



INTEGRATED DEVELOPMENT PLAN (IDP) REVIEW

2016/2017

PREPARED BY:

Ugu District Municipality

PO Box 33

Port Shepstone

4240

Tel. 039 – 688 5700



GLOSSARY

AG	Auditor General	ISRDP	Integrated Sustainable Rural Development Programme
AIDS	Acquired Immune Deficiency Syndrome	IWMP	Integrated Waste Management Plan
ART	Antiretroviral Therapy	KPA	Key Performance Area
ARV	Antiretroviral	LED	Local Economic Development
BBBEE	Broad Based Black economic Empowerment	LGSETA	Local Government SETA
CDWs	Community Development Workers	LM	Local Municipality
CWP	Community Workers Programme	LRAD	Land Redistribution Programme
CoGTA	Department of Cooperative Governance and Traditional Affairs	LTT	Local Task Team
DEDTE A	Department of Economic Development Tourism & Environmental Affairs	LUMS	Land Use Management System
DEA	Department of Environmental Affairs	LUMF	Land Use Management Framework
DoT	Department of Transport	MMR	Martenal Mortality Rate
DM	District Municipality	MEC	Member of the Executive Council
DoHS	Department of Human Settlement	M&E	Monitoring & Evaluation
DTT	District Task Team	MDG	Millennium Development Goals
DWA	Department of Water Affairs	MIG	Municipal Improvement Grant
EAP	Employee Assistance Programme	MSIG	Municipal Systems Improvement Grant
EIA	Environmental Impact Assessment	NEMA	National Environmental Management Act
EKZNW	Ezemvelo KZN Wildlife	PGDS	Provincial Growth and Development Strategy
EMF	Environmental Management Framework	PHC	Primary Health Care
EMP	Environmental Management Plan	PMS	Performance Management System
EPWP	Expanded Public Works Programme	POE	Portfolio of Evidence
FBS	Free Basic Services	PSEDS	Provincial Spatial Economic Development Strategy
FET	Further Education and Training	SANRAL	South African National Roads Agency Limited
GDS	Growth and Development Strategy	SDBIP	Service Delivery and Budget Implementation Plan
HAST	HIV, AIDS, STI, TB	SDIP	Service Delivery Implementation Plan
HH	Households	SDF	Spatial Development Framework
HIV	Human Immunodeficiency Virus	SEA	Strategic Environmental Assessment
HR	Human Resources	SONA	State of the Nation Address
ICMA	Integrated Coastal Management Act	SOPA	State of the Province Address
ICT	Information and Communication Technology	SSMP	Sanitation Service Master Plan
IDP	Integrated Development Plan	STATSSA	Statistics South Africa
IDPRF	Integrated Development Plan Representative Forum	VCT	Voluntary Counselling and Testing
IMCI	Integrated Management of Childhood Illnesses	WHO	World Health Organisation
IGR	Inter Governmental Relations	WIT	Ward Task Team
IPT	Ionized Preventive Therapy		



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CHAPTER 1: EXECUTIVE SUMMARY & INTRODUCTION

In compliance with the Local Government Municipal Systems Act, Act 32 of 2000, the Ugu District Council adopted a five-year Integrated Development Plan in May 2012. This plan is meant to provide a basis for both public and private sector investment in the district. The 2015 / 2016 reviewed IDP therefore is the continuation of that work .

1.1. Who Are We?

Ugu District Municipality is one of the 11 districts of KwaZulu-Natal Province, on South Africa's Eastern coastline. It is 5 866 km² in extent and boasts a spectacular coastline of 112 kilometres, which forms its Eastern border. The region is bordered on the North by the Ethekewini Municipality, in the West by Umgungundlovu and Harry Gwala District Municipalities and on the Southern side shares its borders with the Eastern Cape Province. The municipality consists of eighty four (84) municipal wards, which culminate into six (6) local municipalities, namely Hibiscus Coast, Ezinqoleni, Umuziwabantu, Vulamehlo, Umzumbe and Umdoni. The region also boasts forty two (42) Traditional Authorities. The district is comprised of two distinct areas that are divided by the N2 freeway – the coastal strip which is largely urban, and the rural expanse which is rural. The rural-urban divide is a glaring feature in terms of development challenges as 80% of the land is rural and only 20% is urban.

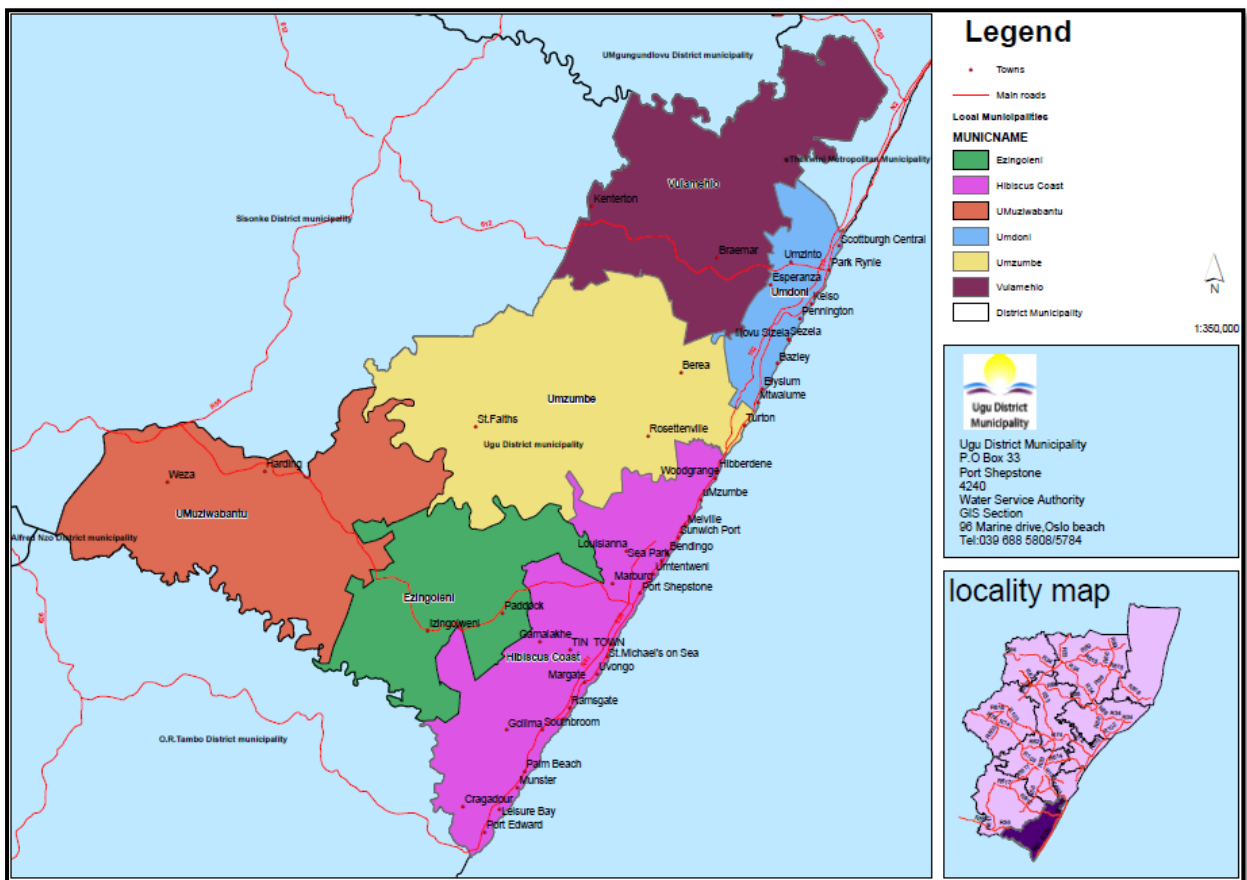


Figure 1.1.1: Ugu District Locality Map
Source: Ugu District Municipality GIS, 2013



The coastal belt which houses Hibiscus Coast, Umdoni and part of the Umzumbe Local Municipalities is the economic engine of the district. Main towns like Port Shepstone, Margate, Scottburg and Port Edward are on the coastline, very close to each other and linked by several roads. There is a large concentration of activities related to the tourism sector, mainly thanks to the beautiful beaches (5 of them are classified as “blue flag”).

The rural hinterland is home to the Umuziwabantu, Ezingoleni and Vulamehlo Local Municipalities. There are currently no formalised towns, although some of them are on their way (i.e. Dududu in Vulamehlo and Turton in Umzumbe). Low income housing and shanty houses are common whilst subsistence agriculture is the main activity in the area.

Demographics

According to the Stats SA Census 2011, the total population of the Ugu District Municipality area of jurisdiction is 722 484 with the growth rate of 0.026. The district has a relatively young population with the children and youth making up 40% of total population. The dominant population group is the Africans making up 91% of the total population and the Indians, Coloureds and Whites making the other 9%. The sex ratio as per 2011 census is 89 males per 100 females.

Table 1.1.1: Key Demographic Information and Service levels

Source: Stats SA Census, 2011

Population		Economic Profile	
Total Population	722 484	Total Number of Households	179 440
Young (0-14)	240 503	Average Household Size	5 (persons / hh)
Working age (15-64)	434 080	Access to Piped Water	123127
Elderly (65+)	47 901	Access to Electricity	132280
Area in km ²	5 048	Access to Sanitation	162994
Population Density per km ²	143.13	Unemployment Rate (official)	29,1
Growth Rates	0.026	Unemployment Rate (Youth)	36,0
Total Fertility Rate	81.6	Main Occupation Sector	Formal sector
Total Mortality Rate	11,8	Indigent Households	25 750
Sex Ratio (male/100 women)	89	Social Grants Recipients	288 728
Dependency Ratio	0.66	Literacy Rate	78
Income Levels		Municipal Budget	
R 1 - R 9600	25 750	Total Operating Budget	R 790 658 097.00
R 9601 - R 38 200	80 991	Total Capital Budget	R 290 856 128.00
R 38 201 - R 153 800	32 530	Total Budget	R 1 009 317 119.00
R 153 801 - R 614 400	13 161		
R 614 001 - R 2 457 600	1 422		
R 2 457 601 or more	278		
No income	25 304		



The Ugu District Municipality for the 2015 / 2016 financial year has a total budget of R 1 009 317 119.00, with R 790 658 097.00 set aside as operating budget and R 290 856 128.00 set aside for capital budget.

The Ugu District Municipality area of jurisdiction has a total number of 179 440 households with an average size of five persons per household. In terms of access to basic service delivery 67% of the households has access to water; 74% have access to electricity and 91% has access to sanitation.

The official unemployment rate is 29% and the unemployment rate sits at 36% for the youth as per the 2011 Stats SA census. The District has relatively low income levels with the households that are indigent and with no income making up 28% and the households earning R9 601 – R 38 200 making up 45%. These statistics basically suggest that about 73% of the Ugu households earn enough just to survive. The number of social grant's recipients is also relatively high sitting at 288 728.

1.2 How was this IDP Developed?

The Ugu District Municipality IDP was prepared in terms of the legislative requirements as entailed in the Municipal Systems Act. Consideration was given to the MEC's comments that were raised in the 2015 /16 IDP Review. An in-house team lead by the Office of the Municipal Manager was assigned the task of reviewing the IDP. In order to ensure ownership of the process and to gather community input existing municipal structure and systems i.e. IDP Representative Forum, Portfolio committee, IDP and Budget Road Shows were also used. Table 1.2.1 provides a summary of the Process Plan and its implementation.

Table 1.2.1: Ugu IDP Development Action Programme

Source: 2016/17 IDP, IPMS and Budget Process Plan and Framework

FIRST QUARTER			
PHASE	ACTIVITY	RESPONSIBILITY	KEY DEADLINES
PREPARATORY	1. Drafting of Framework and Process Plan		July – Aug 2015
	1.1. Submission draft Framework & Process Plan to Cogta for comment		31 July 2015
	1.2. Submit draft Framework & Process Plan to IDP Steering Committee, IDPRF and EXCO for consideration and recommendation	Manager IDP	21 August 2015
	1.3. Adoption by Council		27 August 2015
	1.4. Advertise on local news paper for commencement of the IDP review process.	Ugu family	31 August 2014
ANALYSIS	2. Submit Annual Performance Report to AG	PMS Officer	30 August 2015
	3. Evaluate the changed circumstances and conduct socio analysis research		Monthly
	3.1. Review IDP Implementation Plan (by reviewing alignment of objectives strategies and projects against the METF budget)	Manager IDP	30 September 2015
	3.2. Determine funding availability and requirements and all the necessary preparations		



	3.3. Determine which sector plans need to be reviewed and commence with the process of reviewing thereof		
	4. Consider MEC Comments		
	4.1. Action Plan to Address MEC Comments		
SECOND QUARTER			
PHASE	ACTIVITY	RESPONSIBILITY	KEY DEADLINES
	5. Submission of the 1st Draft Annual Report to Auditor General.	Snr. Manager CS & SS	30 August 2015
Strategic & Projects	6. Conduct financial sustainability strategy with revenue enhancement focus	GM: Treasury	31 October 2015
	7. Conduct Community needs Consultation	Manager IDP, Snr Manager Political Support	October - November 2015
	7.1. Mayoral Izimbizo		
	7.2. Ward Committee Imbizo Workshop		28 November 2015
	8. Hold strategic sessions (to include sector departments and feed local analysis into sector strategic plans thereof)		December 2015
	8.1. Align the strategic framework with internal and external policies	Manager IDP	
	8.2. Submit the draft reviewed strategic framework to the Steering Committee and IDPRF		31 December 2015
	9. Estimate available sources & provide guidance for way forward for budgeting		27 November 2015
	9.1. Submit 2014/2015 budget framework to all relevant persons (Budget framework to include salary, operational and capital budget related information).	GM: Treasury	08 December 2015
	9.2. District IDP mini assessments		10 December 2014
	9.3. Preparation of a summary of available funds from: Internal Funds, e.g. CRR and External Funding, e.g. MIG	GM: Treasury	18 December 2015
	9.4. Council finalises draft tariff policies in principle for 2013/2014 budget year.		29 November 2015
	10. Sector - Municipal Alignment sessions under the auspices of COGTA	COGTA	29 November 2015
	11. Integrate Reviewed Sector Plans into the IDP.		
12. Alignment meetings with neighboring District Municipalities	Manager IDP	30 December 2015	
Third Quarter			
PHASE	ACTIVITY	RES	KEY DEADLINES
Integration	13. Assess financial Feasibility of proposed new projects based on existing and potential funds. (Budget Examination)	GM: Treasury	21 January 2016
	14. Mid-Year Review and submission of report to COGTA Provincial	PMS Officer	23 January 2016
	15. Tabling of Draft Annual Report to Council	PMS Officer	30 January 2016
	16. 1st draft 2015/16 IDP review	Manager IDP	January – February 2016



	16.1.Submit 1st draft IDP review to Steering Committee, IDRF and EXCO for recommendations.	Manager IDP	13 March 2016
	16.2.Submit 1st draft IDP review to Council for adoption	Manager IDP	31 March 2016
	16.3.Submit 1st draft IDP review to province (CoGTA) for assessment.	Manager IDP	27 March 2016
	16.4.Advertise IDP for public comments	Ugu Family	March 2016
	17. Tabling of Annual Report to Oversight Committee and adoption	Snr. Manager CS & SS	31 March 2016
	18. Consideration of 2014/2015 Draft Budget by a joint meeting of the Budget Steering Committee and EXCO	GM: Treasury	21 March 2016
19. Tabling of 2014/2015 draft budget to Council	31 March 2016		
FOURTH QUARTER			
PHASE	ACTIVITY	RES	KEY DEADLINES
	19.1.Publicize tabled budget within 5 days after tabling, on website and the media	GM: Treasury	04 April 2016
	19.2.Send copy of tabled budget to National and Provincial Treasury for comments		11 April 2016
Approval	20. Ugu Decentralised IDP Assessment Forums	CoGTA	07 April 2016
	20.1.Incorporate comments received from IDP Provincial Assessment and all other outstanding comments	Manager IDP	30 April 2016
	21. Conduct Community Consultation	Manager IDP, Snr. Manager Mayorality	April /May 2016
	21.1.Attend IDP/Budget Roadshows		April/May 2016
	21.2.Ward Committee Imbizo Consultations	Manager IDP	22 May 2016
	22. Submission of Budget for 2015/16 to Council for approval	GM: Treasury	29 May 2016
	22.1.Prepare Budget in the required format and submit Provincial and National Treasury.		29 May 2016
	22.2.Set up expenditure, revenue and asset management system, incorporating budget		
	22.3.Publication of the approved 2014/2015 tariffs of charges in Gazette, website and local media.		03 June 2016
	23. Final draft 2015/16 IDP review	Manager IDP	April – June 2016
	23.1.Submit final draft IDP review to Steering Committee, IDRF and EXCO for recommendations.	Manager IDP	26 May 2016
	23.2.Submit final IDP review to Council for adoption	Manager IDP	31 May 2016
23.3.Submit final draft IDP review to province (CoGTA) for assessment.	Manager IDP	10 June 2016	

1.3 Our Key Development Challenges

In the organisational strategic planning session that was held on the 10th to 11th of March 2015 the key service delivery challenges pertaining to Ugu District Municipality area of jurisdiction were revisited through the service delivery gap mapping exercise. The water and sanitation service delivery mapping looked at where the challenges were and how they affected the development.



