus	350,000	350,000	350,000
Management Services HR Total		2,200,000	800,000	800,000
Establishment of Environmental Health Section	Grant	500,000	-	-
Environmental Health Plan	Grant	500,000	250,000	-
Community Awareness & Education on diseases	Grant	150,000	150,000	150,000
Municipal Health Total		1,150,000	400,000	150,000
Events	Surplus	150,000	150,000	150,000
Marketing	Surplus	150,000	150,000	150,000
Uthungulu Web-site Development	Surplus	250,000	50,000	50,000
Municipal Manager Total		550,000	350,000	350,000
Fraud Prevention	Surplus	100,000	110,000	121,000
S57 Individual Performance Management	Surplus	125,000	140,000	155,000
Strategic Support	Grant	329,000	-	200,000
Organisational Performance Management	Surplus	155,000	175,000	195,000
Risk Management Strategy - King III	Surplus	110,000	110,000	121,000
Deputy Municipal Manager Total		819,000	535,000	792,000

uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

Development Planning Grant - Shared Services	Surplus	406,936	-	-
Review of LED Framework	Surplus	-	100,000	-
LED Forum	Surplus	-	30,000	30,000
LED Development Fund	Surplus	300,000	400,000	450,000
LED Operational Support Programme	Surplus	-	50,000	50,000
Agrucultural Institutional Support	Surplus	-	50,000	50,000
Institutional Framework Implementation	Surplus	200,000	130,000	100,000
Implementation of LED Framework: Tourism	Surplus	453,000	-	-
SMME Support Programme	Surplus	100,000	300,000	250,000
Review of Tourism Development Plan	Surplus	-	50,000	-
Cruise Ship Tourism	Surplus	-	75,000	75,000
R66 Route Development (Birding)	Surplus	-	80,000	50,000
Urban Cultural Tourism	Surplus	-	-	20,000
Domestic Family Tourism	Surplus	-	-	20,000
Adventure Tourism	Surplus	-	-	20,000
Torism Awarenes & Safety	Surplus	-	-	50,000
Craft Marketing & Development Strategy	Surplus	-	150,000	150,000
Great Forests of Zululand	Surplus	-	80,000	100,000
Tourism Marketing: Shows	Surplus	140,000	150,000	150,000
Media Marketing & Tools	Surplus	-	100,000	100,000
Tourism Media Marketing	Surplus	60,000	70,000	80,000
Tourism Events (Zulu Dance)	Surplus	300,000	320,000	350,000
Review of Agricultural Development Plan	Surplus	-	30,000	-
Tourism Marketing tools & Website	Surplus	200,000	200,000	200,000
Agriculture Indaba	Surplus	-	40,000	40,000
Agricultural Implementation	Surplus	200,000	200,000	250,000
Review of SMME Sector Development Plan	Surplus	-	-	20,000

uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

SMME Fairs	Surplus	-	20,000	20,000
KZ Co-ordination and Alignment	Surplus	-	-	50,000
Annual IDP Review	Surplus	100,000	50,000	50,000
IDP Roadshows - Izimbizo	Surplus	400,000	400,000	400,000
Review of Spatial Development Framework	Surplus	50,000	200,000	50,000
Quality of Life Survey	Surplus	300,000	-	-
District Land Summit Information	Surplus	30,000	50,000	75,000
Intergrated Environmental Programme (Review)	Surplus	200,000		-
Implementation of Integrated Environmental Programme	Surplus	-	350,000	150,000
Implementation of Coastal Management Programme	Surplus	-	311,000	100,000
Coastal Management Programme Review	Surplus	-	-	50,000
Film Office	Surplus	-	274,000	300,000
Rural Transport Services & Infrastructure	Grant	1,688,000	1,780,000	1,869,000
Planning Total		5,127,936	6,040,000	5,719,000
Ntambanana Solid Waste	Surplus	5,452,000	6,043,000	6,431,000
Waste Management Total		5,452,000	6,043,000	6,431,000
281-3 - VIP Sanitation Project	Grant	8,250,000	4,250,000	-
285-3 Sanitation Project	Grant	6,879,632	2,605,622	-
286-3 - VIP Sanitation Project	Grant	8,000,000	4,884,607	-
283-3 - VIP Sanitation Project	Grant	7,500,000	1,000,000	-
283-4 - VIP Sanitation Project	Grant	-	8,000,000	5,500,000
284-3 - VIP Sanitation Project	Grant	7,733,000	4,979,350	-
National Sanitation Week	Surplus	25,000	50,000	50,000
Waste Water Total		38,387,632	25,769,579	5,550,000

uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

Melmoth Water Services Network Upgrade	Surplus	500,000	500,000	500,000
Mtunzini Water Services Network Upgrade	Surplus	250,000	250,000	250,000
Gingindlovu Water Services Network Upgrade	Surplus	500,000	500,000	500,000
Eshowe Water Services Network Upgrade	Surplus	250,000	250,000	250,000
Kwambo Water Services Network Upgrade	Surplus	500,000	500,000	500,000
Nkandla Water Services Network Upgrade	Surplus	750,000	750,000	750,000
Municipal Implementation & Infrastructure		2,750,000	2,750,000	2,750,000
Water loss management strategy - Implementation	Surplus	550,000	550,000	1,000,000
Water Treatment Works & Waste Water TW Registration	Surplus	1,500,000	500,000	500,000
DWAF Water Resource Compliance	Surplus	200,000	200,000	200,000
Water Quality Improvement Interventions	Surplus	605,000	605,000	605,000
Blue/Green Drop compliance	Surplus	400,000	400,000	500,000
Raw water abstraction fee (DWAF)	Surplus	500,000	550,000	605,000
Water / Sanitation Awareness Campaigns	Surplus	300,000	300,000	300,000
GIS Operational Budget	Surplus	250,000	250,000	-
GIS Development & Training	Surplus	100,000	250,000	50,000
Preparation of Water Use Management Plan	Surplus	500,000	500,000	500,000
Annual Update of WSDP	Surplus	750,000	250,000	250,000
Water Services Authority Total		5,705,000	4,405,000	4,560,000
Issue Manager	Surplus	350,000	350,000	350,000
Water Services Operating Subsidy	Grant			5,000,000
Customer Care and Call Centre	Surplus			-
Drought Relief	Surplus	15,507,849	23,157,094	24,038,684
EPWP Incentive Grant	Grant	7,301,000	-	-
Water Services Provider Total		23,158,849	23,507,094	29,388,684
Grand Total		94,808,199	80,304,361	66,950,617
Reconciles to Budget Summary				
SURPLUS		45,035,176	51,325,485	53,207,075
GRANTS		49,773,023	28,978,876	13,743,542
LOANS		-	-	
Total		94,808,199	80,304,361	66,950,617

G. PROJECTS

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

❖ 2011/2012 Implementation Plan :

The IDP Framework for the 2011/2012 Implementation Plan provides detail on the Projects and Funding sources. The projects are divided in two categories, as follows:

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

uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

UTHUNGULU DISTRICT MUNICIPALITY IDP 2007/8 TO 2011/12 (Projects)				2011/2012			2012/2013			2013/2014			
				A - Committed			A - Committed			A - Committed			
Prog	KPA	KPI / Project	Projects	OP / CAP	UDM funds	Grants - project specific	2011/12 TOTAL FUNDED	UDM funds	Grants - project specific	2012/13 TOTAL FUNDED	UDM funds	Grants - project specific	2013/14 TOTAL FUNDED
NATIONAL KPA: LOCAL ECONOMIC DEVELOPMENT													
			STRATEGY ONE: ECONOMICALLY SOUND DISTRICT		5,914,530	0	5,461,530	7,094,086	0	7,094,086	7,352,506	0	7,352,506
1.0			Operational Expenses		3,961,530	0	3,961,530	4,195,086	0	4,195,086	4,447,506	0	4,447,506
1.1			Local Economic Development		300,000	0	300,000	580,000	0	580,000	530,000	0	530,000
	1.1.1		LED Framework Plan		0	0	0	100,000	0	100,000	0	0	0
		1.1.1.1	Review of LED Framework	O	0	0	0	100,000	0	100,000	0	0	0
	1.1.2		LED Capacity, Institutional & Operational Support		300,000	0	300,000	480,000	0	480,000	530,000	0	530,000
		1.1.2.1	LED Forum	O	0	0	0	30,000	0	30,000	30,000	0	30,000
		1.1.2.2	LED Development Fund	O	300,000	0	300,000	400,000	0	400,000	450,000	0	450,000
		1.1.2.3	LED Operational Support Programme	O	0	0	0	50,000	0	50,000	50,000	0	50,000
	1.1.3		Trade, Investment, Business Support		0	0	0	0	0	0	0	0	0
		1.1.3.1	Trade Missions	O	0	0	0	0	0	0	0	0	0
		1.1.3.2	Trade & Investment Marketing (Media Marketing & Tools)	O	0	0	0	0	0	0	0	0	0
		1.1.3.3	Business Retention & Expansion Implementation	O	0	0	0	0	0	0	0	0	0
1.2			Local Tourism Development		1,353,000	0	900,000	1,679,000	0	1,679,000	1,745,000	0	1,745,000
	1.2.1		Tourism Development Plan		0	0	0	50,000	0	50,000	0	0	0
		1.2.1.1	Review of Tourism Development Plan	O	0	0	0	50,000	0	50,000	0	0	0
		1.2.1.2	Nodal Tourism Strategy	O	0	0	0	0	0	0	0	0	0
	1.2.2		Implement LED Framework: Tourism	O	453,000	0	0	659,000	0	659,000	715,000	0	715,000
		1.2.2.1	Coastal Tourism Development	O	0	0	0	0	0	0	0	0	0
		1.2.2.2	(Big 5) Game Reserve Development	O	0	0	0	0	0	0	0	0	0
		1.2.2.3	Cruise Ship Tourism	O	0	0	0	75,000	0	75,000	75,000	0	75,000
		1.2.2.4	R66 Route Development (Birding)	O	0	0	0	80,000	0	80,000	50,000	0	50,000
		1.2.2.5	Great Forests of Zululand	O	0	0	0	80,000	0	80,000	100,000	0	100,000
		1.2.2.6	Urban Cultural Tourism	O	0	0	0	0	0	0	20,000	0	20,000
		1.2.2.7	Adventure Tourism	O	0	0	0	0	0	0	0	0	0
		1.2.2.8	Craft Marketing & Development Strategy	O	0	0	0	150,000	0	150,000	150,000	0	150,000
		1.2.2.9	Film Office	O	0	0	0	274,000	0	274,000	300,000	0	300,000
		1.2.2.10	Domestic Family Tourism	O	0	0	0	0	0	0	20,000	0	20,000
	1.2.3		Tourism Destination Management Offices		200,000	0	200,000	130,000	0	130,000	100,000	0	100,000
		1.2.3.1	Institutional Framework Implementation	O	200,000	0	200,000	130,000	0	130,000	100,000	0	100,000