In terms of water delivery it is acknowledged that there are different service provision levels in different areas within the Ugu District Municipal area of jurisdiction. The main challenges can be grouped into four categories as follows:

- Lack of infrastructure;
- Ageing infrastructure;
- Water supply interruptions; and
- Infill needed

In terms of sanitation delivery it was also acknowledged that there are different service provision levels in different areas within the Ugu District Municipal area of jurisdiction. The challenges that were highlighted were grouped into three categories as follows:

- Bucket system and below RDP standard sanitation eradication;
- Lack of bulk sewer infrastructure; and
- Ageing sewer infrastructure.

Over and above identifying service delivery gaps the session also interrogated the effects of the service delivery gaps to the development of the Ugu District area of jurisdiction. The sighted effects to development are summarised as follows:

- Inability to attract investment;
- Problems of basic service provision mainly in the rural areas;
- Cross border issues;
- Tourism factor and its demand during peak seasons;
- The unavailability of water leads to severe and critical health, food insecurity, holds back LED implementation, food production costs and reliance on irrigation;
- Those who have access to water were affected by droughts, low rain etc.; and
- The service delivery gaps especially the unavailability of bulk water further delays the implementation of housing projects.

1.3.1 Comparative advantage

Whilst acknowledging the challenges as highlighted above, the district boasts a considerable number of economic and development opportunities; which if explored successfully will be able to address the critical issues of unemployment and poverty.

- *Ugu has a stable manufacturing base;*
- *Agriculture remains one of the key sectors of the economy of Ugu, with promising emerging farmer potential*
- *In addition to the existing tourist attractions along the coast (beach tourism, Golfing etc) The rural hinterland holds a wealth of tourism potential, it remains largely underdeveloped as an adventure, eco and cultural tourism destination*
- *The district has been identified as a focus area for tourism development under the auspices of the Provincial Growth and Development Plan (Inkululeko Projects)*



1.4 Our Long Term Vision

The Ugu District Municipality developed its long term vision and mission in the strategic session that was held in March 2012 at the Ugu Sport & Leisure Centre for the development of the 2012/13 to 2016/17 Ugu Integrated Development Plan. Ugu District's vision and mission statement gives directives to what the municipality wants to achieve in terms of its medium and long term developmental goals. The vision and mission of the municipality is as follows:

Vision

“A place where everyone benefits equally from socio-economic opportunities and services”

Mission

“To create an enabling environment for social and economic development resulting in the provision of quality drinking water and access to decent sanitation by ensuring community participation and coordination of the public and private players”

1.5 What are we doing to improve ourselves?

The Ugu District Municipality has identified nine priorities and six strategic objectives to implement the vision and mission in order to improve its situation. Furthermore, the Ugu District Municipality aligned its priorities and strategic objectives with the National Development Plan's (NDP) nine elements, PGDS seven goals and associated objectives. The district Municipality is committed to ensuring it plays its part in the implementation of the NDP and PGDS based on the available resources and capacity, five (5) NDP elements and five PGDS goals and objectives that find their prominence in the priorities of the district are reflected in Table 1.5.1.

Table 1.5.1: Alignment of Ugu IDP and PGDS

Source: 2015 Strat Plan Report

9 Priorities	6 Strategic Objectives	Prioritised PGDS Goals (10.03.15)	Confirmed/ Emerging Priorities/
1. Infrastructure Investment (Roads, Water, Sanitation, Electricity, Housing)	To provide access to sustainable quality drinking water and sanitation services	2. Strategic Infrastructure	Identified areas of need for water and sanitation
2. Economic and Sectoral Development (Job Creation, Employment, LED Projects, Tourism, Agriculture, Rural development)	To create a conducive environment for economic growth and job opportunities	1. Job Creation	<ul style="list-style-type: none"> Catalytic projects Boosting of investor confidence
3. Financial Viability (Clean Audit, Corruption)	To develop and maintain a financially viable and sustainable organization that achieves full compliance with legislation		Revenue Collection Water Losses Clean audit
4. Education and Skills Development (Skills Development, Education)		4. Community & Human Development	Skills Development (internal and external)
5. Institutional Integration and Co-ordination (Institutional development, review of Organogram, Workforce, Principles development)	To build and strengthen the administrative and institutional capability of the municipality	3. Governance & Policy	Maximize returns on personnel costs , Outcomes based planning and Monitoring & Evaluation



9 Priorities	6 Strategic Objectives	Prioritised PGDS Goals (10.03.15)	Confirmed/ Emerging Priorities/
6. Collaborative planning		5. Spatial Equity	IGR; Joint prioritization btn LMs and district, LAP- peri-urban areas
7. Reduce HIV & Aids		4. Community & Human Development	
8. Clean Environment	To develop and promote an integrated sustainable environment		
9. Peace and Stability	To create a conducive environment for participatory development	3. Governance & Policy	People centeredness- public participation

Furthermore, the Ugu District family of municipalities have identified catalytic projects aimed at addressing the challenges identified and speed up service delivery in the Ugu District area of jurisdiction through focusing on where the district should be directing service delivery. The summary of identified catalytic projects is captured in Table 1.5.2 below.

Table 1.5.2: Ugu DM Catalyst Project Summary

Source: 2015 Strat Plan Report

Projects	Project Details		
	Location	Estimated Budget	Timeframe
Music City	Hibiscus Coast & Vulamehlo, Ward 6	R 33 800 000 000.00	2014 - 2019
Regional Technology Hub	Hibiscus Coast	R 1 200 000 000.00	2015 / 2016
Justice Park	Hibiscus Coast	R 235 000 000.00	
Ugu Agri-Park	Eziqoleni	Planning Phase	2015 - 2017
Margate Airport	Hibiscus Coast	R 300 000 000.00	2015 / 2016
Urban Renewal HCM	Hibiscus Coast	R 60 000 000.00	
Perishables Goods Hub	Umdoni, Ward 10	R 750 000 000.00	2014 – 2016
Park Rynie Industrial Park	Umdoni, Ward 4	R 10 000.00	
Scottburgh Beach Front development	Umdoni, Ward 5	R 341 000 000.00	
Harding Mall	Umuziwabantu	R 60 000 000.00	2013 / 2014
Ntelezi Msani Heritage	Umzumbe, Ward 18	R 2 000 000.00	2014 – 2018
Turton Shopping Mall	Umzumbe, Ward 10	Planning Stage	2014 – 2018
UMthwalume Beach front development	Umzumbe, Ward	R 500 000.00	
Turton Township formalisation	Umzumbe, Ward 10	R 500 000.0	2014 – 2016
KwaXolo Caves	Hibiscus Coast	R 23 000 000.00	2015 / 2016
Port Shepstone Intermodal Facility	Hibiscus Coast	R 60 000 000.00	
Water and Sanitation projects			
Maphumulo "C" Water Scheme	Vulamehlo	R 37 000 095.00	2014 - 2017
Gamalakhe Bulk Water Supply Project: Security of Supply	Hibiscus Coast	R 31 000 000.00	2013 - 2017
Mhlabatshane Bulk Water Project	Umzumbe	R 8 834 000.00	2011 - 2017
KwaNyuswa Water Scheme - Phase 3 (AFA) MIS 194753	Eziqoleni	R 10 000 000.00	
Mhlabatshane Regional Water Supply Scheme	Umzumbe	R 2 000 000.00	2012 - 2017
Umtamvuna Water Works Raw Water Upgrade	Eziqoleni	R 2 000 000.00	2011 - 2019
Mabheleni East Water Project	Umzumbe	R 2 000 000.00	2013 - 2015
Harding Weza Regional Bulk Water Supply Planning (Dam)	Umuziwabantu	R 20 000 000.00	2010 - 2018
Thoyane Water Project Phases 4 & 7	Vulamehlo	R 800 000.00	2010 - 2015
Umzimkhulu Bulk Water Augmentation Scheme	Hibiscus Coast	R 30 000 000.00	2010 - 2017
Msikaba and Surrounds Water Supply Scheme		R 7 000 000.00	
Umzinto Slum Clearance: Farm Isonti Low Cost Housing Water and Sanitation Scheme	Umdoni	R 15 000 000.00	2009 - 2016



Projects	Project Details		
	Location	Estimated Budget	Timeframe
Water Pipeline Replacements	All LMs	R 90 000 000.00	2010 - 2030
Harding Waterworks Refurbishment	Umuziwabantu	R 1 000 000.00	2010 - 2015
Mistake Farm Supply Scheme	Vulamehlo	R 1 000 000.00	2011 - 2018
Bulk Water and Sewer Infrastructure for Mazakhele, Harding Bulk Water and Sewer Infrastructure for Mazakhele, Harding	Umuziwabantu	R 7 000 000.00	2010 - 2015
Vulamehlo Cross-Border Water Scheme	Vulamehlo	R 2 000 000.00	2012 - 2025
Masinenge Bulk Water and Sanitation Project	Hibiscus Coast	R 1 000 000.00	2010 - 2015
Malangeni Low Cost Housing Project	Umdoni	R 12 753 420.00	2009 - 2020
Sanitation Refurbishment Phase 1 - Port Edward to Park Rynie	Umdoni & Hibiscus Coast	R 6 000 000.00	2013 - 2018
Umzinto Waste Water Treatment Works and Outfall Sewers Upgrade and Rehabilitation	Umdoni	R 9 516 000.00	2011 - 2018
Pennington Waterborne Sanitation Project-Provision of Bulk Sewer & Reticulation Infrastructure	Umdoni	R 5 000 000.00	2011 - 2017
Harding Sanitation Scheme: Phase 3	Umuziwabantu	R 9 000 000.00	2012 - 2017
Margate Sewer Pipeline Replacement	Hibiscus Coast	R 9 000 000.00	2013 - 2018
Masinenge/uVongo Sanitation Project		R 1 000 000.00	2011 - 2019
KwaLatshoda Lowcost Housing Sanitation Services		Stil in Planning	2015 - 2020
Rural Sanitation (VIPs)		R 6 200 000.00	2014 - 2017

1.6 What could you expect from us in the next five years?

What could you expect from the Ugu District Municipality in the next five-year term of this IDP is presented in terms of outputs, outcomes and deliverables and summary of Development Objectives and KPIs as captured in Table 1.6.1.

Table 1.6.1: Ugu DM Summary of Development Objectives and KPIs

Source: Ugu 2015 /16 IDP Review

Strategic Objective	Key Performance Indicator	Deliverables	Outcomes
Basic Service Delivery			
5. To provide access to sustainable quality drinking water and sanitation services	Provision of Household with Access Basic Water Services	Implementation of 16 bulk water supply scheme projects	15 600 HH with access to water
	Water Pipeline Replacement	150 Kms of pipelines replaced	Uninterrupted water supply
	Pump Stations Refurbished	4 Pump Stations refurbished	Increased pump stations capacity
	Provision of Households with Waterborne Sanitation Services	Implementation of 7 waterborne sanitation scheme projects	4 800 Household with Access to sanitation
	Provision of Household VIP Sanitation	Implementation of VIP rural sanitation projects	7 700 Household with VIP Toilets
	100% Eradication of bucket system in households	Implementation of sanitation projects	All households with access to at least minimum sanitation standards
	Meter replacement	4 260 Meters Replaced	Increased billing accuracy
	Alternate water supply	Springs protection	200 Springs Protected



Strategic Objective	Key Performance Indicator	Deliverables	Outcomes
		Boreholes refurbishment	262 Boreholes Refurbished
Municipal Transformation and Institutional Development			
2. To build and strengthen the administrative and institutional capability of the municipality	Performance Management Systems	Quarterly Performance Reviews	Timely interventions and corrective actions
		Performance Report	Ongoing focus and review on the achievement of results
		Signed performance agreements by Section 57 Managers	Greater accountability in the use of resources
	Human Resource Development and Wellbeing	Employee Wellness Programmes	Healthy and Motivated Employees
		Skills Development	Skilled and capacitated Labour
		Occupational Health and Safety	Compliance to OHS Act
		IPMS cascaded to levels 4, 5, and 6	Culture of Public Service and Accountability amongst staff
	Fleet Management	Timely replacement of fleet	Effective Fleet Management System in Place
		Reduced use of Fuel	
	Secretariat Services	Timely dispatchment of minutes and agendas	Municipal Committes Support
Records Management	Implementation of Electronic Document Management System	Electronic Record Management	
Long Term Office Accomodation	Increased office Space	Reduced Rental Expenditure	
Good Governance and Public Participation			
1. To create a conducive environment for participatory development	100% Functional IGR Structures	9 IGR Structure in Place	Increased co-ordination between District and Locals
	Batho Pele Programme implementation	2 Municipal Development Plans Developed	Increased Customer Satifaction
		Annual Departmental Batho Pele Awards	
	Enhancement of Public Participation	100% Functional Ward Committees	People Centred Service Delivery
		84 Community Development Plans developed	
		84 Ward Development Plans developed	
	Sport Development	5 Sport Codes participating in SALGA games	Active and Healthy Community
	Effective Communication	4 Internal Newsletters Developed	Informed Employees
		2 External Newsletters Developed	Informed Communities
	Customer Care	Call Centre Management	Efficient and Effective Customer Handling
Complaints Handling			
Information and Communication Technology	Financial Management System Replacement in place	Efficient and Effective Financial Management System	
Local Economic Development			
	Renewable Energy	Umkomaas Hydro Energy	Sustainable Energy Supply