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	1.2.4	Uthungulu Tourism Development Office		700,000	0	700,000	840,000	0	840,000	930,000	0	930,000
	1.2.4.1	Tourism Awareness & Safety	O	0	0	0	0	0	0	50,000	0	50,000
	1.2.4.2	Tourism Shows	O	140,000	0	140,000	150,000	0	150,000	150,000	0	150,000
	1.2.4.3	Tourism Marketing Tools & Website	O	200,000	0	200,000	200,000	0	200,000	200,000	0	200,000
	1.2.4.4	Tourism Media Marketing	O	60,000	0	60,000	170,000	0	170,000	180,000	0	180,000
	1.2.4.5	Tourism Events (Zulu Dance)	O	300,000	0	300,000	320,000	0	320,000	350,000	0	350,000
	1.2.4.6	Tourism Signage	O	0	0	0	0	0	0	0	0	0
1.3		Agricultural Development		200,000	0	200,000	320,000	0	320,000	340,000	0	340,000
	1.3.1	Agricultural Development Plan		0	0	0	30,000	0	30,000	0	0	0
	1.3.1.1	Review of Agricultural Development Plan	O	0	0	0	30,000	0	30,000	0	0	0
	1.3.2	Agricultural Development & Implementation		200,000	0	200,000	290,000	0	290,000	340,000	0	340,000
	1.3.2.1	Agricultural Forum	O	0	0	0	0	0	0	0	0	0
	1.3.2.2	Agriculture Indaba	O	0	0	0	40,000	0	40,000	40,000	0	40,000
	1.3.2.3	Agricultural Implementation	O	200,000	0	200,000	200,000	0	200,000	250,000	0	250,000
	1.3.2.4	Agricultural Institutional Support	O	0	0	0	50,000	0	50,000	50,000	0	50,000
1.4		Business & Industrial Development		100,000	0	100,000	320,000	0	320,000	290,000	0	290,000
	1.4.1	SMME Sector Development Plan		0	0	0	0	0	0	20,000	0	20,000
	1.4.1.1	Review of SMME Sector Development Plan	O	0	0	0	0	0	0	20,000	0	20,000
	1.4.2	Implementation of SMME Plan		100,000	0	100,000	320,000	0	320,000	270,000	0	270,000
	1.4.2.1	SMME Forum/alignment	O	0	0	0	0	0	0	0	0	0
	1.4.2.2	SMME fairs	O	0	0	0	20,000	0	20,000	20,000	0	20,000
	1.4.2.3	SMME development training	O	0	0	0	0	0	0	0	0	0
	1.4.2.4	One stop shop - DEDT	O	0	0	0	0	0	0	0	0	0
	1.4.2.5	Promote SMME networking & clustering	O	0	0	0	0	0	0	0	0	0
	1.4.2.6	SMME incubator	O	0	0	0	0	0	0	0	0	0
	1.4.2.7	SMME Support Programme	O	100,000	0	100,000	300,000	0	300,000	250,000	0	250,000
	1.4.2.8	SMME mentorship programme	O	0	0	0	0	0	0	0	0	0
NATIONAL KPA: BASIC SERVICE DELIVERY & INFRASTRUCTURE INVESTMENT												
		STRATEGY TWO:										
		EFFECTIVE INFRASTRUCTURE		319,487,013	207,124,000	526,611,013	343,116,811	236,761,000	579,877,811	353,598,199	260,611,000	614,209,199
2.0		Operational Expenses		255,587,164	0	255,587,164	273,511,717	0	273,511,717	291,323,515	0	291,323,515
2.1		Potable Water, Waste Water & Sanitation		44,122,849	205,436,000	249,558,849	50,462,094	234,981,000	285,443,094	45,693,684	258,742,000	304,435,684
	2.1.1	Implementation of District Water Projects		0	153,833,368	153,833,368	0	207,261,421	207,261,421	0	248,242,000	248,242,000
	2.1.1.1	Mbonambi Water Phase 3	C	0	0	0	0	0	0	0	0	0
	2.1.1.2	Mbonambi Water Phase 2	C	0	15,871,750	15,871,750	0	25,960,421	25,960,421	0	10,420,336	10,420,336
	2.1.1.3	Mhiana Bulk Water Supply 3B ext.	C	0	0	0	0	0	0	0	0	0
	2.1.1.4	Mhiana Somopho Phase 3C	C	0	12,000,000	12,000,000	0	28,000,000	28,000,000	0	29,819,140	29,819,140

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	2.1.1.5	Upper Nseleni Phases 1, 2 & 3	C	0	6,714,308	6,714,308	0	0	0	0	0	0
	2.1.1.6	Mbonambi Water Pahse 1	C	0	0	0	0	0	0	0	0	0
	2.1.1.8	Nkandla WTW Upgrade	C	0	0	0	0	0	0	0	0	0
	2.1.1.9	Vutshini Phase 1	C	0	5,000,000	5,000,000	0	12,000,000	12,000,000	0	13,500,000	13,500,000
	2.1.1.10	Vutshini Phase 2	C	0	0	0	0	0	0	0	0	0
	2.1.1.11	Greater Mthonjaneni Phase 1&2 MIG	C	0	16,966,495	16,966,495	0	0	0	0	0	0
	2.1.1.12	Greater Mthonjaneni Phase SSA2 (DWA)	C	0	0	0	0	0	0	0	10,000,000	10,000,000
	2.1.1.15	Mpungose Phase 1D (reticulation)	C	0	5,750,965	5,750,965	0	10,000,000	10,000,000	0	3,249,035	3,249,035
	2.1.1.16	Middledrift (Purification Plant)	C	0	0	0	0	0	0	0	0	0
	2.1.1.17	Middledrift Phase 2	C	0	33,030,850	33,030,850	0	27,000,000	27,000,000	0	10,000,000	10,000,000
	2.1.1.18	Kwambonambio Low cost housing	C	0	0	0	0	0	0	0	0	0
	2.1.1.19	Regional Bulk Scheme 06/07	C	0	0	0	0	0	0	0	0	0
	2.1.1.20	Security of upper Nseleni projects	C	0	0	0	0	0	0	0	0	0
	2.1.1.21	Nkandla wutshini Supply Area SSA5	C	0	7,000,000	7,000,000	0	10,000,000	10,000,000	0	20,302,512	20,302,512
	2.1.1.22	KwaHloko SSA5/Umlathuze LM	C	0	12,500,000	12,500,000	0	22,000,000	22,000,000	0	28,515,604	28,515,604
	2.1.1.23	Greater Mthonjaneni SSA4 MIG	C	0	5,000,000	5,000,000	0	5,000,000	5,000,000	0	5,362,433	5,362,433
	2.1.1.24	Greater Mthonjaneni SSA4 (Phase 3) DWA	C	0	6,999,000	6,999,000	0	5,001,000	5,001,000	0	0	0
	2.1.1.25	Greater Mthonjaneni SSA5 (DWA)	C	0	10,000,000	10,000,000	0	10,000,000	10,000,000	0	10,000,000	10,000,000
	2.1.1.26	Greater Mthonjaneni SSA5 (MIG)	C	0	0	0	0	0	0	0	10,000,000	10,000,000
	2.1.1.29	Eshowe SSA1 (MIG)	C	0	0	0	0	2,300,000	2,300,000	0	7,281,575	7,281,575
	2.1.1.30	Eshowe SSA1 (DWA)	C	0	0	0	0	0	0	0	5,000,000	5,000,000
	2.1.1.31	KwaHloko SSA1 (MIG)	C	0	0	0	0	18,000,000	18,000,000	0	20,000,000	20,000,000
	2.1.1.32	KwaHloko SSA1 (DWA)	C	0	17,000,000	17,000,000	0	25,000,000	25,000,000	0	25,000,000	25,000,000
	2.1.1.33	Mbonambi Water SSA2	C	0	0	0	0	0	0	0	3,000,000	3,000,000
	2.1.1.34	Greater Mthonjaneni SSA2	C	0	0	0	0	0	0	0	6,357,497	6,357,497
	2.1.1.35	Middledrift SSA 5	C	0	0	0	0	5,000,000	5,000,000	0	25,000,000	25,000,000
	2.1.1.36	Middledrift SSA3	C	0	0	0	0	2,000,000	2,000,000	0	5,433,868	5,433,868
	2.1.2	Implementation of District Sanitation Projects		0	38,362,632	38,362,632	4,000,000	25,719,579	29,719,579	4,000,000	5,500,000	9,500,000
	2.1.2.1	281-3 VIP Sanitation Project	O	0	8,250,000	8,250,000	0	4,250,000	4,250,000	0	0	0
	2.1.2.2	285-3 - VIP Sanitation Project	O	0	6,879,632	6,879,632	0	2,605,622	2,605,622	0	0	0
	2.1.2.3	286-3 - VIP Sanitation Project	O	0	8,000,000	8,000,000	0	4,884,607	4,884,607	0	0	0
	2.1.2.4	286-4 - VIP Sanitation Project (Human Settlements)	O	0	0	0	0	0	0	0	0	0
	2.1.2.5	283-3 Sanitation Project	O	0	7,500,000	7,500,000	0	1,000,000	1,000,000	0	0	0
	2.1.2.6	283-4 VIP Sanitation	O	0	0	0	0	8,000,000	8,000,000	0	5,500,000	5,500,000
	2.1.2.7	284-3 - VIP Sanitation Project	O	0	7,733,000	7,733,000	0	4,979,350	4,979,350	0	0	0

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	2.1.2.8	284-4 - VIP Sanitation Project (Human Settlement)	O	0	0	0	0	0	0	0	0	0
	2.1.2.9	Upgrade Sewage Plants - Mtunzini, Eshowe, Ging	C	0	0	0	4,000,000	0	4,000,000	4,000,000	0	4,000,000
	2.1.2.10	Upgrade Sewage Plants - Mtunzini, Eshowe, Gin 0809	C	0	0	0	0	0	0	0	0	0
	2.1.2.11	Sanitation UDM	O	0	0	0	0	0	0	0	0	0
	2.1.2.12	Sanitation DWAF	O	0	0	0	0	0	0	0	0	0
	2.1.2.13	Umlalazi (Ocean View sewer upgrade)	C	0	0	0	0	0	0	0	0	0
	2.1.3	Improvement of Water & Sanitation Schemes		10,515,000	13,240,000	23,755,000	9,705,000	2,000,000	11,705,000	5,655,000	5,000,000	10,655,000
	2.1.3.1	Issue Manager	O	350,000	0	350,000	350,000	0	350,000	350,000	0	350,000
	2.1.3.2	Water loss management strategy - Implementation	O	550,000	0	550,000	550,000	0	550,000	1,000,000	0	1,000,000
	2.1.3.3	DWAF Water Resource Compliance	O	200,000	0	200,000	200,000	0	200,000	200,000	0	200,000
	2.1.3.4	Water metre installation	C	1,210,000	0	1,210,000	1,500,000	0	1,500,000	1,500,000	0	1,500,000
	2.1.3.5	Water metre installation (RBM)	C	0	2,000,000	2,000,000	0	2,000,000	2,000,000	0	0	0
	2.1.3.6	Water Quality Improvement Interventions	O	605,000	0	605,000	605,000	0	605,000	605,000	0	605,000
	2.1.3.7	Existing Projects Extensions	C	1,100,000	0	1,100,000	1,500,000	0	1,500,000	1,500,000	0	1,500,000
	2.1.3.8	EPWP Incentive Grant	O	0	7,301,000	7,301,000	0	0	0	0	0	0
	2.1.3.9	Occupational Health and Safety Compliance	C	500,000	0	500,000	500,000	0	500,000	500,000	0	500,000
	2.1.3.10	Tanker reduction strategy	C	6,000,000	0	6,000,000	4,500,000	0	4,500,000	0	0	0
	2.1.3.11	Water Services Operating Subsidy	O	0	0	0	0	0	0	0	5,000,000	5,000,000
	2.1.3.12	Subsidy for Water Services Works	O	0	0	0	0	0	0	0	0	0
	2.1.3.13	Erosion protection Nkandla Bulk	O	0	0	0	0	0	0	0	0	0
	2.1.3.14	Massification Programme	C	0	3,939,000	3,939,000	0	0	0	0	0	0
	2.1.4	Drought relief		21,607,849	0	21,607,849	27,757,094	0	27,757,094	24,038,684	0	24,038,684
	2.1.4.1	Drought relief	O	15,507,849	0	15,507,849	23,157,094	0	23,157,094	24,038,684	0	24,038,684
	2.1.4.2	Survival Water Programme (Boreholes)	C	6,100,000	0	6,100,000	4,600,000	0	4,600,000	0	0	0
	2.1.5	Upgrading of Water Services Networks		12,000,000	0	12,000,000	9,000,000	0	9,000,000	12,000,000	0	12,000,000
	2.1.5.1	Melmoth Water Services Network Upgrade	C	1,500,000	0	1,500,000	1,000,000	0	1,000,000	1,500,000	0	1,500,000
	2.1.5.1	Melmoth Water Services Network Upgrade	O	500,000	0	500,000	500,000	0	500,000	500,000	0	500,000
	2.1.5.2	Mthonjaneni water services network upgrade	C	0	0	0	0	0	0	0	0	0
	2.1.5.3	Mtunzini Water Services Network Upgrade	C	1,750,000	0	1,750,000	1,250,000	0	1,250,000	1,750,000	0	1,750,000
	2.1.5.3	Mtunzini Water Services Network Upgrade	O	250,000	0	250,000	250,000	0	250,000	250,000	0	250,000
	2.1.5.4	Gingindlovu Water Services Network Upgrade	C	1,500,000	0	1,500,000	1,000,000	0	1,000,000	1,500,000	0	1,500,000
	2.1.5.4	Gingindlovu Water Services Network Upgrade	O	500,000	0	500,000	500,000	0	500,000	500,000	0	500,000
	2.1.5.5	Eshowe Water Services Network Upgrade	C	1,750,000	0	1,750,000	1,250,000	0	1,250,000	1,750,000	0	1,750,000
	2.1.5.5	Eshowe Water Services Network Upgrade	O	250,000	0	250,000	250,000	0	250,000	250,000	0	250,000
	2.1.5.6	Kwambonambi Water Services Network Upgrade	C	1,500,000	0	1,500,000	1,000,000	0	1,000,000	1,500,000	0	1,500,000
	2.1.5.6	Kwambonambi Water Services Network Upgrade	O	500,000	0	500,000	500,000	0	500,000	500,000	0	500,000
	2.1.5.7	Nkandla Water Services Network Upgrade	C	1,250,000	0	1,250,000	750,000	0	750,000	1,250,000	0	1,250,000
	2.1.5.7	Nkandla Water Services Network Upgrade	O	750,000	0	750,000	750,000	0	750,000	750,000	0	750,000
	2.1.5.8	Nkandla town fire hydrant	C	0	0	0	0	0	0	0	0	0
	2.1.5.9	Eshowe New Industrial Bulk Services	C	0	0	0	0	0	0	0	0	0
	2.1.6	Customer Care & Call Centre	O	0	0	0	0	0	0	0	0	0