Strategic Objective	Key Performance Indicator	Deliverables	Outcomes
		Project Community Trust Established	
4. To create a conducive environment for economic growth and job opportunities	Maritime Sector Development	Turton Beach Development Framework Plan by June 2016	Vibrant Maritime Sector that leads to employment opportunities
		Music City Development by 2017	
	Creative Industry Development	Training of 10 film makers	Improved Creative Industry
		Promotion of indigenous music	
	SMME Sector Development by 2017	Training of 30 contractors	Active Second Economy
		Registration of 20 cooperatives	
		Training of 30 cooperatives	
	Agricultural Support and Development	Ingonyama Trust Land Potential Agriculture Study by December 2015	Improved Agricultural Sector and lincreased Job Opportunities
		Tea Tree Plantation	
		Commercialisation of Horse Shoe Farm	
Manufacturing Sector Development	Support 2 rural areas emerging clothing manufacturers	Revived Manufacturing Sector	
	Support 2 emerging furniture manufacturers		
Mining and Energy Development	Development of mining and energy guidelines	Established Mining Sector	
	Training of emerging miners		
Job Creation	500 Employment Created through LED initiatives by 2016	Reduction of Unemployment Rate	
Tourism Development	6 new tourism products in the hinterland by 2017	Tourism Extended to Rural Areas	
Municipal Financial Viability and Management			
3. To develop and maintain a financially viable and sustainable organization that achieves full compliance with legislation.	Asset Management	Updated and GRAP compliant Asset Register	Co-ordinated activity of Ugu DM to realize value from assets
	Cash Management	Improved liquidity ratio	Ability of the municipality to meet immediate and short term obligations
		Improved Cash Coverage Ratio	
	Supply Chain Management	Increased turnaround time of award of contract	Maximized customer value and sustainable competitive advantage
		Reduced irregular expenditure	
	Budget Management and Reporting	Preparation of Financial Statements	Public Accountability
	Revenue Management & Enhancement	Increased Debt Collection	Increased Revenue
Completeness of Billing			
Expenditure Management (Accounts Payable; Project Accounting; & Salaries Management)	Payment of creditors within 30 days	SMME and Economic Development	
	Reduction of fruitless expenditure	keeping government spending within sustainable limits	
Cross Cutting Interventions			
	Environmental Management	Health and hygiene education strategy adopted	Environmental Awareness
6. To develop and promote an integrated sustainable environment		Final public health by-laws adopted	
	Environmental Management	Environmental Health Service devolution finalised	Increased capacity for Environmental Health Services
		Environmental Management Plan Adopted	Improved environmental decision making
		Air Quality Management Plan	



Strategic Objective	Key Performance Indicator	Deliverables	Outcomes
	Disaster Management	Adopted	Increased Disaster Response
		Disaster management centre Enhancement	
		Disaster management centre phase 2 and phase 3	Reduced disaster impact on communities
		4 Disaster Risk Reduction Plans developed	
District wide Fire and Rescue Services Strategy adopted			

1.7 How will our progress be measured?

The municipality’s performance measurement system (PMS) measures progress in terms of service delivery as per adopted programs and projects. The PMS is aligned to the Municipal IDP and Budget (SDBIP) to ensure that the implementation of programs and projects as articulated in the municipality’s vision which is built from the community’s needs and forward planning. The PMS is reviewed quarterly. The performance will be measured through the Organisational and Departmental Scorecards that have been developed and reported on quarterly basis.

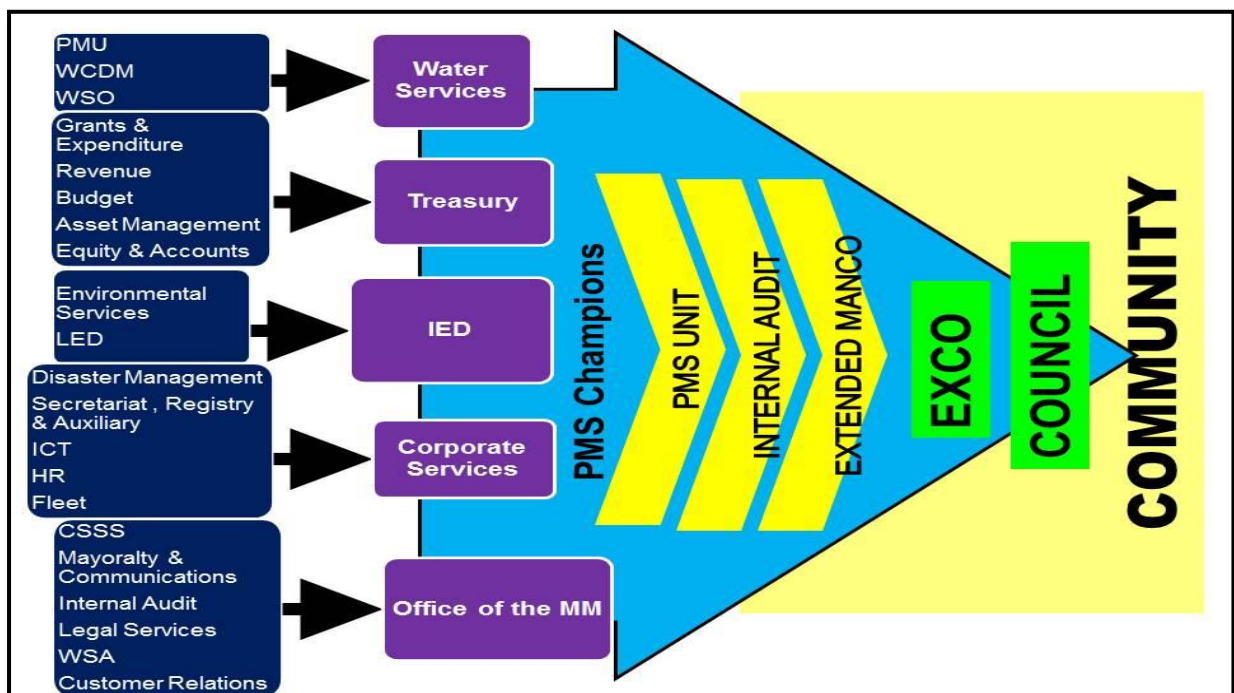


Figure 1.7.1: Ugu DM PMS Diagram

Source: Ugu PMS Unit

The reporting process commences from a departmental level from where it flows to the strategic level, political level and on to the community, the users of the services. The process followed is illustrated in figure 1.7.1., the entire process is driven by the PMS unit in the Office of the Municipal Manager and co-ordinated collectively with the PMS Champions in each Department.

At a departmental level all the sections / units report progress on the monthly departmental meetings which are led by the respective HOD. The respective HOD then consolidates all the section / unit



reports and submits to the PMS unit a consolidated departmental report. All the departmental reports are then sent to internal audit with accompanying POE files for auditing. Once the auditing is concluded the departmental reports are then discussed at a MANCO.

Once the departmental reports are discussed at the MANCO, the PMS unit then consolidates the reports into an organisational report for discussion in the quarterly PMS review which is attended by the EXCO and extended MANCO. In the quarterly performance review sessions the quarterly performance reports are evaluated critically by the EXCO members. This evaluation is aimed at determining to what extent the performance targets and KPIs are positively impacting on the development objectives. Recommendations are then formulated around corrective actions in this regard, if necessary. The quarterly municipal performance report, together with recommendations, is then forwarded to the council. As the final step the quarterly municipal performance report is then presented at the IDP Rep Forum for the purposes of reporting back to the community.



CHAPTER 2: GOVERNMENT PRIORITIES

Alignment of government policies and plans is crucial in the strategic planning processes of the municipality. Therefore the relevant binding and non-binding national and provincial policies including programmes and strategies need to be considered in the municipal development planning process and interventions. Our implementation and proposed interventions will focus only on the key mandates relevant to the municipal context in co-operative governance and those will be considered and addressed.

Alignment of government policies and plans is crucial in the strategic planning processes of the municipality. Therefore the relevant binding and non-binding national and provincial policies including, programmes and strategies need to be considered in the municipal development planning process and interventions. Our implementation and proposed interventions will focus only on the key mandates relevant to the municipal context in co-operative governance and those will be considered and addressed.

This section therefore reflects the applicable and relevant Government Priorities, such as the Millennium Development Goals, National Development Plan priorities, the 14 National Outcomes, the five (5) National Priorities, the State of the Nation Address, the State of the Province Address, the KZN PGDS (7 Goals) and Operation Clean Audit 2014 and Back to Basic. It indicates how these are addressed and applied in the Ugu District Municipal area.

2.1 Sustainable Development Goals

In September 2015, the 2030 Agenda for Sustainable Development, which includes a set of 17 Sustainable Development Goals (SDGs) to end poverty, fight inequality and injustice, and tackle climate change was adopted. The SDGs build on the Millennium Development Goals (MDG), eight anti-poverty targets that the world committed to achieving by 2015. Enormous progress was made on the MDGs, showing the value of a unifying agenda underpinned by goals and targets. Despite this success, the indignity of poverty has not been ended for all.

The new Global Goals, and the broader sustainability agenda, go much further than the MDGs, addressing the root causes of poverty and the universal need for development that works for all people. The SDG goals is an attempt at global co-ordinated efforts to ensure that the goals South Africa and the rest of Africa sets itself including ending poverty and hunger, improving health and education, making cities more sustainable, combating climate change, and protecting oceans and forests are achieved in the shortest possible time and in the most efficient way imaginable.

- 1) End poverty in all its forms everywhere
- 2) End hunger, achieve food security and improved nutrition and promote sustainable agriculture



- 3) Ensure healthy lives and promote well-being for all at all ages
- 4) Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- 5) Achieve gender equality and empower all women and girls
- 6) Ensure availability and sustainable management of water and sanitation for all
- 7) Ensure access to affordable, reliable, sustainable and modern energy for all
- 8) Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- 9) Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- 10) Reduce inequality within and among countries
- 11) Make cities and human settlements inclusive, safe, resilient and sustainable
- 12) Ensure sustainable consumption and production patterns
- 13) Take urgent action to combat climate change and its impacts
- 14) Conserve and sustainably use the oceans, seas and marine resources for sustainable development
- 15) Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
- 16) Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
- 17) Strengthen the means of implementation and revitalize the global partnership for sustainable development

2.1.1 Applicability to Ugu

The MDGs drove progress in several important areas such as, income poverty, access to improved, sources of water, primary school enrolment, child mortality. The Ugu District is still committed to these areas. Furthermore, SDG goal 6 talks directly to the Ugu District's commitment availability and sustainable management of water and sanitation for all.

2.2 National Development Plan: 2030

The National Development Plan aims to eliminate poverty and reduce inequality by 2030. South Africa has the potential and capacity to eliminate poverty and reduce inequality over the next two decades. This requires a new approach – one that moves from a passive citizenry receiving services from the State to one that systematically includes the socially and economically excluded, where people are active champions of their own development, and where government works effectively to develop people's capabilities to lead the lives they desire. The achievement of this vision is based on the following nine elements:

- i. Creating jobs and livelihoods,
- ii. Expanding infrastructure,



- iii. Transitioning to a low-carbon economy,
- iv. Transforming urban and rural spaces,
- v. Improving education and training,
- vi. Providing quality health care,
- vii. Building a capable state,
- viii. Fighting corruption and enhancing accountability,
- ix. Transforming society and uniting the nation.

2.2.1 Medium Term Strategic Framework (MTSF)

The Medium Term Strategic Framework (MTSF) is Government's strategic plan for the electoral term. It reflects the commitments made in the election manifesto of the governing party, including the commitment to implement the NDP. The MTSF sets out the actions Government will take and targets to be achieved. It also provides a framework for the other plans of national, provincial and local government.

The aim of the MTSF is to ensure policy coherence, alignment and co-ordination across government plans as well as alignment with budgeting processes. Performance agreements between the President and each Minister will reflect the relevant actions, indicators and targets set out in this MTSF.

In the presence of the NDP as an overarching, long-term plan the MTSF process has been reoriented towards conversion of the NDP into medium-term five-year plans. The intention of the MTSF is to directly inform departments' planning and oversight of plans and performance.

The 2014 – 2019 MTSF has two overarching themes which are radical in economic transformation and improving service delivery and 14 priority outcomes which are building on previous MTSF and the NDP. Within each priority outcome there are broad objectives and themes. The 14 priority outcomes are as follows:

1. Quality basic education;
2. A long and healthy life for all South Africans;
3. All people in South Africa are and feel safe;
4. Decent employment through inclusive growth;
5. A skilled and capable workforce to support an inclusive growth path;
6. An efficient, competitive and responsive economic infrastructure network
7. Vibrant, equitable, sustainable rural communities contributing towards food security for all;
8. Sustainable human settlements and improved quality of household life;
9. Responsive, accountable, effective and efficient local government;
10. Protect and enhance our environmental assets and natural resources;
11. Create a better South Africa and contribute to a better Africa and a better world;
12. An efficient, effective and development-oriented public service;
13. A comprehensive, responsive and sustainable social protection system;
14. A diverse, socially cohesive society with a common national identity.



2.2.2 State of the Nation Address

In the State of the Nation address, by His Excellency Jacob G. Zuma, President of the Republic of South Africa, it emerged that the main concerns of the people of SA based on the inputs to the SONA 2015 are, crime, roads, access to education, youth internship schemes, water, electricity and support for small businesses. In response to these concerns and keeping in line with the MTSF, a nine point plan aimed at igniting growth and creation of jobs was introduced. The nine point plan is as follows:

1. Resolving the energy challenge;
2. Revitalizing agriculture and the agro-processing value chain;
3. Advancing beneficiation or adding value to our mineral wealth;
4. More effective implementation of a higher impact Industrial Policy Action Plan;
5. Encouraging private sector investment;
6. Moderating workplace conflict;
7. Unlocking the potential of SMMEs, cooperatives, township and rural enterprises;
8. State reform and boosting the role of state owned companies, ICT infrastructure or broadband roll out, water, sanitation and transport infrastructure;
9. Operation Phakisa aimed growing the ocean economy and other sectors.

The Agri-Park programme and Operation Phakisa were also identified as national catalytic programmes which have to be met with the same enthusiasm at the local levels.

2.2.3 Applicability to Ugu District

The Ugu District Municipality has a major role to play in realising the NDP 2030 vision especially with regards to the expansion of infrastructure which in the case of Ugu is mainly water and sanitation infrastructure to ensure universal access to clean portable water and sanitation dignity for all people of Ugu area of jurisdiction. The importance of eradication of water and sanitation backlog is also reiterated in the SONA 2016 and the district therefore needs to align itself with the national priorities.

Furthermore, priority outcome nine of the 14 priority outcomes of the MTSF talks to a responsive, accountable, effective and efficient local government. Given the role at the 'front line' of service delivery, local government has a critical role to play in the NDP's vision and as a district, Ugu has to ensure co-ordinated effort with its family of municipalities that the five sub-outcomes are achieved and therefore the seven IDPs of the district's family needs to address and ensure:

- i. Members of society have sustainable and reliable access to basic services
- ii. Intergovernmental and democratic governance arrangements for a functional system of cooperative governance strengthened
- iii. Sound financial and administrative management
- iv. Promotion of social and economic development
- v. Local public employment programmes expanded through the Community Work Programme (CWP)



Furthermore, the District is currently championing the implementation of Agri-Park in the district in partnership with the Department of Rural Development. The Operation Phakisa is also being implemented in the district with Hibiscus Coast Municipality being a major stakeholder as they have the longest coastline in the district.

2.3 KZN PGDS (7 Goals)

The 2012 Provincial Growth and Development Strategy (KZN PGDS) bolsters the Province's commitment to achieving the vision of a ***“Prosperous Province with a healthy, secure and skilled population, acting as a gateway to Africa and the world”***. The PGDS aims to build this gateway by growing the economy for the development and the improvement of the quality of life of all people living in the Province.

The PGDS provides a reasoned strategic framework for accelerating and sharing economic growth through catalytic and developmental interventions, within a coherent equitable spatial development architecture, putting people first, particularly the poor and vulnerable, and building sustainable communities, livelihoods and living environments. Concomitant attention is also given to the provision of infrastructure and services, to restoring natural resources, to public sector leadership, delivery and accountability, thus ensuring that these changes are responded to with resilience, innovation and adaptability. This strategy will lay the foundations for attracting and instilling confidence from potential investors and to develop social compacts that address the Provincial challenges.

The main purpose of the KZN PGDS can be summarised as, being the primary growth and development strategy for KwaZulu-Natal to 2030; mobilising and synchronising strategic plans and investment priorities in all spheres of government, state owned entities, business, higher education institutions, labour, civil society and all other social partners in order to achieve the desired growth and development goals, objectives and outcomes; to spatially contextualise and prioritise interventions so as to achieve greater spatial equity; and to develop clearly defined institutional arrangements that ensure decisive leadership, robust management, thorough implementation and ongoing review of the growth and development plan.

To realise the KZN long term vision, the KZN PGDS sets out seven goals which are as follows:

1. Job Creation
2. Human Resource Development
3. Human and Community Development
4. Strategic Infrastructure
5. Response to Climate Change
6. Governance and Policy
7. Spatial Equity

The KZN further sets out 14 objectives to unpack the seven goals which are as follows:

1. To maximize **KZN's** position as a **gateway to South and Southern Africa**;
2. To ensure **human and utilization of natural resources** are in harmony;



3. To create **safe, healthy and sustainable living environments**;
4. To aspire to **healthy and educated communities**;
5. To ensure all **employable people are employed**;
6. To develop a more **equitable society**;
7. To ensure that **all people have access to basic services**;
8. To offer world **class infrastructure**;
9. To boost **investors' confidence to invest in KZN**;
10. To develop a **skilled labour force aligned to economic growth needs**;
11. To create **options for people on where and how they opt to live, work and play**;
12. To entrench **people centred-ness**;
13. To provide **strong and decisive leadership**; and
14. To **foster social compacts**.

2.3.1 State of the Province Address

The Premier of KwaZulu-Natal Mr. Senzo Mchunu in his State of the Province Address regarding the vision and high level focus areas for the next five years, the Premier reconfirmed the province's commitment to the key National priorities and outlined the following seven (7) outcomes the province will focus on which are aligned and informed by the PGDS:

1. Sustained, shared economic growth as a primary driver for job creation and poverty eradication;
2. Developing and protecting our human capital;
3. Good Governance;
4. Develop Strategic Infrastructure,
5. Education, training and developing skills to meet growth demand;
6. Environmental sustainability;
7. Improved spatial integration.

2.3.2 Applicability to Ugu District

The Ugu District Municipality as a water services provider will contribute immensely in the development of strategic infrastructure in its endeavours to eradicate water and sanitation backlogs in the district. Furthermore, the district has developed a DGDS which is aligned with the PGDS and plays a coordination role in ensuring that the local municipalities make a coordinated effort in realising the province's long term vision.

Furthermore, the district as the champion of the Ugu DGDS needs to ensure that the six local municipalities work together towards a shared vision and that tourism and agriculture which are the core economic sectors are strategically positioned in the path that the province is taking to ensure that the population of the Ugu District area of jurisdiction benefits optimally.



2.4 Local Government Back to Basics Programme

CoGTA conducted a review of all the municipalities to establish how far they are in becoming an ideal municipality as envisaged by CoGTA. It emerged from the review that the top third municipalities have got the basics right and are performing their functions at least adequately. This top third is the small core that represents the desired (ideal) state for all the municipalities as envisaged by CoGTA. The middle third of municipalities are deemed to be fairly functional and overall performance being average with the basics being mostly in place. The bottom third of municipalities are deemed to be dysfunctional, and requiring significant work for them to function properly. It is said to be plagued among other things by endemic corruption, councils which do not function, no structured community engagement, and poor financial management which leads to continuous negative audit outcomes.

The CoGTA's differentiated approach in the department's transformational agenda, recognises that there are widely divergent levels of performance between different categories of municipalities – in terms of services, public engagement, good governance, financial management and technical capacity. The departments aim therefore to encourage all municipalities to become positively functional centres of good governance and need to set proper standards for municipal performance. The Back to Basics programme is founded on five pillars which are:

1. **People First** - placing people and their concerns first and ensuring constant contact with communities through effective public participation platforms.
2. **Basic Services** - creating conditions for decent living by consistently delivering municipal services to the right quality and standard. This includes planning for and delivery of infrastructure and amenities, maintenance and upkeep, including the budgeting to do this. Ensuring there are no failures in services and where there are, restore services with urgency.
3. **Good Governance** – ensuring municipalities are well governed and demonstrate good governance and administration, cut wastage, spend public funds prudently, hire competent staff, ensure transparency and accountability.
4. **Financial Management** - ensuring sound financial management and accounting, and prudently manage resources so as to sustainably deliver services and bring development to communities.
5. **Capacity Building** - building and maintaining sound institutional and administrative capabilities, administered and managed by dedicated and skilled personnel at all levels.

2.4.1 Applicability to Ugu

The Ugu District Municipality falls within the bottom third of municipalities that are deemed dysfunctional by CoGTA. CoGTA will aim at the very least, that the municipalities in a dysfunctional state, perform the basic functions of local government and will do this through enforcement of current policies and legislation, systematically managing performance and accountability, and ensuring that there are consequences for underperformance. Minimum performance requirements include ensuring the proper functioning of council structures and council processes, the provision of basic services, and the appointment of competent staff and these are non-negotiable.



The Ugu District Municipality has therefore aligned its resources with the Back to Basics programme to ensure that it moves away from the current category which is dysfunctional. The five (5) Back to Basics pillars have been aligned with the district's nine priorities and six strategic objectives as outlined in Table 2.4.1.1 below. Furthermore, the Back to Basics is further cascaded down to the municipal SDBIP through incorporating the Back to Basics reporting template with the municipal scorecards to ensure coordinated implantation of the programme.

Table 2.4.1.1: Alignment of Back to Basics with the Ugu IDP

Source: Ugu District Office of the Municipal Manager

9 Priorities	6 Strategic Objectives	Back to Basics Pillars
1. Infrastructure Investment (Roads, Water, Sanitation, Electricity, Housing)	To provide access to sustainable quality drinking water and sanitation services	Basic Services
3. Financial Viability (Clean Audit, Corruption)	To develop and maintain a financially viable and sustainable organization that achieves full compliance with legislation	Financial Management
4. Education and Skills Development (Skills Development, Education)		Capacity Building
5. Inst. Integration & Coordination (Inst. Dev., Review of Organagram, Workforce, Principles Dev.)	To build and strengthen the administrative and institutional capability of the municipality	
9. Peace and Stability	To create a conducive environment for participatory development	People First
		Good Governance

2.5 Ugu District Growth and Development Plan

The Ugu Growth and Development Strategy (GDS) commits all stakeholders (public, private and civil society) to achieving a shared vision that by 2030 the Ugu District will be a leading tourism destination as well as manufacturing and agricultural hub where jobs are created and everyone benefits equally from socio-economic opportunities and services. . This intent is based on a shared understanding of the inter-relationships amongst communities and the challenges facing the district's economy as a whole. It is based on a commitment to working collaboratively to achieve the most beneficial outcomes for all.

The DGDS has six drivers which are:

1. Spatial Integration and Facilitating Security of Tenure
2. Strategic Infrastructure Investment
3. Education & Skills Development
4. Institutional Development
5. Strategic Sector Engagements
6. Environmental Sustainability
7. Safety Nets & Civic Empowerment



2.5.1 Applicability to Ugu

The district municipality needs to craft its IDP and LED programmes around these cascaded national and provincial policies. This will ensure that there is common understanding of issues that need to be addressed. This in turn will go a long way in co-ordinating government efforts around eradicating under development and thus bring about prosperity in an integrated fashion. The Ugu DGDS thus plays an integral role in the development Ugu's 2015/16 IDP Review in ensuring a common goal for 2030.

2.6 Spatial Planning and Land Use Management Act (SPLUMA)

The SPLUMA seeks to bridge the racial divide in spatial terms and to transform the settlement patterns of the country. The Act will address the legacy of the discriminatory, inefficient and costly special pattern that puts a considerable burden on the public resources. The Act will also ensure that the restructuring of South African cities, towns and settlements is in line with priorities and principles of the democratic government. Furthermore, it aims to bridge the racial divide in spatial terms and to transform the settlement patterns of the country in a manner that gives effect to the key constitutional provisions. The Act has six objectives as listed below.

- a) Provision of a uniform, effective and comprehensive system of spatial and land use management;
- b) Ensuring of a spatial planning and land use management system that promotes social and economic inclusion;
- c) Provision of development principles and norms and standards;
- d) Provisions for a sustainable and efficient use of land;
- e) Provision of cooperative government and intergovernmental relations amongst the national provincial and local spheres of government; and
- f) Redressing imbalance of the past and ensuring of equitable application of spatial development planning and land use management systems.

Furthermore, the Act provides five principles that must be applied to all aspects of spatial development planning, land development and land use management. These principles are outlined in Table 2.7.1.

Table 2.7.1: SPLUMA Development Principles

Source: Spatial Planning and Land Use Management Act, No.16 of 2013

Principle	Definition	Applicability to Ugu
Spatial Justice	Concerned with the past spatial and other development imbalances through improved access and ensuring the inclusion of previously disadvantaged communities. Furthermore, the land development procedures need to accommodate access to secure tenure.	The focus of development on urban coastal strip in the past has resulted in an imbalance development leading to the rural communities always legging behind. The district family is also on a process of implementing wall to wall schemes which are anticipated have an impact reshaping the spatial footprint of the district.



Principle	Definition	Applicability to Ugu
Spatial Sustainability	For viable communities there needs to be promotion of land development to happen within the fiscal, Institutional and administrative means. The protection of prime and unique land should be given special consideration and the consistency of land use measures in accordance with the environmental management tools. Furthermore the future and current costs of infrastructure and social services provision in land developments needs to be considered by all parties.	One of main the economic contributors in Ugu is agriculture and thus the agricultural land needs to be protected to ensure continued productivity and preservation. Furthermore, the DGDS talks about Strategic Infrastructure, that needs to be properly costed and be considered by all parties involved. The environmental viability is also of utmost importance as tourism is the key economic contributor in the district.
Efficiency	The land development should optimise the use of existing resources and infrastructure and the decision making procedures to be designed in a way that limits negative financial, social, economic or environmental impacts.	The need for optimisation of existing resources and infrastructure has been identified in Ugu and the importance of infrastructure operation and maintenance plan emphasised to a longer lifespan. Furthermore, even the decision making with regards to infrastructure deployment is guided by relevant policies and plans to ensure integrated implementation.
Spatial Resilience	In ensuring sustainable livelihoods in communities most likely to suffer the impacts of economic and environmental shocks, the spatial plans, policies and land use management systems flexibility needs to be accommodated.	With the high levels of poverty and unemployment in Ugu there is a need for to ensure sustainable livelihoods and SPLUMA offers that opportunity through spatial and environmental plans and policies flexibility is accommodated.
Good Administration	Ensuring an integrated approach by government (all 3 spheres) to land use and land development as guided by spatial planning and land use systems embodied in the Act. All sectors needs to ensure they provide necessary inputs and comply with all the prescribed requirements. There must also be transparency in policies, legislation and procedures so that members of the community are empowered and informed.	Through the development of IDP the district aims to ensure an integrated approach inclusive of all departments and local municipalities. Public participation mechanisms are also in place to ensure transparency and the members of the community are kept informed and empowered.



CHAPTER 3: SITUATIONAL ANALYSIS

The Situational Analysis component of the Integrated Development Plan (IDP) provides a more concise snapshot of the key elements of the Status Quo. The information presented is a combination of desktop analysis, the Ugu District's Growth and Development Strategy (GDS) participatory process, comprehensive community engagement workshops, 2011 census by Statistics South Africa as well as from targeted interviews and discussions.

3.1. Cross Cutting Interventions

The Spatial Development Framework which informs the major part of this section forms an integral part of the IDP. It identifies what physical / spatial development should take place and where, and also provides the physical location and spatial interrelationship of social, economic, environmental development. It provides guidance for all future development in Ugu. The Framework does not identify every detail but establishes the strategic development direction. Furthermore this analysis is also informed by the DGDS document.

3.1.1. Regional Context

The spatial pattern of the Ugu District Municipality resembles a "T" shape where areas along the coast have a well developed infrastructure and thus a reasonable economic growth, whereas the hinterland is characterized by the poor infrastructural provision and high unemployment levels. Ugu has some of the best examples of unspoiled sub-tropical bush-land and forest, as well as cultivated land and small rural villages, contrasted by bustling urban centres and major industrial complexes.

Ugu District Municipality is a favourite tourist destination, and includes the well established coastal towns of Port Shepstone, Pennington, Margate and Hibberdene. The modern N2 highway runs through Ugu parallel to the sea, passing Port Shepstone, the seat of the District Municipality.

There has been gradual change in rural settlement patterns, from a much dispersed scattered settlement pattern to a concentration of residential sites around the access roads. The change has also partly been encouraged by a decline in agricultural activities over the last 100 years combined with a growing dependence on wage employment (dominated by migrant employment on the mines) and state grants

The broken topography of the area is another factor which has strongly influenced settlement patterns, particularly in the hinterland. The broken topography has restricted not only the dispersal of homesteads, but also large-scale or commercial agriculture within the major river catchments, such as the Umzimkhulu and Umtamvuana Rivers. As a result, large tracts of Eastern Valley Bushveld, Scarp Forest, and Pondoland-Natal Sandstone Coastal Sourveld remain intact with little transformation.



These areas thus present an excellent opportunity for community-based eco-tourism initiatives (majority of areas fall within traditional areas) and maintaining ecological linkages between formally protected areas, such as Oribi Gorge Nature Reserve and Mtamvuna Nature Reserve.

The coastline is for obvious reasons another significant factor structuring development within the Ugu District Municipality. In contrast to the North coast development has taken place in a relatively narrow band or in a ribbon-like fashion along the south coast. The aesthetic and amenity value of the coastal zone makes this area particularly attractive for residential and holiday / hospitality type developments. As a result, there is ever increasing pressure to develop the last remaining open spaces along the coastline.