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2.2		Water Service Authority & Planning		3,825,000	0	3,825,000	2,500,000	0	2,500,000	2,150,000	0	2,150,000
	2.2.1	Annual Update of WSDP	O	750,000	0	750,000	250,000	0	250,000	250,000	0	250,000
		2.2.1.1 Technical Support, Infr Backlogs, MIIPS	O	0	0	0	0	0	0	0	0	0
		2.2.1.2 Integrated Development Inf - Capacity Building	O	0	0	0	0	0	0	0	0	0
	2.2.2	Water Master Planning		0	0	0	0	0	0	0	0	0
		2.2.2.1 Water Services Provider Plan	O	0	0	0	0	0	0	0	0	0
	2.2.3	Water Events		825,000	0	825,000	850,000	0	850,000	850,000	0	850,000
		2.2.3.1 National Water Week	O	0	0	0	0	0	0	0	0	0
		2.2.3.2 National Arbor Week	O	0	0	0	0	0	0	0	0	0
		2.2.3.3 National Sanitation Week	O	25,000	0	25,000	50,000	0	50,000	50,000	0	50,000
		2.2.3.4 Water/Sanitation Awareness Campaigns	O	300,000	0	300,000	300,000	0	300,000	300,000	0	300,000
		2.2.3.5 Preparation of dept BPP and Risk Management Plan	O	0	0	0	0	0	0	0	0	0
		2.2.3.6 Preparation of Water Use Management Plan	O	500,000	0	500,000	500,000	0	500,000	500,000	0	500,000
	2.2.4	Establish Design Office & Feasibility Studies		2,250,000	0	2,250,000	1,400,000	0	1,400,000	1,050,000	0	1,050,000
		2.2.4.1 GIS operation budget	O	250,000	0	250,000	250,000	0	250,000	0	0	0
		2.2.4.2 GIS equipment	C	0	0	0	0	0	0	0	0	0
		2.2.4.3 GIS Development & Training	O	100,000	0	100,000	250,000	0	250,000	50,000	0	50,000
		2.2.4.4 Design office software (Arcview)	C	0	0	0	0	0	0	0	0	0
		2.2.4.5 Water Treatment Works & Waste Water TW Registration	O	1,500,000	0	1,500,000	500,000	0	500,000	500,000	0	500,000
		2.2.4.6 Water loss equipment	C	0	0	0	0	0	0	0	0	0
		2.2.4.7 Blue/Green Drop compliance	O	400,000	0	400,000	400,000	0	400,000	500,000	0	500,000
		2.2.4.8 Raw water abstraction fee (DWAF)	O	0	0	0	0	0	0	0	0	0
2.3		Energy		0	0	0	0	0	0	0	0	0
	2.3.1	Energy Master Plan Review	O	0	0	0	0	0	0	0	0	0
	2.3.2	Energy sector planning	O	0	0	0	0	0	0	0	0	0
	2.3.3	Support & Integration of REDS	O	0	0	0	0	0	0	0	0	0
	2.3.4	Nkandla electricity upgrade	O	0	0	0	0	0	0	0	0	0
2.4		Regional Solid Waste		15,452,000	0	15,452,000	13,643,000	0	13,643,000	11,431,000	0	11,431,000
	2.4.1	Integrated Waste Management		5,452,000	0	5,452,000	6,043,000	0	6,043,000	6,431,000	0	6,431,000
		2.4.1.1 Integrated Waste Management Plan Review	O	0	0	0	0	0	0	0	0	0
		2.4.1.2 Waste Management Strategy (recycling)	O	0	0	0	0	0	0	0	0	0
		2.4.1.3 Investigate additional suitable land (Regional Solid Waste & Regional Cemetery)	O	0	0	0	0	0	0	0	0	0
		2.4.1.4 Waste Management Ntambanana	O	5,452,000	0	5,452,000	6,043,000	0	6,043,000	6,431,000	0	6,431,000
		2.4.1.5 Integrated Waste Grant	O	0	0	0	0	0	0	0	0	0
		2.4.1.6 Section 78 Capacity Assessment	O	0	0	0	0	0	0	0	0	0

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2.4.2	Implementation of Integrated Waste Management Plan	O	0	0	0	0	0	0	0	0	0	0
2.4.3	Planning of Regional Solid Waste Site (Cell 3&4)	O	0	0	0	0	0	0	0	0	0	0
2.4.4	Construction of Regional Solid Waste Site (Cell 2)	C	0	0	0	0	0	0	5,000,000	0	5,000,000	0
2.4.5	Solid Waste Rehabilitation Cell 1	C	10,000,000	0	10,000,000	7,600,000	0	7,600,000	0	0	0	0
2.5	Regional Cemeteries and Crematoria		500,000	0	500,000	3,000,000	0	3,000,000	3,000,000	0	3,000,000	0
2.5.1	Cemeteries/Crematoria Sector Plan Review	O	0	0	0	0	0	0	0	0	0	0
2.5.2	Implementation of Cemeteries/Crematoria Sector Plan	O	0	0	0	0	0	0	0	0	0	0
2.5.3	Planning of Regional Cemetery (Phase 2 / 3)	O	0	0	0	0	0	0	0	0	0	0
2.5.4	Construction of Regional Cemetery (Phase 2)	C	0	0	0	1,500,000	0	1,500,000	1,500,000	0	1,500,000	0
2.5.5	Mandawe Cemetery	C	500,000	0	500,000	1,500,000	0	1,500,000	1,500,000	0	1,500,000	0
2.6	Municipal Roads & Public Transport Services		0	1,688,000	1,688,000	0	1,780,000	1,780,000	0	1,869,000	1,869,000	0
2.6.1	Public Transport Plan	O	0	0	0	0	0	0	0	0	0	0
2.6.2	Rural Transport Services & Infrastructure	O	0	1,688,000	1,688,000	0	1,780,000	1,780,000	0	1,869,000	1,869,000	0
2.7	Municipal Airports		0	0	0	0	0	0	0	0	0	0
2.7.1	Regional Airport Feasibility Assessment	O	0	0	0	0	0	0	0	0	0	0
2.8	Municipal Public Works		0	0	0	0	0	0	0	0	0	0
2.8.1	Library Services	O	0	0	0	0	0	0	0	0	0	0
2.8.2	Cinci Sports Facility	O	0	0	0	0	0	0	0	0	0	0
2.8.3	Nkandla Swimming Pool	O	0	0	0	0	0	0	0	0	0	0
2.8.4	Nkandla Sports Field	O	0	0	0	0	0	0	0	0	0	0
2.8.5	Nkandla hospital	O	0	0	0	0	0	0	0	0	0	0
2.8.6	Public Works	O	0	0	0	0	0	0	0	0	0	0
2.8.7	Co-funding Business Plans	O	0	0	0	0	0	0	0	0	0	0
NATIONAL KPA: BASIC SERVICE DELIVERY & INFRASTRUCTURE INVESTMENT												
	STRATEGY THREE:											
	PEOPLE EMPOWERMENT		28,842,251	1,150,000	29,642,251	29,844,637	400,000	30,244,637	33,426,844	150,000	33,076,844	

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3.0		Operational Expenses		25,849,251	0	25,849,251	27,841,637	0	27,841,637	29,133,844	0	29,133,844
3.1		Municipal Health		0	1,150,000	1,150,000	0	400,000	400,000	0	150,000	150,000
	3.1.1	Establishment of Environmental Health Section	O	0	500,000	500,000	0	0	0	0	0	0
	3.1.2	Environmental Health Plan	O	0	500,000	500,000	0	250,000	250,000	0	0	0
	3.1.3	Implementation of Environmental Health Programmes		0	150,000	150,000	0	150,000	150,000	0	150,000	150,000
	3.1.3.1	Community Awareness and Education on Diseases	O	0	150,000	150,000	0	150,000	150,000	0	150,000	150,000
3.2		Education, Training & Capacity Building		0	0	0	0	0	0	0	0	0
	3.2.1	Co-ordination and Alignment	O	0	0	0	0	0	0	0	0	0
3.3		Safety and Security		75,000	0	75,000	75,000	0	75,000	75,000	0	75,000
	3.3.1	Crime Prevention Programmes		75,000	0	75,000	75,000	0	75,000	75,000	0	75,000
	3.3.1.1	Crime Prevention Programmes	O	75,000	0	75,000	75,000	0	75,000	75,000	0	75,000
	3.3.1.2	Crime Prevention Forum	O	0	0	0	0	0	0	0	0	0
	3.3.1.3	Education & Community Awareness Campaign	O	0	0	0	0	0	0	0	0	0
3.4		Community, Service, Facilities and Actions		1,400,000	0	1,400,000	300,000	0	300,000	2,600,000	0	2,100,000
	3.4.1	Community Services Plan (Review)	o	300,000	0	300,000	300,000	0	300,000	0	0	0
	3.4.2	Implementation of Community Services Plan		0	0	0	0	0	0	500,000	0	0
	3.4.2.1	Multi-Purpose Community Centres - Co-ordination	O	0	0	0	0	0	0	0	0	0
	3.4.2.2	Amakhosi Chamber	C	0	0	0	0	0	0	0	0	0
	3.4.3	Sport & Recreation Programme		1,100,000	0	1,100,000	0	0	0	2,100,000	0	2,100,000
	3.4.3.1	District Elimination and KWANALOGA Games	O	1,000,000	0	1,000,000	1,000,000	0	1,000,000	2,000,000	0	2,000,000
	3.4.3.2	Sport Development	O	100,000	0	100,000	0	0	0	100,000	0	100,000
3.5		Disaster Management		728,000	0	728,000	678,000	0	678,000	688,000	0	688,000
	3.5.1	Disaster Management Plan Review	O	300,000	0	300,000	300,000	0	300,000	310,000	0	310,000
	3.5.2	District Advisory Committee/Forum	O	28,000	0	28,000	28,000	0	28,000	28,000	0	28,000
	3.5.3	Disaster Stock Items	O	150,000	0	150,000	150,000	0	150,000	150,000	0	150,000
	3.5.4	Centre Management Support	O	0	0	0	0	0	0	0	0	0
	3.5.5	Shared Services	O	0	0	0	0	0	0	0	0	0
	3.5.6	Disaster Management Centre	C	0	0	0	200,000	0	200,000	200,000	0	200,000
	3.5.7	Fire Fighting Services		250,000	0	250,000	0	0	0	0	0	0
	3.5.7.1	Fire Fighting Equipment	c	250,000	0	250,000	0	0	0	0	0	0
3.6		Marginalised Groups		350,000	0	0	450,000	0	450,000	450,000	0	450,000
	3.6.1	Programmes for the Marginalised (Gender, Youth, Children, Disabled, Senior Citizens)	O	350,000	0	0	450,000	0	450,000	450,000	0	450,000
	3.6.1.1	Gender Programme	o	0	0	0	0	0	0	0	0	0
	3.6.1.2	Youth Programmes	o	0	0	0	0	0	0	0	0	0