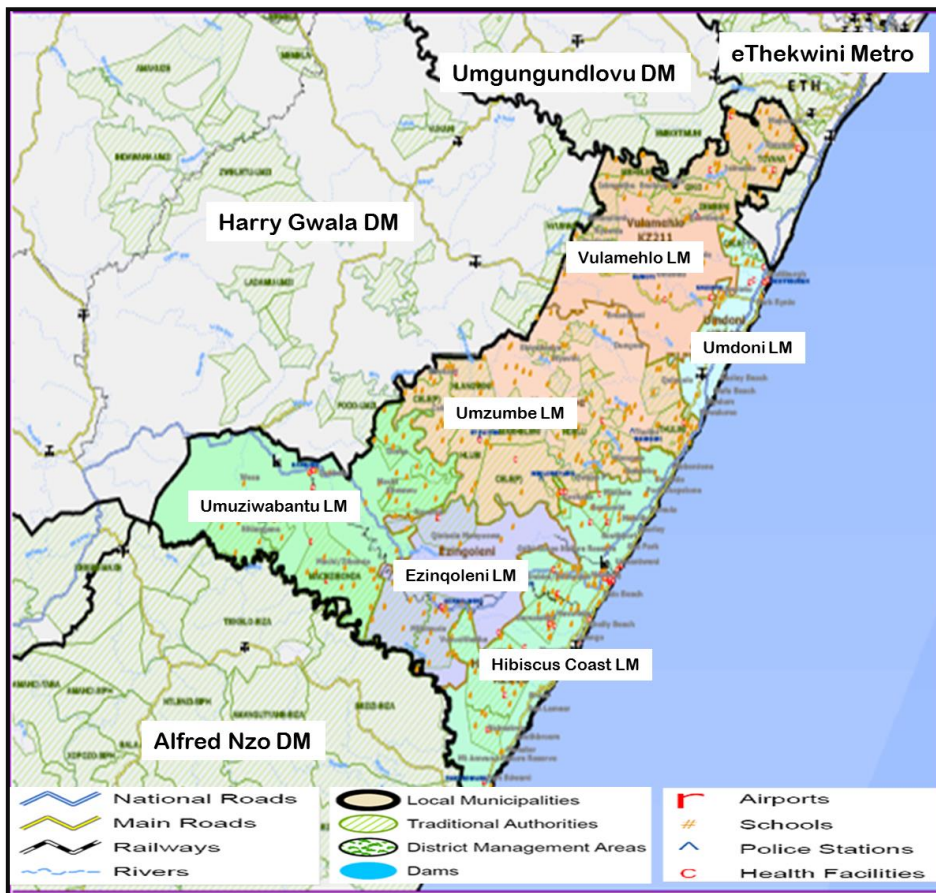


Figure 3.1.1.1: Ugu District Regional Context
 Source: Ugu District SDF, 2012

3.1.2. Administrative Entities

Ugu District Municipality is one of the ten (10) District Municipalities, located at the most southern tip of the province's coastline, covering 112km of the Indian Ocean. It is bordered by the Eastern Cape Province to the South, Indian Ocean to the East, Sisonke and Umungundlovu to the West and eThekweni to the North. It comprises of six local municipalities which are Eziqoleni, Umuziwabantu, Hibiscus Coast, Umdoni, Umzambe and Vulamehlo. According to the Statistics South Africa, the District Municipality DC 21 is 5866 km² in extent.

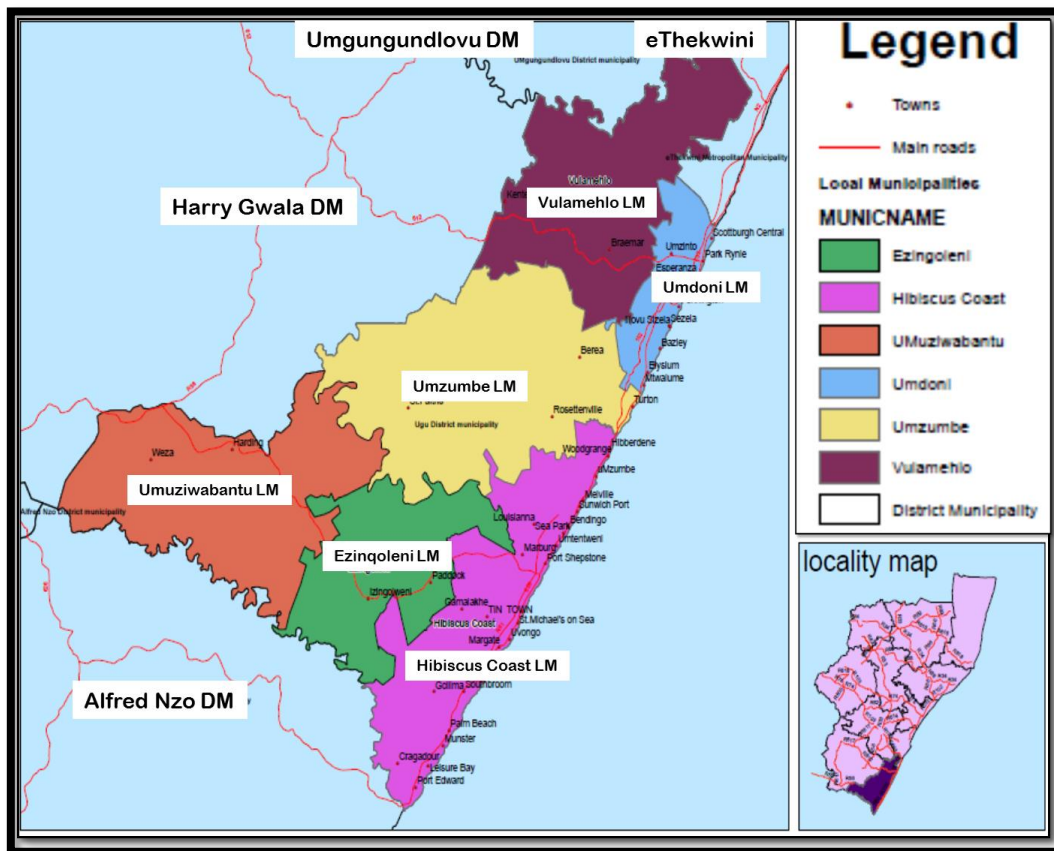


Figure 3.1.2.1: Ugu District Locality Map
Source: Ugu District Municipality GIS, 2013

3.1.3. Existing Nodes and Corridors

In terms of nodes, three types of nodes have been identified in the Ugu District area of jurisdiction which are primary, secondary, tertiary, quaternary and rural service centre nodes as reflected in Figure 3.1.3.1.

Primary Node: An urban centre with very high existing economic growth and the potential for expansion thereof. Provides service to the national and provincial economy. The identified primary node in the Ugu District Municipality area of jurisdiction is the Port Shepstone node.

Secondary Node: An urban centre with good existing economic development and the potential for growth. Services the regional economy. Scottburgh and Harding has been identified as the secondary node in the the Ugu District Municipality area of jurisdiction.

Tertiary Node: A centre which should provide service to the sub-regional economy. The areas such as Port Edward, Margate, Hibberdene, Park Rynie, and Umzinto have been identified as the tertiary node the Ugu District Municipality area of jurisdiction.

Rural Service Centre – A centre which should provide service to the localised rural economy. These centres include areas like Turton / Nyangwini, Dududu and Izingolweni and have been identifies as the Rural Service Centre in the Ugu District Municipality area of jurisdiction.

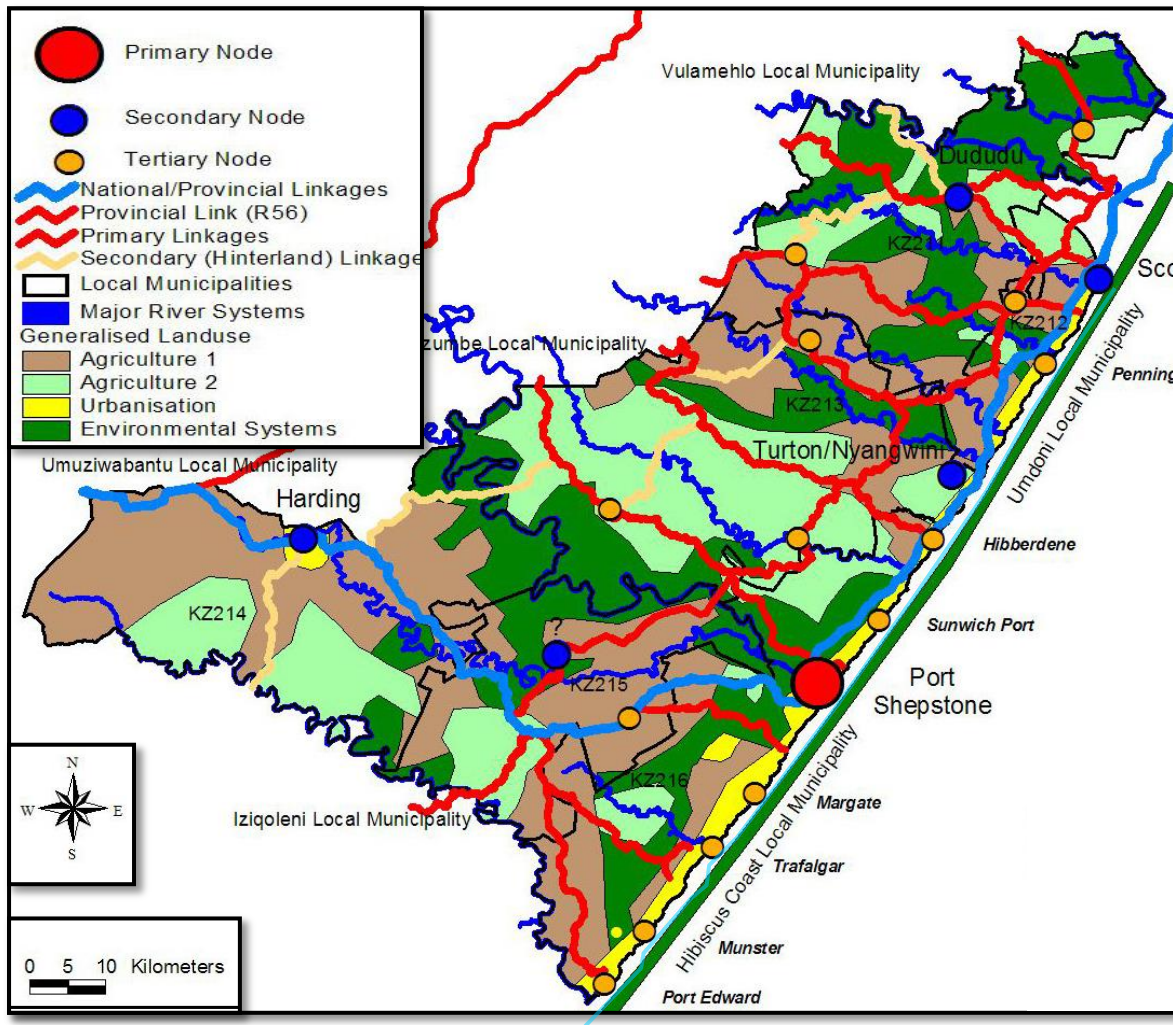


Figure 3.1.3.1: Ugu District Nodes

Source: Ugu District GIS, 2015

In terms of the development corridors two main types of development corridors are identified which are namely, primary and secondary development corridors.

Primary Corridor: A corridor with very high economic growth potential within all three sectors which serves areas of high poverty densities. These corridors include value-adding areas, such as Scottburgh, Hibberdene, Port Shepstone to Margate, Umtamvuna, and Port Edward. Furthermore, the district understands that the entire coastal strip forms an ‘Economic support area’, as well as Harding.

Secondary Corridor: A corridor serving areas of high poverty levels with good economic development potential within one or two sectors. In terms of the secondary corridors in the Ugu District Municipality area of jurisdiction, the importance of a corridor from Port Shepstone, through St Faiths, towards Ixopo is highlighted; and the indication of most of the rural hinterland as ‘mandated service delivery areas’, ‘agricultural investment areas’ and ‘social investment areas’. Many comprise of all three.



Tertiary corridors: i.e. local level development corridors, are not identified in the district SDF, they should however be established in the local municipality SDFs. These corridors are expected to link local access roads and individual communities into the secondary corridor system and to the relevant centres of activity. Development located within these corridors would primarily address local requirements and opportunities and will inter alia accommodate local tertiary centres.