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	3.6.1.3	Programme for Disabled	o	0	0	0	0	0	0	0	0	0
	3.6.1.4	Annual Day of Prayer	o	0	0	0	0	0	0	0	0	0
	3.6.1.5	Cultural Events - Heritage Day	O	0	0	0	0	0	0	0	0	0
	3.6.1.7	Children's Programmes	o	0	0	0	0	0	0	0	0	0
	3.6.1.8	Gender Violence Camp	o	0	0	0	0	0	0	0	0	0
3.7		HIV/AIDS		440,000	0	440,000	500,000	0	500,000	480,000	0	480,000
	3.7.1	HIV/AIDS Programme		440,000	0	440,000	0	0	0	440,000	0	440,000
	3.7.1.1	Implementation of HIV/Aids Programmes	O	440,000	0	440,000	500,000	0	500,000	480,000	0	480,000
NATIONAL KPA: SPATIAL PLANNING & SPATIAL DEVELOPMENT FRAMEWORKS												
		STRATEGY FOUR: INTEGRATED ENVIRONMENT		12,340,088	329,000	12,669,088	13,000,495	0	13,000,495	13,124,720	0	13,124,720
4.0		Operational Expenses		10,853,152	0	10,853,152	11,639,495	0	11,639,495	12,199,720	0	12,199,720
4.1		Integrated Development Planning		1,256,936	329,000	1,585,936	650,000	0	650,000	500,000	0	500,000
	4.1.1	IDP Review		550,000	329,000	879,000	650,000	0	650,000	500,000	0	500,000
	4.1.1.1	Annual IDP Review	O	100,000	0	100,000	50,000	0	50,000	50,000	0	50,000
	4.1.1.2	Strategic Support	O	0	329,000	329,000	0	0	0	0	0	0
	4.1.1.3	IDP Review Roadshows - Izimbizo	O	400,000	0	400,000	400,000	0	400,000	400,000	0	400,000
	4.1.1.4	Review of Spatial Development Framework	O	50,000	0	50,000	200,000	0	200,000	50,000	0	50,000
	4.1.2	Quality of Life Survey	O	300,000	0	300,000	0	0	0	0	0	0
	4.1.3	GIS Development		0	0	0	0	0	0	0	0	0
	4.1.3.1	GIS Development & Training	o	0	0	0	0	0	0	0	0	0
	4.1.3.2	Municipal Development Information Services (Shared Services)	o	0	0	0	0	0	0	0	0	0
	4.1.4	Planning Implementation		406,936	0	406,936	0	0	0	0	0	0
	4.1.4.1	Town Planning & Land Use Management	o	0	0	0	0	0	0	0	0	0
	4.1.4.2	Development Planning: Shared Services	o	406,936	0	406,936	0	0	0	0	0	0
	4.1.4.3	MSIG	o	0	0	0	0	0	0	0	0	0
	4.1.4.4	Development Administration	o	0	0	0	0	0	0	0	0	0
4.2		Land Reform		30,000	0	30,000	50,000	0	50,000	75,000	0	75,000
	4.2.1	KZ Co-ordination & Alignment		30,000	0	30,000	50,000	0	50,000	75,000	0	75,000
	4.2.1.1	Area Based Plan	o	0	0	0	0	0	0	0	0	0
	4.2.1.2	District Land Summit Information	O	30,000	0	30,000	50,000	0	50,000	75,000	0	75,000
4.3		Housing		0	0	0	0	0	0	50,000	0	50,000
	4.3.1	KZ Co-ordination & Alignment	O	0	0	0	0	0	0	50,000	0	50,000
4.4		Environmental Management		200,000	0	200,000	661,000	0	661,000	300,000	0	300,000
	4.4.1	Integrated Environmental Programme (Review)	O	200,000	0	200,000	0	0	0	0	0	0
	4.4.2	Implementation of Integrated Environmental Programme	0	0	0	0	350,000	0	350,000	150,000	0	150,000
	4.4.2.1	EIA Policies	O	0	0	0	0	0	0	0	0	0

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4.4.3		Implementation:Removal of Invader Plants Business Plan	o	0	0	0	0	0	0	0	0	0
4.4.4		Coastal Management Programme (Review)	O	0	0	0	0	0	0	50,000	0	50,000
4.4.5		Implementation of Coastal Management Programme	o	0	0	0	311,000	0	311,000	100,000	0	100,000
	4.4.5.1	District Coastal Working Group		0	0	0	0	0	0	0	0	0
NATIONAL KPA: FINANCIAL VIABILITY & FINANCIAL MANAGEMENT - Financial Control												
NATIONAL KPA: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT - Corporate Services, Administrative Services, Institutional Development, Shared Services												
NATIONAL KPA: GOOD GOVERNANCE & COMMUNITY PARTICIPATION - Public Relations & Communications, Performance Management Programme, Special Projects												
		STRATEGY FIVE:										
		LEADERSHIP EXCELLENCE		61,846,909	982,391	62,979,300	61,466,592	1,119,297	62,585,889	64,747,622	1,044,542	65,792,164
5.0		Operational Expenses		50,752,018	0	50,752,018	53,659,201	0	53,659,201	56,863,231	0	56,863,231
5.0		Internal Fixed Assets	C	455,000	40,000	495,000	0	40,000	40,000	0	20,000	20,000
5.0		Building Extensions		0	0	0	0	0	21,365,041	0	0	0
5.1		Financial Control		6,122,391	942,391	7,064,782	6,122,391	1,079,297	7,201,688	6,142,391	1,024,542	7,166,933
	5.1.1	Compilation of Financial Statements		0	0	0	0	0	0	0	0	0
	5.1.2	Budget Cycle		0	0	0	0	0	0	0	0	0
	5.1.3	Income		5,642,391	150,000	5,792,391	5,642,391	150,000	5,792,391	5,642,391	150,000	5,792,391
	5.1.3.1	Revenue Collection	o	0	0	0	0	0	0	0	0	0
	5.1.3.2	Motor vehicle license fees	o	0	0	0	0	0	0	0	0	0
	5.1.3.3	Revenue Enhancement Plan	O	0	150,000	150,000	0	150,000	150,000	0	150,000	150,000
	5.1.3.4	uThungulu Financing Partnership	o	5,642,391	0	5,642,391	5,642,391	0	5,642,391	5,642,391	0	5,642,391
	5.1.4	Expenditure		400,000	490,000	890,000	400,000	700,000	1,100,000	400,000	650,000	1,050,000
	5.1.4.1	Procurement (Supply Chain Management) - Stores	o	0	0	0	0	0	0	0	0	0
	5.1.4.2	Salaries & wages	o	0	0	0	0	0	0	0	0	0
	5.1.4.3	Asset Care Centre		0	490,000	490,000	0	700,000	700,000	0	650,000	650,000
	5.1.4.4	Fixed Asset Register		0	0	0	0	0	0	0	0	0
	5.1.4.5	Insurance Claims (Capital)	c	300,000	0	300,000	300,000	0	300,000	300,000	0	300,000
	5.1.4.6	Insurance Claims (Operational)	o	100,000	0	100,000	100,000	0	100,000	100,000	0	100,000
	5.1.5	Implementation of Financial Legislation		0	0	0	0	0	0	0	0	0
	5.1.5.1	E-Venus	o	0	0	0	0	0	0	0	0	0
	5.1.5.2	Venus Server System	o	0	0	0	0	0	0	0	0	0
	5.1.6	Implementation of MFMA	o	0	152,391	152,391	0	79,297	79,297	0	24,542	24,542
	5.1.7	Credit Rating (MSIG)	O	80,000	150,000	230,000	80,000	150,000	230,000	100,000	200,000	300,000
5.2		Management Services		2,276,000	0	2,426,000	800,000	0	800,000	800,000	0	800,000
	5.2.1	Human Resource Development		2,276,000	0	2,426,000	800,000	0	800,000	800,000	0	800,000
	5.2.1.1	TASK Job Evaluation	o	1,400,000	0	1,400,000	0	0	0	0	0	0
	5.2.1.2	Assessment Software	c	76,000	0	76,000	0	0	0	0	0	0
	5.2.1.3	Bursaries Recruitment (Tertiary Institutions)	o	0	0	0	0	0	0	0	0	0
	5.2.1.4	Employee Assiatnce Programme	O	250,000	0	250,000	250,000	0	250,000	250,000	0	250,000
	5.2.1.5	Implementation of Occupational Health & Safety Act	O	350,000	0	350,000	350,000	0	350,000	350,000	0	350,000
	5.2.1.6	Internship Programme	O	200,000	0	350,000	200,000	0	200,000	200,000	0	200,000
5.3		Information Technology		1,201,500	0	1,201,500	0	0	0	0	0	0
	5.3.1	Master Systems Plan (Impl. of ICT Strategy)	o	0	0	0	0	0	0	0	0	0
	5.3.2	Document Management System	o	0	0	0	0	0	0	0	0	0
	5.3.3	IT Internal Fixed Assets	C	1,201,500	0	1,201,500	0	0	0	0	0	0
	5.3.4	Enterprise Resource Management System (SAP)	o	0	0	0	0	0	0	0	0	0
5.4		Administrative Services		0	0	0	0	0	0	0	0	0
	5.4.1	General Corporate Administration Services		0	0	0	0	0	0	0	0	0
5.5		Public Relations & Communications		550,000	0	550,000	350,000	0	350,000	350,000	0	350,000
	5.5.1	Public Relations Programme		300,000	0	300,000	300,000	0	300,000	300,000	0	300,000
	5.5.1.1	Events	O	150,000	0	150,000	150,000	0	150,000	150,000	0	150,000
	5.5.1.2	Marketing	O	150,000	0	150,000	150,000	0	150,000	150,000	0	150,000
	5.5.2	Twinning Agreement (Manzini & UDM)	o	0	0	0	0	0	0	0	0	0
	5.5.3	Intergovernmental Relations		0	0	0	0	0	0	0	0	0
	5.5.3.1	District Imbizo's	o	0	0	0	0	0	0	0	0	0
	5.5.3.2	Technical District Committee	o	0	0	0	0	0	0	0	0	0

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	5.5.3.3	District Mayor's Forum	o	0	0	0	0	0	0	0	0	0
	5.5.3.4	District House of Traditional Leaders	o	0	0	0	0	0	0	0	0	0
	5.5.4	Uthungulu Web-site Development	O	250,000	0	250,000	50,000	0	50,000	50,000	0	50,000
5.6		Shared Services		0	0	0	0	0	0	0	0	0
	5.6.1	Establishment of Shared Services Concept	o	0	0	0	0	0	0	0	0	0
5.7		Performance Management Programme		280,000	0	280,000	315,000	0	315,000	350,000	0	350,000
	5.7.1	Individual Performance Management	o	125,000	0	125,000	140,000	0	140,000	155,000	0	155,000
	5.7.2	Organisational Performance Management	o	155,000	0	155,000	175,000	0	175,000	195,000	0	195,000
5.8		Institutional Development		210,000	0	210,000	220,000	0	220,000	242,000	0	242,000
	5.8.1	District Information Management System	o	0	0	0	0	0	0	0	0	0
	5.8.2	Risk Management	o	210,000	0	210,000	220,000	0	220,000	242,000	0	242,000
	5.8.2.1	Risk Management Strategy - King III	o	110,000	0	110,000	110,000		110,000	121,000		121,000
	5.8.2.2	Fraud Prevention	o	100,000	0	100,000	110,000		110,000	121,000		121,000
	5.8.3	Policy Development	o	0	0	0	0	0	0	0	0	0
5.9		Special Projects		0	0	0	0	0	0	0	0	0
	5.9.1	2010 Soccer World Cup		0	0	0	0	0	0	0	0	0
	5.9.1.1	2010 Soccer World Cup Strategy		0	0	0	0	0	0	0	0	0
	5.9.1.2	Soccer Stadiums (Infrastructure)		0	0	0	0	0	0	0	0	0
	5.9.1.3	Synthetic Athletics Track		0	0	0	0	0	0	0	0	0
	5.9.1.4	Soccer 2010 Disaster Management Grant		0	0	0	0	0	0	0	0	0
	5.9.1.5	Strategic Readiness Plan		0	0	0	0	0	0	0	0	0
	5.9.2	Integrated Poverty Alleviation Strategy		0	0	0	0	0	0	0	0	0
	5.9.3	Community Support Programme		0	0	0	0	0	0	0	0	0
		GRAND TOTAL		428,640,791	209,925,391	638,566,182	454,522,621	238,305,233	694,402,920	472,249,891	261,805,542	734,430,433

H. FINANCIAL PLAN

1 ALIGNMENT OF BUDGET & IDP

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

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

The budget was prepared using the following IDP inputs:

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

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

2 MODELS USED FOR PRIORITISING RESOURCE ALLOCATION

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

The main criteria applied related to the:

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

(5) Planning and approval status.

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

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

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

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

	PROGRAMME	PRIORITY TOTAL:
1	Regional Solid Waste	11.5
1	Municipal Public Works	11.5
2	Potable Water, Waste Water & Sanitation	11.0
2	Integrated Development Planning	11.0
3	Municipal Health	10.6
4	Energy	10.5
4	Drought relief	10.5
4	Regional Cemeteries and Crematoria	10.5
4	Fire Fighting (Shared services)	10.5
5	Disaster Management	10.3
6	Municipal Roads & Public Transport Services	10.0
6	Water Service Authority & Planning	10.0
6	Financial Control	10.0
7	HIV/AIDS	9.6
8	Local Economic Development	9.0
9	Poverty Alleviation	8.3
9	Planning Implementation Management Support (PIMS)	8.3
10	Performance Management Programme	8.0
11	Safety and Security	7.8
12	Local Tourism Development	7.5
13	Municipal Airports	7.2
14	Agricultural Development	6.5
15	Community, Service, Facilities and Actions	5.9
16	Environmental Management	5.5
17	Business & Industrial Development	4.5
17	Management Services	4.5
17	Administrative Services	4.5
18	Housing	4.2
19	Marginalised Groups	3.9
20	Education, Training & Capacity Building	3.6
21	Public Relations & Communications	3.5
22	Telecommunication and Technology	3.2
22	Land Reform	3.2

3 BUDGET OVERVIEW

3.1 LEGISLATIVE REQUIREMENTS

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

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

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

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

In accordance with MFMA Circular No. 41 which states that "Municipalities are expected to table credible and sustainable budgets. The multi-year budgets should be outputs/outcomes focused and consistent with the form required in

terms of the MFMA and supported by the budget and revenue related policies. In this regard, we emphasize the need to ensure that revenue projections are realistic and achievable, allocations from other sources are consistent with the Division of Revenue Act (DORA), provincial and district budgets, tariffs and rates are raised taking into account affordability levels of the community, the backlogs in infrastructure are being addressed, whilst maintaining a balance between new and rehabilitation of assets, sufficient provision is made for maintenance of existing assets, provision for working capital, administrative overheads are minimized and overdrafts are managed downwards over the next financial year.”

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

According to the budget/IDP timetable, initial alignment meetings have already occurred with major stakeholders, such as provincial and national government departments, and meetings with suppliers, EXCO, MANCO and Council, and road shows to the communities in October 2009.

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

- The Division of Revenue Bill 2010; and
- The Municipal Systems Act (Act No.32 of 2000), together with the Municipal Systems Amendment Act (Act No. 44 of 2003).

Division of Revenue Bill 2010

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

These allocations are used when preparing the three year budget in order to comply with section 18 of the MFMA (relating to reasonably anticipated revenues to be collected). Additional allocations – both nationally and provincially – are

sometimes made to municipalities. However, these are not included in the original budget as the allocations are not certain. When confirmed they will be included in an adjustments budget in accordance with section 28 of the MFMA.

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

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

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

3.2 BUDGET SUMMARY

The following table summarises the overall 2010/11 multi-year budget:

Table 37: Summary 2011/12 Multi-Year Budget

2011/12 - 2013/14 Budget Discussion Document	11/12 Budget	12/13 Budget Forecast	13/14 Budget Forecast
Expenditure			
Internally Funded Operational Exp (Inc Salaries)	326,855,333	353,722,842	377,805,908
Internally Funded Operational Projects	41,417,343	45,079,362	46,786,770
Internally Funded Capital Projects	39,392,500	36,400,000	27,700,000
Grant Funded Opex (FMG, Planning Shared Serv & PMU)	19,969,536	19,931,730	21,507,669
Externally Funded Operational Projects	47,883,023	26,267,043	38,519,000
Externally Funded Capital Projects	157,873,368	214,701,786	225,962,000
Total Expenditure	633,391,102	696,102,764	738,281,347
Equitable Share & LRG	(282,349,710)	(310,162,595)	(334,348,005)
Environmental Health QS	(16,828,290)	(18,653,405)	(19,849,995)
Internally Generated Funds	(65,126,363)	(70,281,125)	(75,390,305)
Conditional Grants Revenue	(208,400,000)	(241,711,000)	(265,561,000)
Prior Year's Conditional Grants	(497,637)	(536,154)	(577,674)
Depreciation Funding Reserve	(32,000,000)	(32,000,000)	(32,000,000)
Provision for Rehabilitation - Solid Waste Cell	(10,000,000)	(7,600,000)	-
Project Rollovers - Internally Funded Capital	-	-	-
Surplus Brought Forward (2010/11)	(18,189,102)	(15,158,485)	(10,554,368)
Surplus Brought Forward (2009/10)	-	-	-
Borrowings	-	-	-
Total Revenue	(633,391,102)	(696,102,764)	(738,281,347)

3.3 BUDGET POLICIES & SYSTEMS

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

Name of Policy	Date of Council adoption	Purpose / Basic areas covered by Policy
Tariff	29 th March 2007 (UDMC: 253)	Details of all tariffs and charges for new financial year
Credit control and debt collection bylaws	14 th March 2007 (UDMC: 185)	Principles and guidelines to be followed with respect to arrear consumer debt control
Incentive	29 th March 2007 (UDMC: 252)	To improve the principal of paying for services received.
Indigent	29 th March 2007 (UDMC: 251)	Guidelines and procedures for the subsidization of rates and basic services to indigent households
Borrowing Policy	23 rd September 06 (UDMC: 23)	Sets out the borrowing principles that the municipality will follow when considering any form of borrowing.
Investment and Banking	8 th November 06 (UDMC: 83)	Guideline of procedures to be followed when investing or lending money.
Virement	14 December 05 (UDMC: 2689)	Sets out guidelines and procedures to be followed when transferring budget savings between votes
Supply chain management	14 December 05 (UDMC: 2688)	Dictates procedures for the procurement of goods and services

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

3.3.1 ASSET MANAGEMENT POLICY

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

3.3.2 REVENUE MANAGEMENT & BILLING SYSTEM

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

3.3.3 EXPENDITURE REPORTS

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

3.4 FUNDING OF THE BUDGET

The following table provides a summary of revenue by source for the financial years 2011/12 to 2013/14:

Table 38: Summary Revenue by source

	Budget 11/12	Budget 12/13	Budget 13/14
Revenue by Source			
Grants & Subsidies - Provincial - Operational	439,000	-	-
Strategic Support	439,000	-	-
Total Province Allocations	439,000	-	-
Grants & Subsidies - National - Operational	351,305,632	356,565,579	368,817,000
Equitable Share	130,135,710	144,249,595	153,503,005
Levy Replacement Grant	152,214,000	165,913,000	180,845,000
ES Environmental Health	16,828,290	18,653,405	19,849,995
MSIG	790,000	1,000,000	1,000,000
Water services operating & transfer subsidy	-	-	5,000,000
Local Finance Management Grant	1,250,000	1,250,000	1,250,000
MIG Operational - Project Management Unit	2,736,000	-	-
MIG - Sanitation Projects	38,362,632	23,719,579	5,500,000
Rural Transport Services & Infrastructure	1,688,000	1,780,000	1,869,000
EPWP Incentive Grant	7,301,000	-	-
Grants & Subsidies - National - Capital	153,833,368	211,961,421	250,942,000
Regional Bulk Infrastructure Grant	33,999,000	40,001,000	50,000,000
MIG - Water Projects	119,834,368	171,960,421	200,942,000
Total National Government Allocations	505,139,000	568,527,000	619,759,000

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Public Contributions	2,000,000	2,000,000	-
Richardsbay Minerals	2,000,000	2,000,000	-
Other Government			
Total Grants & Subsidies	507,578,000	570,527,000	619,759,000
National	505,139,000	568,527,000	619,759,000
Other Government	2,000,000	2,000,000	-
OTHER INCOME			
Sundry Income	6,605,574	6,738,063	6,845,378
Sale of Maps	324	350	371
Legal fees recovered	34,992	37,791	40,059
Air Quality Licensing Fees	1,440,000	1,555,200	1,648,512
Tender monies	180,792	195,255	206,971
Income from uThungulu Finance Partnership	4,949,466	4,949,466	4,949,466
Interest	25,647,702	27,707,379	29,369,822
- Current & General	3,086,917	3,341,732	3,542,236
- Investments	22,333,336	24,120,003	25,567,203
- Late Payment	52,488	56,687	60,088
- Loans : Internal	174,960	188,957	200,294
Shared Service Revenue	-	-	-
-Locals contribution for fire fighting service	-	-	-
Total Other Income	32,253,276	34,445,442	36,215,200
Trading Services			
Solid Waste Fees	7,118,815	8,542,578	10,251,094
Cemetery Fees	321,164	334,011	347,372
Total Water Sales	22,232,451	23,566,398	24,980,381
Total Sanitation	3,200,657	3,392,697	3,596,258
TOTAL TRADING SERVICES REVENUE	32,873,087	35,835,684	39,175,105
Summary of Total Revenue by Source			
Operational Grants	351,744,632	356,565,579	368,817,000
Capital Grants	155,833,368	213,961,421	250,942,000
Other income	32,253,276	34,445,442	36,215,200
Trading Services	32,873,087	35,835,684	39,175,105
Total Revenue - Excluding Depreciation Reserve	572,704,363	640,808,125	695,149,305
Surplus reserve for depreciation	32,000,000	32,000,000	32,000,000
Provision for Rehabilitation - Solid Waste	10,000,000	7,600,000	
2010/11 Surpluses Brought Forward	18,189,102	15,158,485	10,554,368
Prior Year Grant Funding	497,637	536,154	577,674
Total Revenue	633,391,102	696,102,764	738,281,347

3.4.1 TARIFFS AND OTHER CHARGES

Changes in tariff structure

In October 2003, the assessment of the water provision for the District (excluding KZ 282) per section 78 per the MSA was completed. The results in the summary indicated that the Local Municipalities current water tariffs were not fully inclusive of all costs and therefore could not be implemented as the increase in tariffs would be unaffordable.

Council then adopted a phased in approach. Item UDME: 2161.

Municipal Services

There are four categories of municipal services, namely that of:

- ❖ Trading services e.g. Water, electricity and sewerage
- ❖ Economic services e.g. Solid waste disposal facility and other adhoc
- ❖ Subsidized services e.g. Categories of water and cemetery
- ❖ Community services e.g. Fire fighting

➤ Trading Services

These services are defined as services whereby the consumption of the service is measurable and can be accurately apportioned to an individual consumer. These services are hence managed like businesses and meters are read, where circumstances reasonably permit, on a monthly basis. The tariffs for these services are budgeted for in such a way as to reach a breakeven situation for the municipality. Examples of these services include water, electricity and waste sewer.

The Council's pricing strategy for these services is to **where possible** recover the full cost of rendering the service to the communities. For this purpose full cost includes:

- ❖ Direct operating costs e.g. Salaries, allowances including overtime, materials used, repairs and maintenance, general expenses and plant and vehicle hire.

- ❖ Depreciation / capital charges based on usage, life of buildings, plant and equipment and infrastructure used.
- ❖ Financing outlays which includes loan service cost.
- ❖ Allocated costs that include costs allocated through support services.

➤ **Economic Services**

These are services for which tariffs are fixed in such a way as where possible the full cost of providing the service is recovered, e.g. trade effluent includes commercial and industrial use of the solid waste site, tender deposits and sale of maps. The consumption of an economic service can be measured or determined accurately and charged to an individual consumer. Whilst they are also managed like businesses, the tariffs for these services are normally determined in such a way that user charges cover the cost of providing the service.

These costs can be determined as follows:

- ❖ Full cost of providing the service or;
- ❖ The rate per unit is based on projected usage.

➤ **Subsidized Services**

These are services for which tariffs are fixed in such a way that at least a portion of the cost of providing the service can be recovered. The consumption of these services can be determined reasonably accurately and can be apportioned to individuals and consumers. However, if the tariffs for using this service were based on its real cost, nobody would be able to afford it. In most cases not only would the consumer benefit from using the service, but also other persons.

Therefore, user charge is payable for using the service, but the tariff is much lower than the real cost of providing the service. These services include water, fire fighting, approval of building plans and the construction of buildings (Nkandla and Mbonambi only), leasing of municipal facilities, selling of burial sites and certain town planning functions.

➤ **Community Services**

Community services are those services for which the Council is unable to accurately determine the consumption and hence apportion to individual

consumers. These services are typically financed through the operating budget. These services include the provision and maintenance of roads and storm water drainage systems, the establishment, management and maintenance of cemeteries etc. In addition to the above services sewage removal is also a community service provided directly to all the residents and for which costs form part of a balanced budget.

The Municipality also provides support services such as committee services, records and archives, financial management accounting and stores, occupational health and human resources management, which are financed through the operating budget

Calculation of tariffs for major services

A minimum amount of basic services must be free. The Municipality subscribes to the policy that all poor households are entitled to a minimum amount of free basic services. A basic service is a service that is necessary to ensure an acceptable and reasonable quality of life and, if not provided, would endanger public health or safety of the environment. These services include:

- ❖ Potable water
- ❖ Domestic wastewater and sewage removal
- ❖ Burials
- ❖ Electricity

Council is aware that it currently does not provide these services to all residents within its municipal area. It is also aware that, more than likely, some of the services it currently provides in conjunction with the abovementioned services may be transferred or assigned to other bodies. In the latter case, the Council commits itself to make representations and negotiate with those services providers to achieve its goal.

Council realizes that in order to achieve its goal, a minimum amount of basic services should be free to the poor, whilst tariffs for services above the minimum level of consumption will have to be increased. These increases are necessary to make good any shortfall resulting from free services and to ensure a balanced budget on the trading account.

Keeping Tariffs Affordable

Council is keenly aware of the financial situation of most residents within the Municipal area therefore, it undertakes to keep tariffs at affordable Levels. Council is also aware that due to historical reasons many residents receive services at a level higher than what they can afford. In order for services to remain affordable Council will ensure that:

- ❖ Services are delivered at an appropriate level,
- ❖ Efficiency improvements are actively pursued across the Municipalities' operations,
- ❖ Any service that is provided for which there is little demand, be priced at the actual cost of providing it and which requires the Municipality to maintain significant infrastructure and other facilities, are phased out, except where Council is by law required to provide such a service.