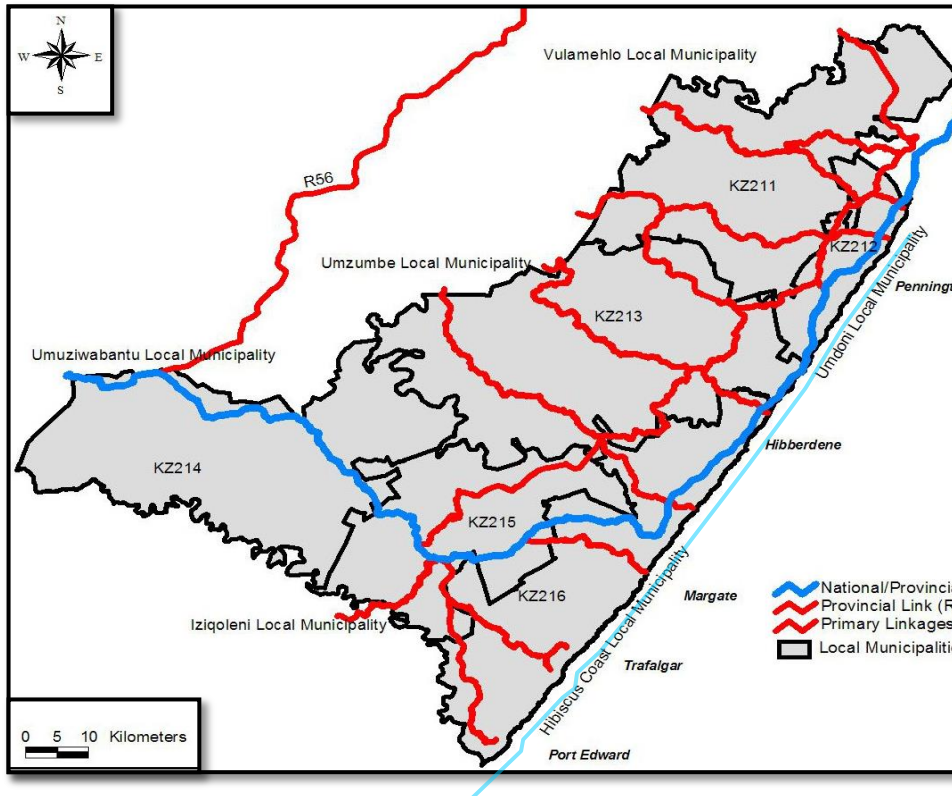


Figure 3.1.3.2: Ugu District Primary Corridors
 Source: Ugu District GIS, 2015

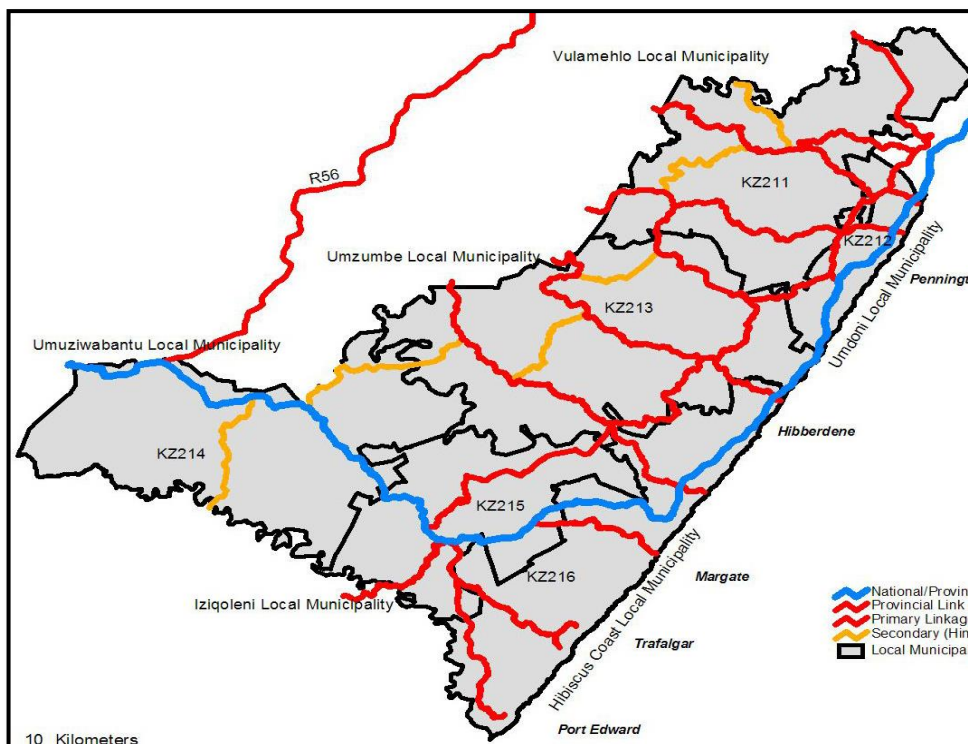


Figure 3.1.3.3: Ugu District Secondary Corridors
 Source: Ugu District GIS, 2015

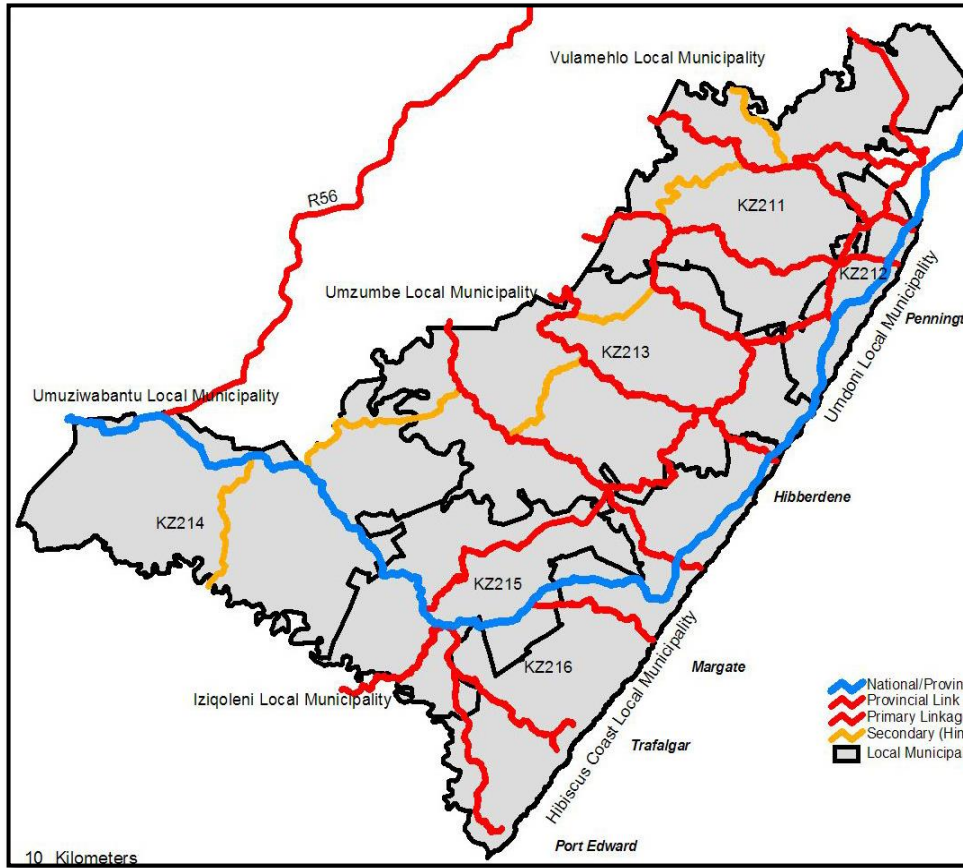


Figure 3.1.3.3: Ugu District Tertiary Corridors

Source: Ugu District GIS, 2015

3.1.4. Broad Land Uses

In terms of the settlement type in Ugu District, statistics SA breaks it into three broad categories, which are urban, traditional and farms. The traditional settlement (58.7%) type is dominant followed by the farms (37,5%). These become particularly important when it comes to service delivery and the strategies that needs to be put in place to ensure speedy service delivery.

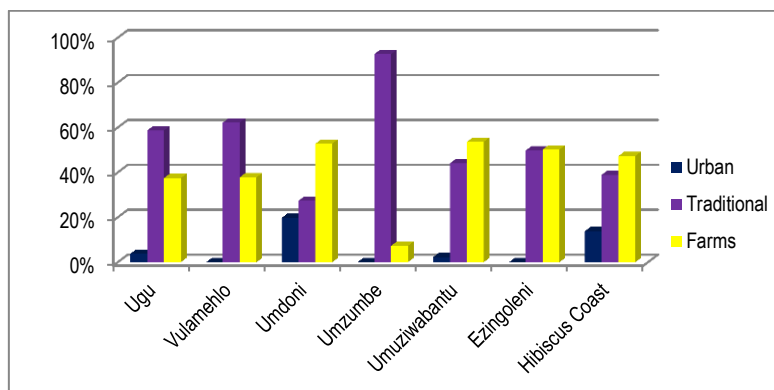


Figure 3.1.4.1: Settlement Type per Local Municipality

Source: Statics SA, Census 2011

The Ugu District Municipality SDF identifies four broad land uses which are namely roads, residential, agricultural and industrial as can be seen in Figure 3.1.4.2.

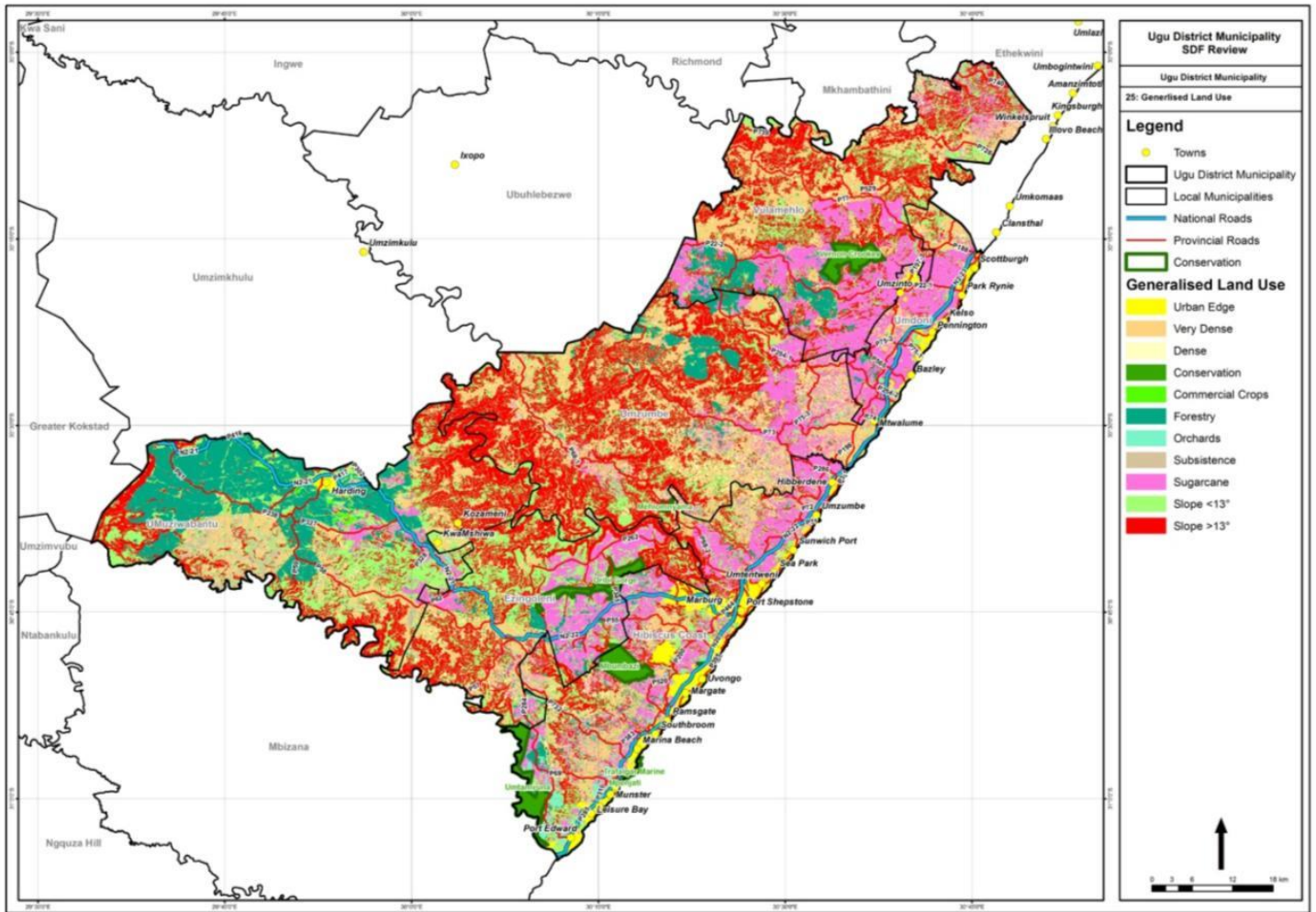


Figure 3.1.4.2: Ugu District Municipality Broad Land Uses
Source: Ugu DM GIS, 2015

3.1.4.1. Open Space System

An Open Space System comprising River Floodlines, High Priority Bio-Diversity Areas for retention (including Steep land), and Protected Nature Reserves occurs throughout the District. These comprise of existing demarcated areas, improved areas, and the new proposed Umzimkulu Game Reserve.

3.1.4.2. Roads

The major road system comprises of the existing National N2 and a series of E-W “Regional” and N-S “Regional” roads. Sections of the existing “Regional” roads that are currently gravel, will be “improved” by tarring when they connect demarcated Nodes.

3.1.4.3. Residential Areas

No major population growth is anticipated in rural areas, primarily those that occur within Traditional Authority areas; as urbanization is expected to be directed towards the larger coastal towns of the District and the major cities of the Province.



New “greenfileds” and “infill” small pocket and accretion can be expected adjacent to the major coastal towns. For the most part, residential “Improvement” in the form of infrastructure provision and in-situ upgrading, will occur in relation to informal settlements, within and outside of TA areas, that are close to and adjacent to the coastal towns. The proposal is that the informal and formal settlement in the Traditional Areas will be linked to nearby Coastal Towns, consolidated and compacted to create integrated settlements.

3.1.4.4. Industry

Expansion of the existing industrial areas in Umdoni and Marburg will be encouraged; while a new large scale industrial area will be investigated for the Umzumbe area in order to facilitate development in this area.

3.1.4.5. Agricultural Land Use

The commercial agriculture is a broad, generalized category that accommodates intensive and extensive agricultural practices and forestry /plantation forms of Agriculture. The traditional settlement and agriculture practice on the other hand are areas comprising of low density settlement areas where limited commercial agricultural activities take place within the concept of small parcels of common land and the practice of mostly subsistence agriculture.

3.1.4.6. Land Ownership

The majority of the households in the Ugu District Municipality’s area of jurisdiction are owned and fully paid off by their occupants (56%), occupied rent free is 16% and rented also 16%. The households that are owned but not yet paid off are 9%. It is important to further interrogate the tenure / ownership type of the ownership as most of the ownership type is long term lease or PTO the title deed being limited only to the urban areas as the rural areas are under Ingonyama Land Trust and 79% of the population reside in the traditional areas. The table and chart below shows the land ownership of the district.

Table 3.1.5.1: Ugu District Municipality Tenure Status

Source: Stat SA, Census 2011

	Ugu	Umzumbe	Umuziwa bantu	Ezingoleni	Hibiscus Coast	Vulamhlo	Umdoni
Rented	28937	1901	2264	778	17855	679	5461
Owned but not yet paid off	16663	1639	2305	267	7560	2184	2710
Occupied rent-free	28218	5168	4580	756	9735	4423	3556
Owned and fully paid off	100513	25450	12002	9602	35021	8051	10386
Other	5109	1014	468	69	2005	798	756
Total	179440	35171	21619	11472	72175	16135	22869

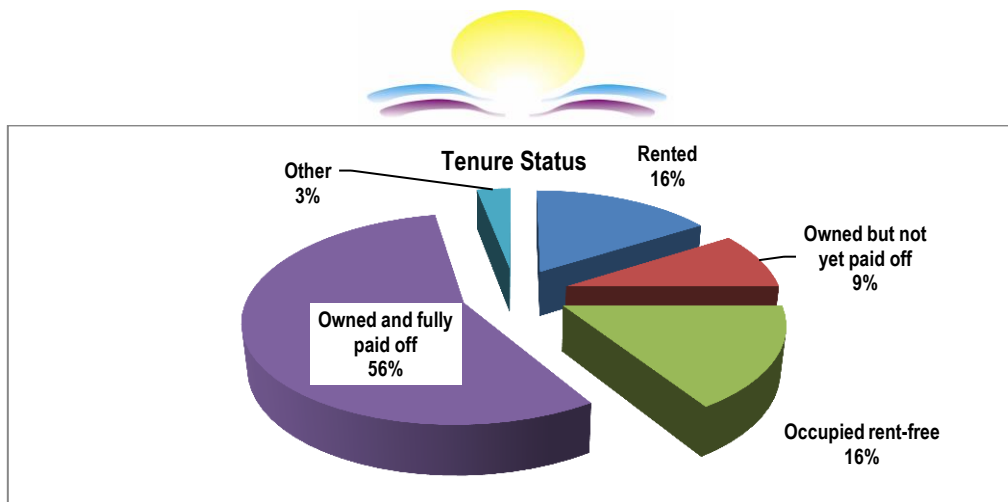


Figure 3.1.5.1: Ugu District Tenure Status
Source: Statics SA, Census 2011

3.1.4.7. Tenure Security

The lack of both tenure security and access to Ingonyama Trust Land has been identified as the primary blockage to economic and social development within the district. The existing spatial pattern, of a narrow strip of urban coastal development and a large, under-developed hinterland is perpetuated by the dual system of land ownership and management within the district. The potential identified in the hinterland for commercial agriculture, tourism, industry and commerce will not be realized unless the land can be unlocked for development. The unlocking of this land has implications for infrastructure provision within the region and the on-going development of human settlements. Resolving outstanding land claims is also regarded as essential to increasing the risk and investment appetite of farmers within the district. The spatial vision for the district involves the consolidation of emerging patterns of human settlement within rural economic nodes and corridors in order to unlock the potential of fertile tracts of land. Partnerships amongst the public, traditional authority, private and civil society sectors will be necessary in order to make this happen.