➤ Introducing the "Consumer must pay principle".

Having regard for the abovementioned Council's policy on minimum amount of free basic services, Council believes that consumers of services must pay for the amount of services that they use. Where it is possible to measure the consumption services, Council intends to install metering systems as in the case of water usage, and to take into account the free service element. In this regard the Council will develop a programme to install meters in appropriate cases. Also it is the Council's policy that the tariffs for such services must include all relevant cost factors.

➤ Redistribution / Cross Subsidization

It is a fact that some members of the community are better able to afford to pay for the services that they use and have the benefit of, than others are. The budget of the Municipality is an important device in ensuring redistribution within the community. Likewise Council will ensure that the cross-subsidization occurs between and within services to further contribute to its redistribution objectives.

➤ Promoting Local and Economic Competitiveness and Development

The service charges accounts presented to the local businesses, is a significant business overhead for any business enterprise in the Municipal area. The overhead of a business is one of the factors that influence the price of goods and services sold by it, and therefore its profitability and chances of survival. Council will take care that the municipal accounts presented to local businesses are fair. To ensure fairness toward local business, Council will, when it determines tariffs, take into account the desire:

- ❖ To promote local economic competitiveness and
- ❖ To promote local economic development and growth.

➤ Ensuring Financial Sustainability of Service Delivery

The Constitution, Local Government Municipal Systems Act, 2000 and Water Services Act of 1997 require that the Municipality must ensure that the services that it provides must be sustainable.

Financial sustainability of an enterprise will be achieved when it is financed in a manner that ensures that its financing is sufficient. The tariff for a service must therefore be sufficient to cover the cost of the initial capital expenditure required and interest thereon, managing and operating the service and maintaining, repairing and replacing the physical assets used in its provision. However, sustainability does not only mean that the price of the service must include all the relevant cost elements, it also means that charges to be levied must be collected. Council will therefore adopt and apply a Credit Control and Debt Collection policy to ensure that service charges are fully recovered.

It be noted that a section 73 revision is currently in progress in order to determine the appropriateness of the current tariffs, in relation to cost recoverability.

I. PERFORMANCE MANAGEMENT

Performance management is a strategic approach to management, which is aimed at equipping leaders, managers, workers and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organization in terms of indicators and targets for efficiency, effectiveness and impact. It is a requirement for local government in terms of the Municipal Systems Act, which requires all municipalities to:

- o Develop a performance management system;
- o Set targets, monitor and review performance based indicators linked to their integrated development plan (IDP);
- o Publish an annual report on performance for the councilors, staff, the public and other spheres of government;
- o Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government;
- o Conduct an internal audit on performance before tabling the report;
- o Have their annual performance report audited by the Auditor-General; and,
- o Involve the community in setting indicators and targets and in reviewing municipal performance.

1 PERFORMANCE MANAGEMENT SYSTEM

1. Organisational Performance Measurement:

The Organisational Performance Management System (OPMS) was implemented by the Kwazulu Natal Department of Corporative Governance and Traditional Affairs (KZN CoGTA) in 2009 as a tool to ensure the development and achievement of national, provincial and municipal objectives to ensure that the Millennium Goals for 2015 are achieved nationally.

The following performance related information reports will be prepared:

- Quarterly reporting (in terms of the Municipal Planning and Performance Management Regulations 2001 – MPPMR);
- Bi-Annual Reports (In terms of the Municipal Systems Act – MSA, Section 46 and 47)

The following templates will be implemented/populated in respect of Performance Information Reporting.

- Organisational Scorecard
- Departmental Scorecard
- Quarterly, ½ Yearly and Annual Performance Reports.

Municipal/Organisational Key Performance Indicators are developed in terms of the Uthungulu DM's IDP and the municipal/organisational scorecard perspectives, and are also aligned to the KZN DLGTA scorecard criteria as reflected in the Annual Performance Report template. The drafting of the OPMS Scorecard per annum is an extensive process undertaken by the Performance Manager and the Planning and Development Department to ensure that alignment is coordinated between the OPMS requirements and level 3 of the IDP Framework Plan for the applicable financial year.

The uThungulu District Municipality assists the MEC of the province by submitting quarterly data collection sheets to KZN CoGTA in compiling the consolidated report on performance for KZN. These reports incorporate the Municipal Turnaround Strategy measurement tool.

The Auditor General has expressed to municipalities the importance of OPMS in the Performance Management System and the reports thereon to ensure a clean audit opinion as of the 2011/2012 financial year. uThungulu District Municipality strives to ensure a clean audit with regards to OPMS.

2. Individual Performance (Section 57) Measurement:

The Uthungulu District Municipality Individual Performance Measurement for Section 57 Managers is managed in strict accordance to the Local Government:

Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, dated 1 August 2006.

Performance Agreements for Section 57 Managers: Each Section 57 Manager enters into a "Performance Pack" consisting of a Performance Agreement, Performance Plan, Personal Development Plan, Code of Conduct and Financial Declaration by latest 31 July of every year.

Quarterly Performance Panel Assessments:

The performance of Section 57 Managers is assessed on a quarterly basis. In terms of the Municipal Performance Regulations only the half yearly (2nd quarter) and full year (4th quarter) assessments must be treated as formal assessments. However, in the case of Uthungulu, all 4 quarters are treated as formal, with panel assessments carried out for each quarter. It is only during the final performance assessments, conducted at the end of the financial year on full year performance, that a coring calculator is applied to the assessment in accordance with the Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, (2006) to determine the performance bonus for which a Section 57 Manager qualifies.

Performance Panels:

Performance panels are duly constituted in accordance to the regulations 27 (1) (d) and (e) of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, (2006).

The Performance Panel has been reconstituted in the 2009/10 financial year for a new 2 year term of office.

Performance Audit Committee:

The Performance Audit Committee has also been reconstituted during the 2009/10 financial year for a new 2 year term of office, strictly in accordance to legislation where the committee consists of two external members with performance management skills, and one internal member. The Performance Audit Committee conducts its business in accordance to a Performance Audit Committee Charter and meets at least four times in a financial year.

Internal Audit Reporting on Performance Measurement:

Messrs Pricewaterhouse Coopers has successfully been appointed by public tender process for a three year term of office as Internal Auditors to the Uthungulu District Municipality and conducts an internal audit review after every quarterly performance assessment, after which the internal audit report with its findings is submitted to the Performance Audit Committee. A report of the Performance Audit Committee then serves at SCOPA, EXCO and Council.

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2. OUTCOME 9 OF THE MEDIUM TERM STRATEGIC FRAMEWORK OF GOVERNMENT

The most recent programme That has been developed was the Local Government Turn-Around Strategy (LGTAS) which was approved by Cabinet in December 2009. Subsequent to this approval, an Implementation Plan was developed. The objectives of the LGTAS are to:

- **Restore the confidence** of the majority of our people in our municipalities, as the primary delivery machine of the developmental state at a local level.
- **Re-build and improve the basic requirements** for a functional, accountable, responsive, effective, efficient developmental local government

The Implementation Plan was developed in order to enable the Department of Cooperative Governance (**DCoG**), all spheres of government, and its partners to direct and guide the implementation of the LGTAS. As part of the plan, short to medium term priorities were developed and these are linked to 'outcome nine' derived from the Medium Term Strategic Framework of government. **Outcome 9** is about ensuring the development of '*A Responsive, Accountable, Effective and Efficient Local Government System.*' In turn there are seven high level outputs outlined below, which have to be achieved to give effect to 'outcome nine', which is the basis for the Minister's Performance Agreement:

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

Outcome Nine with its 7 outputs will form part of the Monitoring, Reporting and Evaluation Framework of Local Government. The table below illustrates the monitoring and evaluation framework.

uTthungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

	High Level Outcome	High Level Activity	Deliverable/ Output	Responsibility	Target 2011/12	Indicator(s)	Alignment / Comment
1.1	Implement a differentiated approach to municipal financing, planning and support (Output 1 of Minister's PA)	Design simplified IDPs to focus on planning for the delivery of a set of 10 critical municipal services in smaller municipalities	Simplified IDPs developed, adopted and implemented. (LG Ten Point Plan –LG TPP)	Lead: DCoG (Development Planning & Governance and IGR Portfolios) Support: Municipalities, National and Provincial Sector departments.	Implement the revised IDP Framework Guide in 30% of smaller municipalities; Support the implementation of a revised, simplified and differentiated IDP process	% of smaller municipalities producing simplified IDPs	The implementation of this indicator is a constant objective and will be taken into consideration during the review process of the 2012/2013 financial year.
1.2		IDPs supported by a simple revenue plan to better manage costs and enhance management of revenue.	Simple Revenue Plans		Support and monitor the implementation of a simple Revenue Plan in 30% of smaller municipalities	% of smaller municipalities implementing the simple Revenue Plan	
2.1.1	Improving Access to Basic Services. (Output 2 of Minister's PA)	Establish a Bulk Infrastructure Fund to unlock delivery of reticulation services, fund bulk infrastructure, and procure well located land;	Provision of bulk infrastructure in order to improve universal access to basic services by 2014 as follows:	Lead: DCoG (Infrastructure & Economic Development Portfolio) Support: National/ Provincial Treasuries,	Support and monitor the implementation of infrastructure projects funded through the BIF	Number of bulk infrastructure projects funded through the BIF	This indicator is measured in the OPMS Departmental Scorecard of the Executive Director Corporate Services
2.1.2			Access to water for all		% increase in the provision of water	% of households with access to basic level of water	This indicator is measured in the OPMS Departmental Scorecard

uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

	High Level Outcome	High Level Activity	Deliverable/ Output	Responsibility	Target 2011/12	Indicator(s)	Alignment / Comment
	Plan (TPP)			Human Settlements, Provincial			of the Executive Director Corporate Services
2.1.3			Access to sanitation for all	Departments of LG, Department of Energy, Environment, Water Affairs, municipalities	% increase in the provision of sanitation	% of households with access to basic level of sanitation	This indicator is measured in the OPMS Departmental Scorecard of the Executive Director Corporate Services
2.1.4			Access to refuse removal to more than half of the total households		% increase in the provision of refuse removal	% of households with access to basic level of refuse removal	This indicator is measured in the OPMS Departmental Scorecard of the Executive Director Corporate Services
2.1.5			Access to electricity to the majority of households		% Increase in the provision of electricity	% of households with access to electricity	This indicator is measured in the OPMS Departmental Scorecard of the Executive Director Corporate Services
2.1.6			Access to free basic services		% Increase in the provision of Free Basic Services	% of households with access to free basic services	This indicator is measured in the OPMS Departmental Scorecard of the Executive Director Corporate Services
3.1	Implementation of the Community Works Programme (CWP) (Output 3 of Minister's PA) Enhanced municipal contribution to job creation	CWP to contribute 286 000 job opportunities to the creation of 4.5 million EPWP work opportunities by 2014	Job opportunities created targeting the poor	Lead: DCoG (Governance & Intergovernmental Coordination) Support: Dept Economic	143 000 (77 635) work opportunities created	Number of job opportunities created	The uThungulu District Municipality will assist in the achievement of this target though job creation in the district as measured in the OPMS Scorecard

uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

	High Level Outcome	High Level Activity	Deliverable/ Output	Responsibility	Target 2011/12	Indicator(s)	Alignment / Comment
	and sustainable livelihoods through Local Economic Development (LG TPP)			Development, Nat and Provincial sector departments			
3.2		Ensure 30% of job opportunities can be associated with functional cooperatives	Cooperatives established through the CWP	Lead: DCoG (Governance & Intergovernmental Coordination) Support: Municipalities, Provincial Departments of Local Government	10% of all job opportunities of the CWP are associated with functional cooperatives	Number of functional cooperatives established % of job opportunities created that are associated with functional cooperatives	This indicator is measured in the OPMS Departmental Scorecard of the Executive Director Corporate Services
4.1	Administrative and Financial capability (Output 6 of Minister's PA) A political and administratively stable system in municipalities(LG TPP)	Ensure that the critical posts of Municipal Manager (MM), Town Planner, Chief Financial Officer and Engineer/ Technical Services are filled by competent individuals	Critical posts filled by suitably qualified individuals	Lead: Municipalities Support: DCoG (Provincial & Municipal Government Support Portfolio), Provincial DCoG, National and Provincial Treasuries, DBS	Monitor progress with recruitment and retention trends for the six top critical posts;	Market related job profiles for the top six critical posts; Guidelines on Recruitment and Retention for the top six critical posts	Positions are currently being filled at the targeted rate of 75% in accordance with the Employment Equity Plan. The retention and recruitment trends of critical positions is a KZN CoGTA determined measurable in the Quarterly Datasheets.
4.2.1	Restored institutional integrity of municipalities (LG TPP)	Ensure that the Performance Agreement of the MM is reflects government national	Performance Agreement of MM that includes national targets for service delivery	Lead: Municipalities	All filled critical posts sign PAs within three months after	Number of MMs with Pas that reflect national government	This indicator will be measured in the OPMS Departmental Scorecard

uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

	High Level Outcome	High Level Activity	Deliverable/ Output	Responsibility	Target 2011/12	Indicator(s)	Alignment / Comment
	<p>Strengthened administrative, institutional and financial capabilities of municipalities (LG TPP)</p> <p>Fraud, corruption, nepotism and all forms of maladministration affecting local government uprooted (LG TPP)</p>	<p>priorities.</p>	<p>All appointed section 57 managers have signed Performance Agreements</p> <p>Functional Performance Management System (OPMS)</p>	<p>Support: Provincial CoGTA, DCoG, SALGA, DBSA</p>	<p>appointment/ new financial year</p>	<p>priorities</p> <p>% of critical posts with signed performance agreements</p>	<p>off the Deputy Municipal Manager.</p>
4.2.2				<p>Lead: DCoG (Provincial & Municipal Government Support)</p>	<p>Critical posts filled in 65% of the municipalities</p>	<p>% of top critical posts filled by competent individuals</p>	<p>This indicator will be measured in the OPMS Departmental Scorecard off the Deputy Municipal Manager.</p>
4.2.3				<p>Support: Provincial CoGTAs and municipalities</p>	<p>142 of municipalities with adopted and implemented OPMS.</p>	<p>Number of municipalities with a functional OPMS</p>	<p>This indicator will be measured in the OPMS Departmental Scorecard off the Deputy Municipal Manager.</p>
4.3				<p>Ensure greater transparency and fight corruption in Local Government</p>	<p>Strengthen anti-corruption capacities of municipalities</p>	<p>Lead: DCoG (COO: Flagship Projects, Governance & Intergovernmental Relations, Provincial & Municipal Government Support Portfolios)</p>	<p>Monitor and support municipalities in implementing good governance practices</p>

uTthungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

	High Level Outcome	High Level Activity	Deliverable/ Output	Responsibility	Target 2011/12	Indicator(s)	Alignment / Comment
				Support: Provincial CoGTAs		and action taken)	
4.4		Increase in the number of municipalities with unqualified audit reports (Flagship Programme: Operation Clean Audit)	Unqualified audit reports from municipalities	Lead: Municipality Support: DCoG (Chief Operating Officer: Flagship Projects, Governance & Intergovernmental Relations, Provincial & Municipal Government Support Portfolios), Provincial CoGTA	60% of municipalities with unqualified audit opinion; 40 % of municipalities with no disclaimers and adverse opinions	% of municipalities with unqualified audits	This indicator will be measured in the OPMS Scorecard
4.5.1		Improve municipal monthly collection rate on billings/ Reduce municipal debt by half (LGTAS Priority / Flagship Programme: Revenue Enhancement)	Decrease in municipal debt	Lead: DCoG (Chief Operating Officer: Flagship Projects, Governance & Intergovernmental Relations, Provincial & Municipal Government Support Portfolios),	Support municipalities to reduce outstanding debtors	% of municipalities with debtors more than 50% of own revenue	This indicator will be measured in the OPMS Departmental Scorecard off the Chief Financial Officer
4.5.2					Reduce debt owed to municipalities by 25%	% debt owed to municipalities	This indicator will be measured in the OPMS Departmental Scorecard off the Chief Financial Officer

uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

	High Level Outcome	High Level Activity	Deliverable/ Output	Responsibility	Target 2011/12	Indicator(s)	Alignment / Comment
				Support: Provincial CoGTAs, Provincial Treasuries			
4.6		Reduce overspending on operational budgets	Decrease in overspending on operational budgets by municipalities	Lead: Municipality Support: DCoG, Provincial CoGTA, NT	6% of municipalities overspending on operational budgets	% of municipalities that are overspending on OPEX	This indicator will be measured in the OPMS Departmental Scorecard off the Chief Financial Officer
4.7		Improve expenditure on capital budgets	Decrease in under spending on capital budgets by municipalities	Lead: Municipality Support: DCoG, Provincial CoGTA, NT	47% of municipalities under spending on capital budgets	% of municipalities under-spending on CAPEX	This indicator will be measured in the OPMS Departmental Scorecard off the Chief Financial Officer
4.8		Improve operational repairs and maintenance budgets and expenditure	Improved expenditure on operations and maintenance	Lead: Municipality Support: DCoG, Provincial CoGTA, NT	70% of municipalities spending less than 5% on operations and maintenance	% of municipalities spending less than 5% on repairs and maintenance	This indicator will be measured in the OPMS Departmental Scorecard off the Chief Financial Officer
5.1	Single Window of Coordination (Output 7 of Minister's PA) Single window of coordination for support, monitoring and intervention in municipalities created (LG)	Develop a new approach to coordination of all capacity building initiatives	New approach for coordination Capacity Building initiatives at municipal level	Lead: DCoG (Governance & Intergovernmental Relations, Provincial & Municipal Government Support and Policy, Research	Support and monitor implementation of the revised National Capacity Building Framework (NCBF)	% of municipalities with improved capacity (skills base)	This indicator will be measured in the OPMS Departmental Scorecard off the Deputy Municipal Manager

uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

	High Level Outcome	High Level Activity	Deliverable/ Output	Responsibility	Target 2011/12	Indicator(s)	Alignment / Comment
	<p>TPP)</p> <p>Coherent and cohesive system of governance and a more equitable intergovernmental fiscal system (LG TPP)</p>			<p>& KM)</p> <p>Support: National Treasury, National Sector Departments, SALGA, Provincial Departments and all municipalities</p>			

3. OPMS SCORECARD

The following is a representation of the OPMS Scorecard to be applied by the uThungulu District Municipality. During 2010/11 it was noted by the uThungulu District Municipality that the IDP for 2009/10 did not include performance targets determined in terms of its performance management system, as required by sections 26(i) and 41 of the MSA and regulation 12 of the Municipal Planning and Performance Management Regulations, 2001, but that such targets were included in the SDBIP's and Performance Plans. Measures have been taken to improve the 2010/11 IDP during the 3rd quarter of the 2010/2011 financial year to ensure full compliance with legislation.

The improved OPMS Scorecard 2011/12 with targets is hereby included and satisfies the requirements of Section 26 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), which requires key performance indicators and performance targets determined in terms of Section 41 of the Act as a core component of the IDP. The OPMS Scorecard is available on the website: www.uthungulu.org.za

uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

IDP Indicator No.	National KPA	uThungulu Development Strategies	Strategic Objective	Performance Indicator	Unit of Measure	Demand	Baseline 2010/2011		IDP 2011/2011										Responsible Department	Financial Implication		
							Target	Actual	Target	Target Quarter 1	Actual Achievement Quarter 1	Target Quarter 2	Actual Achievement Quarter 2	Half yearly Target	Half yearly Report	Target Quarter 3	Actual Achievement Quarter 3	Target Quarter 4			Actual Achievement Quarter 4	2011/2012 Performance Report
1.1.1	LOCAL ECONOMIC DEVELOPMENT	STRATEGY ONE: ECONOMICALLY SOUND DISTRICT	Local Economic Development	LED Framework Plan	Date of review			30-Jun-12								30-Jun-12		Deputy Municipal Manager				
1.1.2			LED Capacity, Institutional and Operational Support	Percentage of budgeted amount spent on LED Development Fund			100%	10%		30%		30%		60%		100%		Deputy Municipal Manager				
1.1.2				Percentage of budgeted amount spent on LED Operational Support Programme			100%	10%		30%		30%		60%		100%		Deputy Municipal Manager				
1.1			Local Economic Development of prioritised groups	Jobs created through the municipality's LED initiatives	Number of jobs		193	193											Deputy Municipal Manager			
1.1				Jobs created through the municipality's Capital Projects	Number of jobs		249	249											Technical Services			
1.2.2			Local Tourism Development	Implement LED Framework: Tourism	Percentage of budgeted amount spent on tourism projects			100%	10%		30%		30%		60%		100%		Deputy Municipal Manager			
1.2.4				uThungulu Tourism Development Office	Percentage of budgeted amount spent on tourism initiatives			100%	10%		30%		30%		60%		100%		Deputy Municipal Manager			
1.3.1			Agricultural Development	Agricultural Development Plan	Date of review			30-Jun-12									30-Jun-12		Deputy Municipal Manager			
1.3.2				Implement Agricultural Projects	Number of projects			2									2		Deputy Municipal Manager			
1.4.2			Business and Industrial Development	Implementation of SMME Plan	Percentage of budgeted amount spent on SMME Support Programme			100%	10%		30%		30%		60%		100%		Deputy Municipal Manager			

uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

3.1.1	SOCIAL DEVELOPMENT SERVICES	STRATEGY THREE: PEOPLE EMPOWERMENT	Municipal Health	Establishment of Environmental Health Section	Number of inspections per district EHP	240	240	280	70		70		140		70	70		Corporate Services			
3.1.3			Implementation of Environmental Health Programmes	Number of consolidated reports	4	4	4	1		1		2		1		1			Corporate Services		
3.3.1			Education, Training and Capacity Building	Crime Prevention Programmes	Percentage of budgeted amount spent			100%	25%		50%		50%		75%		100%		Corporate Services		
3.4.3			Community Service Facilities and Actions	Sport and Recreation Programme	Date of District Elimination Games			15-Dec-11			15-Dec-11									Corporate Services	
3.5.1			Disaster Management	Disaster Management Plan (Review)	Date of review			30-Jun-12										30-Jun-12		Corporate Services	
3.5.2					District Advisory Forum	Number of meetings			4	1		1		2		1		1		Corporate Services	
3.5.4					Disaster Management Call Centre	Percentage of calls responded to			95%	99%		95%		95%		95%		95%			Corporate Services
3.6.1			Marginalised Groups	Programmes for the Marginalised (Gender, Youth, Children, Disabled and Senior Citizens)	Number of reports on each programme			4	1		1		2		1		1			Corporate Services	
3.7.1					HIV/AIDS	HIV/AIDS Strategy	Yes/No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Corporate Services
3.7.1					HIV/AIDS Programme	Number of HIV/AIDS interventions				3									3		Corporate Services
4.2.1	SPATIAL PLANNING AND SPATIAL DEVELOPMENT FRAMEWORKS	STRATEGY FOUR: INTEGRATED ENVIRONMENT	Land Reform	KZ Co-Ordination and Alignment	Date of District Land Summit			30-Jun-12								30-Jun-12		Deputy Municipal Manager			
4.3.1			Housing	KZ Co-Ordination and Alignment	Date of IDP Alignment meeting			30-Jun-12									30-Jun-12		Deputy Municipal Manager		
4.4.2			Environmental Management	Implementation of Integrated Environment Programme	Date of completion of draft of EIA Policies and Procedure Manual			30-Jun-12									30-Jun-12		Deputy Municipal Manager		
4.4.4			Coastal Management Programme (review)	Date of review			30-Jun-12										30-Jun-12		Deputy Municipal Manager		
4.6.1			Municipal Roads and Public Transport Services	Public Transport Plan	Date of review			30-Jun-12									30-Jun-12		Deputy Municipal Manager		
5.1.3			FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT	STRATEGY FIVE: LEADERSHIP EXCELLENCE	Revenue Enhancement	Cash collected from customers	R value of revenue collected	30916000	2948668	30450000	8526000		7612500		16138500		9135000		5176500		Financial Services
5.1.3	Amount invoiced/billed to customers	R value of invoices issued			30916000	33604153	30450000	8526000		7612500		16138500		9135000		5176500				Financial Services	
5.1.3	Revenue Enhancement Plan (MSIG) Cost recovery strategy	Date of approval					31-Aug-11	31-Aug-11						31-Aug-11						Financial Services	
5.1.4	Total revenue received from grants and subsidies	R value			128064976	128064976														Financial Services	
5.1	Debt service payments	Percentage of total debts					20%	20%		20%		20%		20%		20%				Financial Services	
5.1	Financial management	Debt coverage ratio			(Total operating revenue received - operating grants) / Debt service payments																Financial Services
5.1	Outstanding service debtors to revenue	Outstanding service debtors / revenue actually received for services																			Financial Services
5.1	Cost coverage ratio	(Available cash at particular time + investments) / Monthly fixed operating expenditure																			Financial Services
5.1.1	Budgeting and reporting	Compilation of Financial Statements			Date submitted to Auditor General			31-Aug-12			31-Aug-12		31-Aug-11								Financial Services
5.1.2	Budget Cycle	Date of approval of final 2012/2012 Budget					31-May-12								31-May-12						Financial Services
5.1.7	Implementation of MFMA	Percentage compliance with MFMA requirements				100%	95%	100%									100%			Financial Services	
5.1.8	Credit Rating Report to Council	Date approved					30-Jun-12											30-Jun-12		Financial Services	
5.1.4	Expenditure control	Total operating expenditure			R value	434318024	386585242													All	
5.1.4	Total operating budget	R value			434318024	386585242														All	
5.1.4	Total Salaries and Wages budget (including benefits)	R value	91560931	77089266														Financial Services			
5.1.3	Total of grants and subsidies spent	Percentage spent		100%	96%	100%	25%		50%		50%		75%		100%			All			
5.1.4	Submit Annual SCM report to Council	Date submitted			31-Aug-10	31-Aug-11					31-Aug-11							Financial Services			

uThungulu District Municipality: Integrated Development Plan Review (4) (2007/08 to 2011/12)