3.1.5. Land Reform

Land reform is an integral part of the transformation of the South African urban and rural landscape and limited success has been achieved to date across South Africa. Where it has been implemented it has been generally regarded as unsuccessful leaving communities and individuals destitute. The importance of implementing successful land reform initiatives can, however, not be doubted. Such initiatives should make a contribution to improving household food security and supporting economic development in the District.

As the focus of spatial planning is on the appropriate use of land, it is of specific importance that the impact of spatial planning proposals in the district on all facets of land reform be considered. The different facets of the land reform programme include:

- Land redistribution;
- Land restitution; and
- Land tenure.

The current status quo of the land reform programme in the Ugu District area of jurisdiction is captured in Figure 3.1.6.1 below.

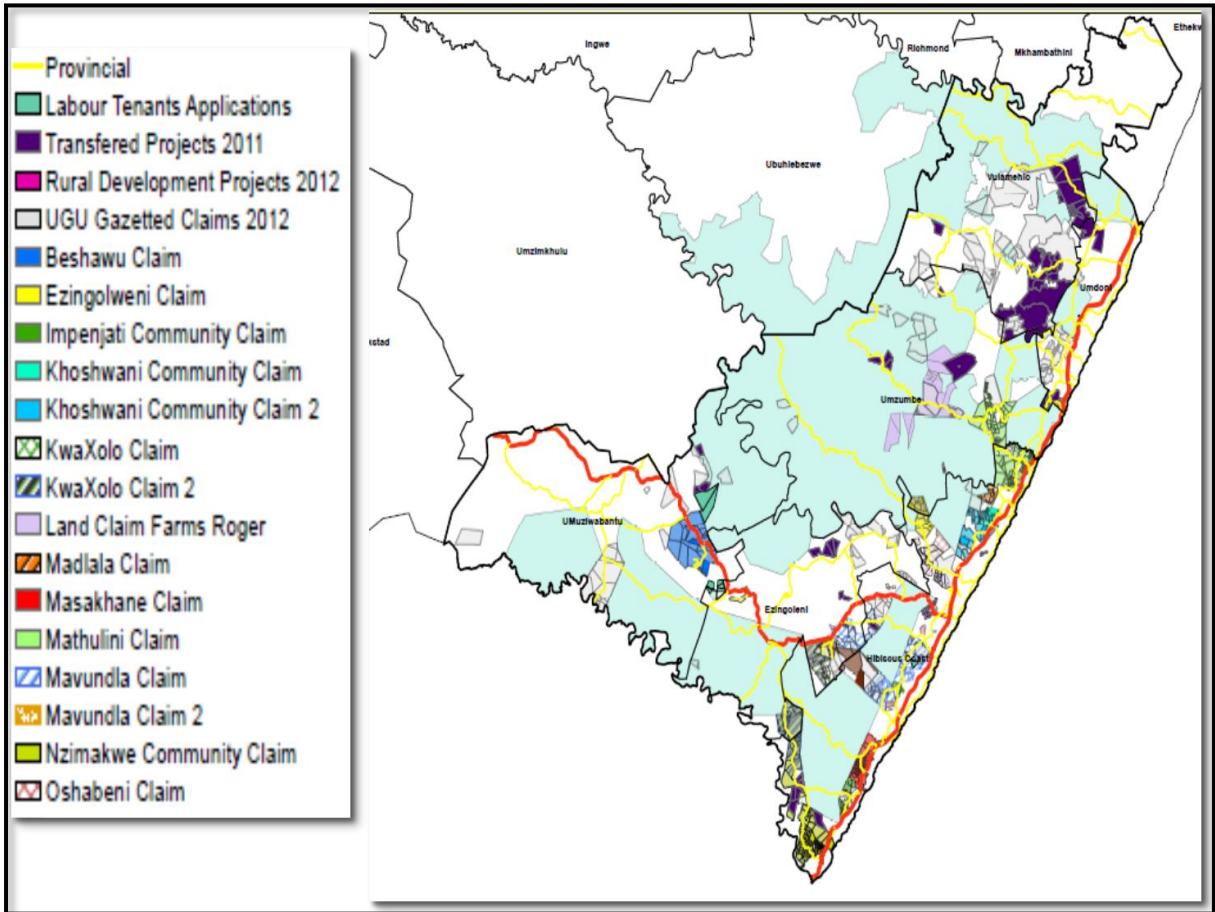


Figure 3.1.6.1: Ugu District Land Reform Status
 Source: Ugu DM GIS, 2015

3.1.6. Land Potential

The **Ugu DGDS driver 4: Strategic Infrastructure** refers to the development of airports, harbours, road, rail, ICT, electricity and water infrastructure. These are all critical types of infrastructure that feed directly into Ugu’s potential for economic growth and development. The Ugu DM has recently completed an Infrastructure Audit to assess the gap between existing capacity and future demand for infrastructure within the region as a whole. The Ugu SDF and Infrastructure Audit are key resources to assist in the prioritization of decisions regarding infrastructure investment interventions discussed in the Ugu DGDS. The strategic objectives identified as part of this driver are: **(4.1)** development of airports and harbours, **(4.2)** development of an integrated road and rail network to support passenger and cargo transport, **(4.3)** development of ICT infrastructure to support the knowledge economy, **(4.4)** strengthening of energy infrastructure capacity and efficiency, and **(4.5)** ensure effective water resource management and awareness.

Furthermore, the majority of development proposals presented in local economic development strategies require access to land. Examples of this include the development of industrial areas, the expansion of agricultural production, the establishment of new residential developments and more. From initial spatial and land use assessment it can be concluded that land in the Ugu District should be viewed as a scarce resource. Table 3.1.7.1 quantifies the current land use situation in the Ugu District, and specifically considers the availability of undeveloped land for development.



Table 3.1.7.1: Availability of Land for Development

Source: Ugu DGDS, 2013

Land Use Type	Total Hectares	% of Total
Urban Edge	25721	4.7%
Very Dense Rural Settlement	77864	14.3%
Dense Rural Settlement	50483	9.3%
Conservation	9084	1.7%
Forestry	46198	8.5%
Sugarcane	70177	12.9%
Commercial Crops	766	0.1%
Orchards	1961	0.4%
Subsistence Agriculture	5688	1.0%
Available Land for Development (Slopes < 13°)	125309	23.0%
Severely Restricted Land for Development (Slope > 13°)	132475	24.3%
Total	545726	100.0%

Although there appears to be substantial land available for development in the Ugu District, the majority of this land has a slope of greater than 13° which severely restricts the development potential. Approximately 30% of the land in the District can be classified as settled areas (including the urban edge and dense rural settlement). Sugar cane and forestry occupies 20% of the land with commercial crops and orchards occupying only 0.5% of the land.

The land available for development is generally located in small pockets and / or not well-located (i.e. located on river flood plains) and therefore not necessarily available for development. Low density rural and urban settlement areas also continue to expand and reduce the extent of land available for development.

Also to be considered is that sugar cane land, if used for alternative production or urban land uses, reduces the land for sugar cane and may impact on the longer term sustainability of the two sugar mills located in the District. These are major contributors to the economic output of the District.

3.1.6.1. Spatial Planning Perspective on Land Potential

With the above in mind it is important that the appropriateness of nodes currently reflected in spatial planning is assessed and the optimal location for the establishment of specifically rural nodes be determined.

The establishment of periodic service delivery points across the District, in locations that may in future be targeted for nodal development, should be considered. These periodic service delivery points must be clearly reflected on local municipality spatial development frameworks and should be the basis for the development of a periodic service delivery system. Through the establishment of such service delivery points the formation of informal and formal markets can also be promoted.



3.2. Environmental Management Analysis

Integrated Environmental Management (IEM) in the form of EIA compliance is a major milestone being achieved under the National Environmental Management Act (NEMA) across various sectors, both public and private. In collaboration with Department of Economic Development Tourism and Environmental Affairs and the local municipalities, the district had embarked on both statutory and non-statutory proactive integrated environmental planning through the development of Strategic Environmental Assessments, Environmental Management Framework, Integrated Waste Management Plan, Air Quality Management Plan, Air Quality Management by-laws, etc. Other pockets of excellence include intergovernmental and inter-sectoral forums and social responsibility projects. However law enforcement on formal mining activities remains a major area of concern.

Major gaps were identified when the five year IDP was developed in 2012 with respect to Coastal Management programme as required by the Integrated Coastal Management Act of 2009, Climate Change Adaptation and Mitigation Strategy, Invasive Alien Species Management Plan, Health and Hygiene Education Strategy. Some progress has been made as to date the Coastal Management Programme is in place and the municipality is currently developing Climate Change Vulnerability Strategy. The municipality will continue to prioritise the development of the remaining strategies and plans.

3.2.1. Physical Environment

This section covers the physical environment of the Ugu District Municipality area of jurisdiction looking at the topography and water resource, geology and soils, land cover, the coast, and biodiversity and conservation as summarised in Table 3.2.1.1.

Table 3.2.1.1: Ugu District Summary of Physical Environment

Source: Ugu District Environmental Services, 2015

Topography and Water Resources	<p>Rises from sea level to inland plateau</p> <p>Major rivers: Umzumbe, Ifafa, Mthwalume, Mzumbe, Mtemtweni, Umzimkhulu, Umzimkhulwana, Mthamvuna, Mzimayi.</p> <p>Bordering rivers: Umkomaas and Umthamvuna</p> <p>Altitude: 20-100 above sea level</p> <p>Slopes: >40%</p>
Biodiversity and Conservation	<p>Environmentally sensitive areas: marine reserves, wilderness areas, monuments, conservation areas, nature reserves, wetlands, threatened species and their habitats, areas of high species diversity and sites of scenic value</p> <p>Wetlands: under severe, inappropriate development pressure, wetland habitats being replaced by developments</p> <p>Vegetation: various indigenous communities being overtaken by invasive alien plants</p> <p>Protected areas: Vernon Crookes, Mpenjati, Oribi Gorge, Umtamvuna and Mbumbazi Nature Reserves under EKZNW. There are others under private ownership</p>



Geology and Soils	<p>Most likely parent geological material along the coast includes: Dwyka Series occurring south of the Mkomazi River, inland from the Mtwalume River to the Ifafa River, south of the Mzimkulu River and north of the Mtentweni River. Slight-moderate erosion occurs</p> <p>Alluvial deposits: along estuaries and river flood plains, highly productive soils ranging from sandy through loamy to clay deposits, rich and humus, prone to extensive development pressure for cultivation activity</p> <p>Sands: overlaying the bluff beds are berea red sands representing the old dunes. – north of Sezela, south of Mpambanyoni and south of Mkomaas rivers. Sands colour generally range typically from white to gray, red or brown to yellow depending on the oxidation state of the iron containing minerals coating the quartz grains, typically poor for cultivation as they are subject to erosion if disturbed through inappropriate development.</p> <p>Dolorite: along the uMzombe coast and in the vicinity of the Damba River. Soils usually non-structured clay formations with loam. High agricultural potential Sections of structured upland clays become water logged Extensive deposits of Gneiss (Granite) along the entire coast with cretaceous marine sediment deposits. Small quantities of gold, asbestos, limestone, kaolinite, bauxite, graphite, copper and nickel occur on the coast</p>
The Coast	<p>Length of strip: 112km, covering Umdoni, Umzombe and Hibiscus Coast local municipalities</p> <p>Estuaries: 36 estuaries</p> <p>Development: Coastal corridor is relatively well developed with hard and bulk infrastructure; light industries on the south focused around Port Shepstone, Marburg areas and Margate Airport as well as Scottburgh-Park Rynie on the North. Intensive residential and holiday resorts developments</p> <p>Risks and vulnerabilities: highly vulnerable due to development and sea level rises. CVI suggests precautionary measures on the high to moderate risk areas</p>
Land Cover	<p>According to CSIR's "Standard Land-cover Classification Scheme for Remote Sensing Applications":</p> <p>Sugar cane and smallholdings penetrate the land in the Northern sub-region-limited to no more grassland left in the primary and secondary boundaries of the sub-region except on the Southern Sub-Region, west of Port Shepstone, Shelly Beach and Port Edward.</p>

3.2.1.1. Key Hydrological features

Eight main river systems and numerous minor coastal catchments drain the Ugu region. The major systems with the largest carrying capacity are the Umkomazi, the Umzimkulu and the Umtamvuna which flow all year around. The Umtamvuna River is regarded as being in the best ecological state of all rivers within southern KwaZulu-Natal. Part of the Umtamvuna Estuary is administered by Ezemvelo KZN Wildlife (EKZNW). EKZNW administer the Umtamvuna Forest Reserve. The main systems and the size of their catchments are listed in table 3.2.1.1.1 and reflected in Figure 3.2.1.1.1.



Table 3.2.1.1.1: Ugu River and Catchment Areas

Source: Ugu Coastal Management Plan, 2008

River	Catchment Area Km2
Umkomazi	4388
Mpambanyoni	551
Umzinto	237
Ifafa	260
Umtwalume	552
Umzumbe	541
Umzimkulu	6666
Umtamvuna	4986
Coastal Catchments	11009 (made up of 5 catchments all less than 330 km2)

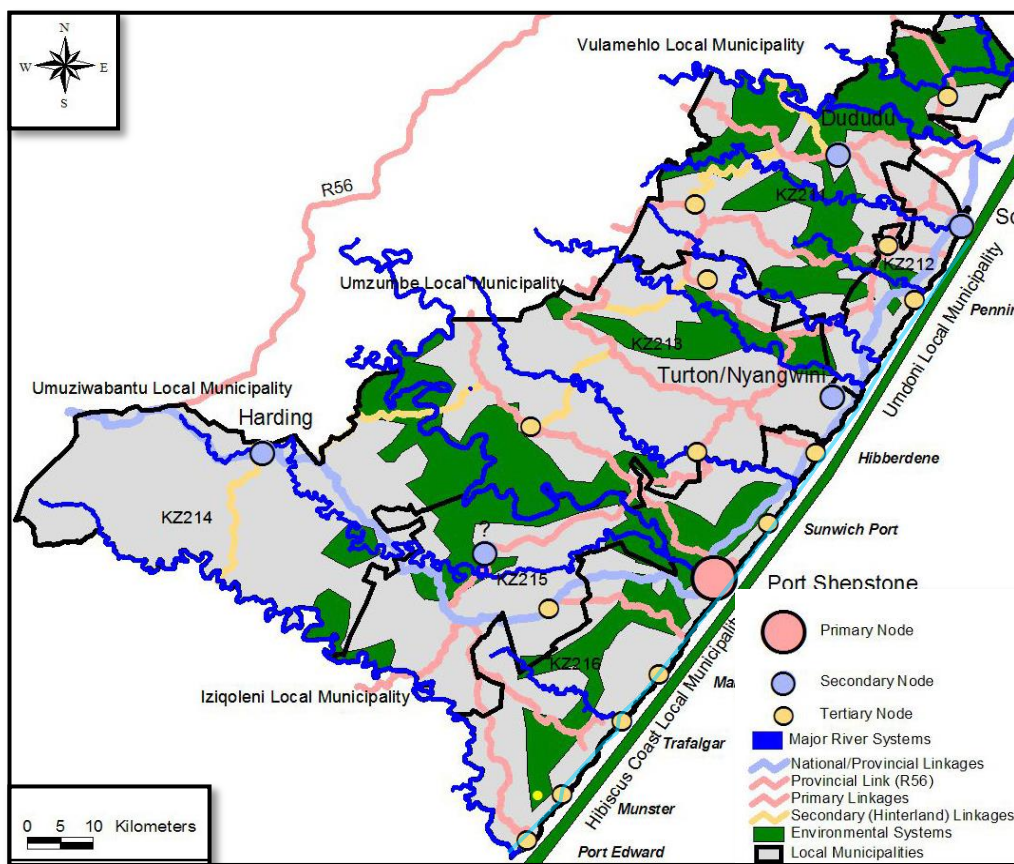


Figure 3.2.1.1.1: Ugu District River and Catchment Areas

Source: Ugu District SDF, 2012

The Ugu coast is serviced by 42 estuaries, 37 of which are classed as barrier lagoons and thus cannot be classed as true estuaries since they are closed to the sea for part of the year. Mangroves are present in some estuaries and several wide floodplains support reedbeds and swamp forest.