4.1.1	GOOD GOVERNANCE AND COMMUNITY PARTICIPATION	STRATEGY FIVE: LEADERSHIP EXCELLENCE	Integrated Development Planning	IDP Review	Date of review													31-May-12		Deputy Municipal Manager						
4.1.1				Review of Spatial Development Framework	Date of review															31-May-12		Deputy Municipal Manager				
4.1.4				Planning Implementation (Development Planning)	Percentage of business plan year 3 implemented																		Deputy Municipal Manager			
4.1.1			Public Participation	Public Participation Sessions	Number of IDP Roadshows																	Office of the Municipal Manager				
5.4.1			Public Relations and Communication	Public Relations Programme	Number of Ezimtoti newsletters																	Office of the Municipal Manager				
5.4.1					Number of uKhozi Radio broadcasts																		Office of the Municipal Manager			
5.4.4					uThungulu Website Development	Number of evidence reports on regular updates of website																		Office of the Municipal Manager		
4.1.2			Batho Pele Principles	Community Surveys conducted	Number of surveys	2	2															Office of the Municipal Manager				
5.2.1			MUNICIPAL INFRASTRUCTURE AND INSTITUTIONAL DEVELOPMENT	STRATEGY FIVE: LEADERSHIP EXCELLENCE	Management Services	Levels of black staff employed in management	Number of black staff																Corporate Services			
5.2.1						Women employed by the municipality	Number of women	97	111																Corporate Services	
5.2.1	Youth employed by the municipality	Number of youth				84	88																Corporate Services			
5.2.1	Disabled staff employed by the municipality	Number of staff				3	3																Corporate Services			
5.2.1	Annual Approved Workplace Skills Plan	Date of approval				30-Jun-11	28-Jun-11																	Corporate Services		
5.2.1		Date submitted to LGSETA				30-Jun-11																		Corporate Services		
5.2.1	Budget Spent on Workplace Skills Plan	Percentage Spent on Salaries Budget on WSP																						Corporate Services		
5.3.1	Information Technology	Master Systems Plan (ICT Strategy)				Yes/No																		Corporate Services		
5.3.1	Administrative Services	General and Corporate Administration Services				Number of portfolio committee, Exco and Council meetings																		Corporate Services		
5.6.2	Performance Management Programme (Organisational Performance)	Draft OPMS Scorecard submitted to Council				Date approved																		Deputy Municipal Manager		
5.6.2			Section 72 Mid-year Performance Report	Date submitted																			Deputy Municipal Manager			
5.6.2			Draft Annual Report and Annual Performance Report	Date approved																			Deputy Municipal Manager			
5.6.1			Performance Management Programme (Individual Performance)	SST Performance Agreements	Number of agreements																			Deputy Municipal Manager		
5.6.1							2011/2012 Performance Packs	Date signed																	Deputy Municipal Manager	
5.6.1							2010/2011 Performance Assessment Reporting to Performance Audit Committee	Date approved																		Deputy Municipal Manager
5.6.1							2011/2012 Mid-year Performance Evaluation Report to Performance Audit Committee	Date approved																		Deputy Municipal Manager
5.7			Institutional Development	Implement Municipal Turnaround Strategy	Number of progress reports																			Office of the Municipal Manager		
5.7.2							King III Risk Management Strategy	Yes/No																		Deputy Municipal Manager
5.7.4							Finance Audit Committee	Number of meetings																		Financial Services
5.7.4	Performance Audit Committee	Number of meetings																					Deputy Municipal Manager			
5.7.4	Response to internal audit queries	Number of days to respond																					All			
5.7.4	Internal Audit Reports	Number of internal audit reports																						Office of the Municipal Manager		
5.7.5	Anti Corruption Strategy/Fraud Prevention Strategy	Yes/No																						All		

KEY:
 Priority
 Vuna
 Additional / Departmental

4 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

Section 69(3)(a) of the MFMA requires the accounting officer to submit a draft SDBIP to the mayor no later than 14 days after the approval of the budget and drafts of the performance agreement as required in terms of the section 57 (1) (b) of the Municipal Systems Act. The mayor must subsequently approve the SDBIP no later than 28 days after the approval of the budget in accordance with section 53(1)(c)(ii) of the MFMA.

The draft SDBIP is attached as an Annexure and the final will be included once approved.

The District Municipality carries out extensive consultation with the community and other stakeholders as part of the process to ensure awareness of, and to encourage input into the Budget and the IDP.

Each department has prepared its own operational plan to give effect to the organizational goals and to meet departmental service delivery and performance targets. These feed into this overall plan, providing the key performance areas against which each senior manager will be held accountable.

The purpose of the SDBIP being to provide a management implementation and monitoring tool that will assist the Mayor, Councillors, Municipal Manager, other Senior Managers, stakeholders and the community in monitoring service delivery. It will ensure that appropriate information is available to monitor:

- ❖ The execution of the budget;
- ❖ The performance of managers; and
- ❖ The performance of the municipality as a whole.

The SDBIP complements and should be read together with multi-year budget and the Integrated Development Plan (IDP). It also takes into account other sector plans such as the Water Services Development Plan (WSDP).

More specifically, the SDBIP provides information, per vote, on the following:

- ❖ Performance Indicator Area
- ❖ IDP Reference Numbers
- ❖ Strategic Objectives
- ❖ Key Performance Indicator (Performance Target Output)
- ❖ Planned Target
- ❖ Performance over the 1st, 2nd, 3rd and 4th quarters

The votes are:

- ❖ Executive and Council
- ❖ Planning and Development
- ❖ Water
- ❖ Finance and Administration
- ❖ Community and Social Services

The SDBIP is therefore a key management, implementation and monitoring tool, which provides operational content to the end-of-year service delivery targets set in the budget and IDP. It determines

the performance agreements for the municipal manager and all top managers, whose performance can then be monitored through section 71 monthly reports, and evaluated through the annual report process.

Once completed, the SDBIP will be included in this report.

5 ANNUAL REPORT

Every municipality must prepare an annual report for each financial year in accordance with the Municipal Finance Management Act (MFMA) and, during the MFMA transitional period, the Division of Revenue Act and the Municipal Systems Act 2000.

The purpose of the annual report is:

- ❖ to provide a record of the activities of the municipality or entity;
- ❖ to provide a report on performance in service delivery and budget implementation; and
- ❖ to promote accountability to the local community.

The 2009/10 Annual Report has been completed, and is available from the web-site: www.uthungulu.org.za.

6 QUALITY OF LIFE SURVEY

The uThungulu Annual Quality of Life Survey is another measure of tracking the IDP process, programmes and projects. The objective of the Quality of Life Survey is to ensure that the IDP programmes and projects have an impact on the living conditions of the people of the district.

The uThungulu District Municipality Quality of Life Survey has been undertaken by the District Municipality in order to gauge the socio-economic standard of life of the people of uThungulu. This will allow the municipality to become aware of the needs of its people and allow the District Municipality to plan for the future development of the area. It will direct the municipality in terms of the pro-active actions that are needed to achieve development. The study examines survey results in each of the local municipalities within its area and within the district itself. The study forms part of the Performance Management System that will ultimately measure the progress of the district authority.

The quality of life of the people and communities is determined by analysing aspects of life in uThungulu such as household socio-economic profiles, and community and household services. The survey indicates which aspects of life that uThungulu residents are dissatisfied with, and this will give the District Municipality direction in formulating programmes and projects on how to improve and fulfil the needs of its people in terms of the Integrated Development Plan. The aspects that people are satisfied with will be noted to ensure that the municipality improves on the current situation.

The first round of surveys were conducted in March 2003 with the results made public in June 2003. The purpose of the Quality of Life Survey is to provide a benchmark against which the performance of the district and the local municipalities can be measured. A 5% sample size of the UThungulu population was used – this equates to 4600 questionnaires. For this reason, 4004 sample household surveys were conducted between March and April in all six of the local municipalities. All six local municipalities were surveyed in accordance with the socio-economic grouping of the area. The questionnaire for the survey and the logistical arrangements were undertaken with the full cooperation of the respective local municipalities.

Development Plan Review (4) (2007/08 to 2011/12)

The design of the 2002/3 questionnaires was based for the socio-economic needs and profile of the population as well as the perceptions of the population with respect to the various public sector services that are being provided.

Consequently the 2003/4 and 2004/5 surveys had been undertaken with a sample size of 1260 (95% confidence level). The questionnaire had been amended, where appropriate, to ensure that it is in line with the IDP programmes and KPI's. The results of the completed surveys have been benchmarked against the 2001 national Census. The 2004 study interviewed 1208 households. In the census 2001 data sample units are termed 'sub-places'. This 2005 study has followed the 2001 census data, and interviewed a total of 1208 households. The same sample areas as that used in the 2004 survey were visited in this 2005 study. The sample area selection and sample size was sufficient to provide statistically relevant information at local municipal level.

A stratified random sample survey methodology was applied for the project. In order to ensure that the results to the consecutive years' surveys were comparable to the 2003 survey, similar survey sites were visited by fieldworkers.

In general surveys often use the following social indicators in order to measure and monitor quality of life:

- ❖ Employment
- ❖ Housing
- ❖ Health
- ❖ Education level
- ❖ Recreation
- ❖ Service provision
- ❖ Natural environment
- ❖ Political participation

The uThungulu quality of life survey also looks at these indicators, and others. More specifically:

- ❖ Income (household, assistance, affordability, savings)
- ❖ Housing (type, satisfaction, improvements)
- ❖ Service provision (access and satisfaction levels of: water supply, toilet, electricity, waste removal)
- ❖ Education
- ❖ Employment (type, satisfaction of)
- ❖ Crime (perception of, whether victim, safety)
- ❖ HIV/AIDS (opinion of health authorities efforts, suggested solutions)
- ❖ Community (amenities, improvements?, sense of belonging, transport)
- ❖ Perceptions of life (reasons, spare time activities, improvements?)
- ❖ Perceptions of uThungulu

The last uThungulu quality of life survey was conducted in 2009 with the Report finalised in June 2010.

7 SUMMARY OF MILESTONES ACHIEVED

Organisational and Section 57 Individual Performance Management:

- Organisational Performance management System implemented
- Annual Report for 2009/10 published
- Annual Performance Report as part of Annual Report for 2009/10 published

Development Plan Review (4) (2007/08 to 2011/12)

- Individual Performance Management System maintained for Section 57 Performance Measurement
- Section 57 "Performance Packs" consisting of the Performance Agreement; Performance Plan; Personal Development Plan; Code of Conduct and Financial Declaration
- Section 57 Performance Assessment Panel constituted and panel assessments carried out quarterly
- Performance Audit Committee reconstituted for 2 year term of office

District Bid Adjudication:

- District Bid Adjudication Committee maintained and all tenders awarded for the district
- Regular reporting on all tenders awarded to EXCO and Council

Risk Management:

- Risk Management Plan reviewed
- Fraud Prevention Strategy incorporated in the Risk Management Plan
- Fraud Risk Register maintained and regularly updated
- King 111 Compliance Gap Analysis undertaken

Development Plan Review (4) (2007/08 to 2011/12)

J. ANNEXURES & APPENDICIES

	<u>ANNEXURES</u>
A	Spatial Development Framework
B	Disaster Management Plan
C	SDBIP
D	Socio-Economic Development Profile
E	Turn Around Strategy
F	Extract from CIP
G	Roadshow Report
	<u>APPENDICIES</u>
1	IDP Process Plan/ IDP Framework Plan
2	Land Use Management Framework
3	Coastal Management Programme
4	Integrated Waste Management Plan
5	Water Sector IDP Report
6	Public Transport Plan Review
7	Energy Master Plan
8	Local Economic Development Plan
9	Community Facilities Plan
10	Quality of Life Survey 2009
11	Growth and Development Land Summit Report 2010
12	Report on alignment initiatives with agricultural stakeholders
13	SMME Strategy
14	Tourism Master Plan
15	Integrated Environmental Programme
16	Reviewed Agricultural Development Plan

ALSO PROVIDED: ANNUAL REPORT 2009/2010