Of the five (5) true estuaries, only the Umzimkulu, a delta-top estuary and the Umtamvuna, a unique drowned river valley (ria), have a near constant open mouth condition. These two estuaries offer permanent nursery habitat to marine fish that are estuarine dependent. The Uvongo is scenically and ecologically unique as it boasts an estuarine plunge pool and natural waterfall. The Umzumbe is a non-tidal river mouth estuary and the Mpambanyoni is a delta-top estuary.



Intense inappropriate development, industrial and storm water pollution and degeneration stemming from river catchment activities threaten the ecological role and function of estuaries.

An analysis reveals that 45% of rivers monitored exhibit poor to moderate levels of water quality. This is in terms of their suitability for human contact (E. coli). The Uvongo and Mbango Rivers are classified as exhibiting poor-water quality and to be contaminated by forms of industrial/ textile manufacturing chemical pollution (CSIR, DWAF, Local Development Plans). The Umzimkulu is also reported to show high levels of heavy metal pollution (zinc, aluminium, copper, lead, nickel, chromium and mercury).

There are only four, out of the 42 estuaries in the region with their flood plains in good condition and over 50 % of the estuaries are in a moderate to poor state with regard to invasive vegetation.

3.2.1.2. Protected areas

The Core Environmental areas for consideration and identification of the SDF indicates that quite a few “new” areas (compared to the current SDFs) will have to be incorporated into the Reviewed SDF. On the other hand a number of existing areas, especially in the Vulamehlo area will be removed or reduced in extent. Most of these areas will be combined with adjacent River/Floodline areas or steep areas to create composite and contiguous Environmental Conservation areas on the SDF

Environmental Conservation areas are a composite of all those areas where development, of all types, will be constrained and/or constricted as a consequence of Steep land which is difficult to service or can lead to soil erosion, river floodlines, where development needs to be restricted riverine and estuary systems;

Ecologically determined land parcels set up to protect fragile, unique, and rare ecosystems as identified by Ezemvelo. These will be identified as :

- Core Environmental Areas, which are those areas that absolutely must be protected.
- Intermediate Environmental Areas that are areas which will need detailed assessment and trade off for developmental purposes, and could be considered to be co-incident with extensive types of agriculture.
- Nature Reserves, which are the formally identified areas under some form of public management and protection.

Several forms of Environmental Areas with restrictions on development are identified,

- Formal Nature Reserves – both existing and proposed (Figure 3.2.1.2.1)
- Conservation and Environmental Management areas that include Rivers, floodplains, estuaries, steep slopes and protected/high value eco-systems (Figure 3.2.1.2.2)

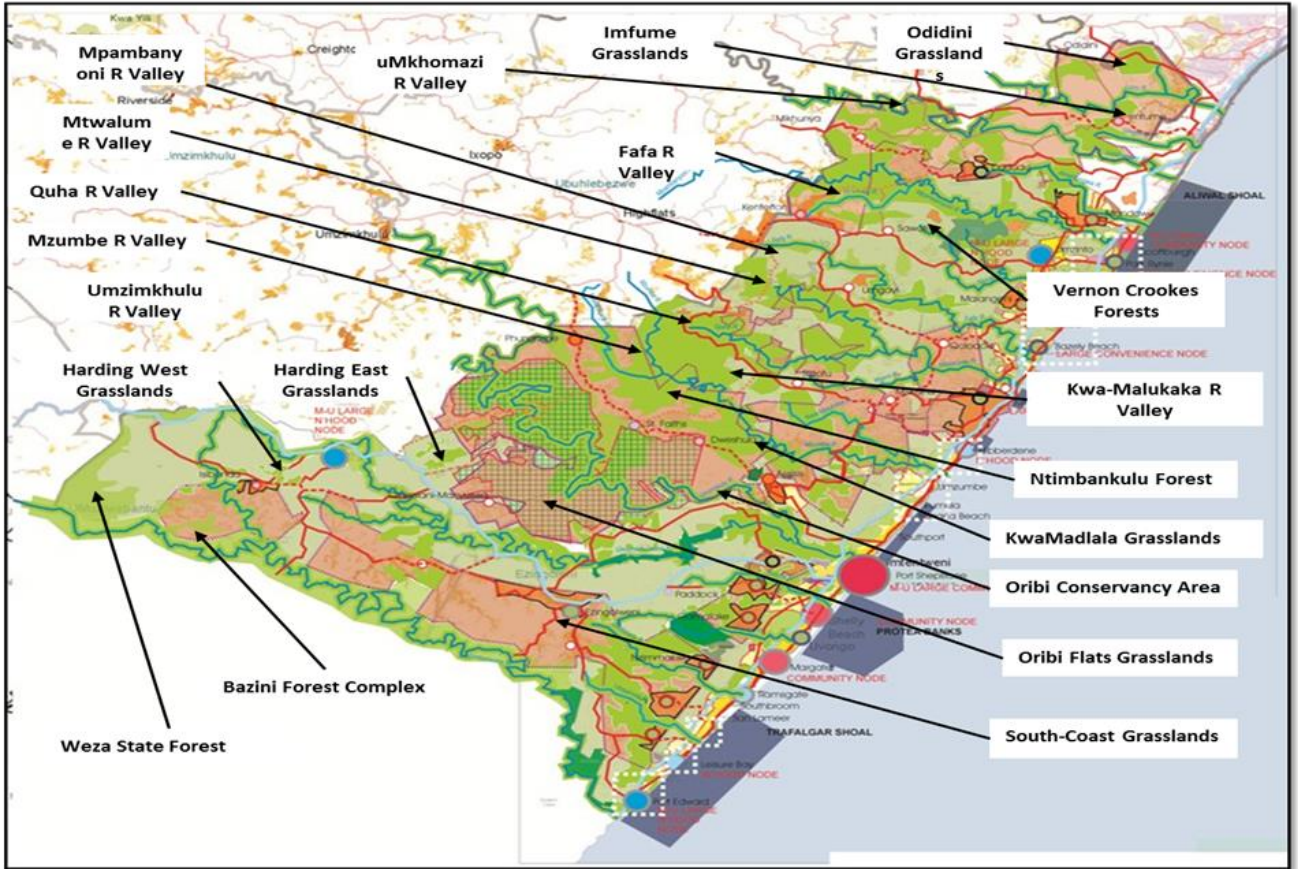


Figure 3.2.1.2.1: Ugu District Protected Areas (Nature Reserves)

Source: Ugu District SDF, 2012

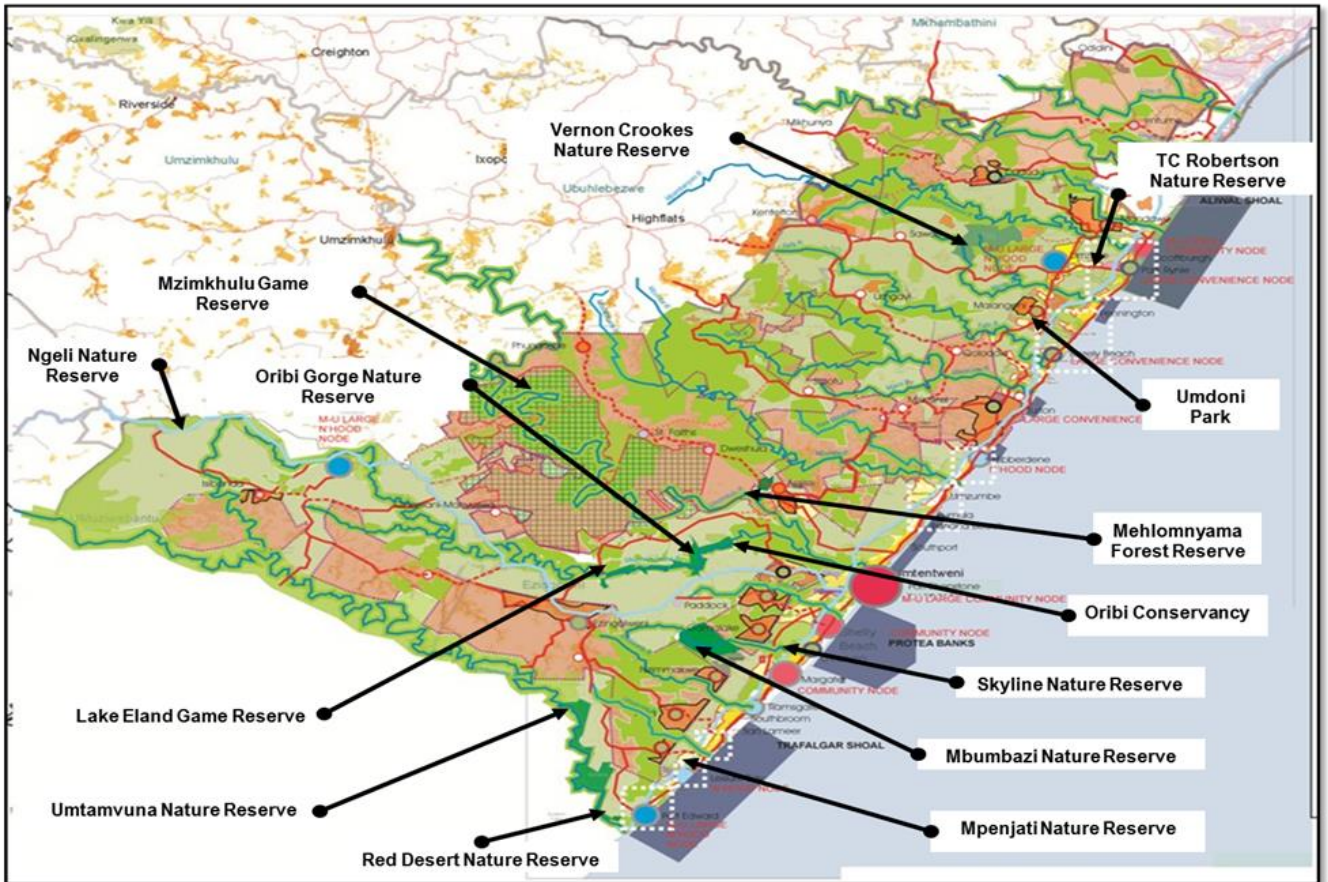


Figure 3.2.1.2.2: Ugu District Protected Areas (Conservation Areas)

Source: Ugu District SDF, 2012



3.2.2. Climate Change

There are numerous red flags in the Ugu district in terms of environmental management and the development of appropriate responses to climate change. For example, the Umdoni and Umuziwabantu local communities have recently undertaken Strategic Environmental Assessments (SEAs) that have raised serious concerns such as:

- Over exploitation of resources;
- Loss of wetlands, coastal forests, bushlands and grasslands, and associated biodiversity;
- Loss of ecosystem services – flooding, erosion and infrastructure damage;
- Alien plant encroachment;
- Poor state of rivers and estuaries;
- Soil erosion, loss of soil fertility in sugar lands, over grazing and uncontrolled land use in traditional areas;
- Illegal sand mining and quarrying;
- Loss of ecological linkages – fragmentation;
- Uncontrolled urban and rural sprawl;
- Siltation and irrigation compromising water supply; and
- Little evidence of climate change adaptation.

A key warning of these SEAs is that levels of vulnerability within these local municipalities have increased with the compromising of many environmental systems. Both the SEAs argue that the strategic documents of these municipalities, such as their SDFs, LUMS and IDPs are promoting unsustainable development and that poor upstream and institutional management is contributing to environmental degradation.

3.2.2.1. Ugu DGDS Response

It is strongly argued that sustainability must underpin the entire approach to development within the Ugu region. There is already an unacceptable level of environmental destruction and disregard. Growth and development cannot simply be measured in terms of wealth creation, but must take into account the impact on the quality of life of all citizens and on the planet. There are several challenges in the district with regard to environment sustainability – most notably the sheer lack of clear regulations, standards, supporting policy, incentives and appropriate research and development existing in the district currently. Further challenges relate to accessing financing capital and institutional infrastructural support. All industries should be assessing their current activities in terms of green principles and also investigating new opportunities that are presented through adopting a green approach. There is a need to have a “greening” strategy for the district that addresses both urban and rural development challenges. In particular municipalities need to develop green strategies for service delivery and support sustainable livelihoods that address the needs of different human settlement typologies. With this in mind, three strategic objectives have been identified which are **(1)** to advance alternative energy generation capacity, **(2)** to manage the pressures of biodiversity and environmental quality, and **(3)** to ensure efficient environmental monitoring, regulation and disaster management.



3.2.3. Environmental Health Services

Environmental Health summary of priorities are as follows:

- Health education is aimed to nurture behavioural change and to provide capacity to the community to identify health risks.
- To enable uniform application of the department requirements throughout the district and law enforcement thereof, Public Health By-laws are in the process of development.
- Ensuring compliance to hygiene and health standards amongst the general community, business sector and housing projects. This includes food safety, water and air monitoring, health surveillance of premises, food, vector and communicable disease control.
- Controlling, restricting or prohibiting the business of an undertaker, mortuaries and other places or facilities for the storage of dead bodies.
- Proactive interventions in the aspect of human settlements through the scrutiny of building plans to ensure compliance with health and certain standards in order to prevent health risks that may arise as a result of occupation thereof.

3.2.3.1. WHO 5 Keys to Safer Food

All municipal Environmental Health Practitioners (EHP's) are applying the 5 Keys to Safer Food Standards which have been developed by the World Health Organization. This has been and is still being implemented through workshops and on site education at food premises. Accordingly this will ensure safer, healthier and more hygienic food for the communities and consumers. This nature of food control is of international standard and same will be applied throughout the district amongst the food handlers.

3.2.3.2. Certificates of Acceptability

Steps are taken to ensure that the level of standards that were improved upon should continue to be maintained by vigilant monitoring and evaluation of all food handling premises.

All food handling premises are monitored and once compliant are issued with a Certificate of Acceptability which can be withdrawn should a premise be no longer compliant. The certification of food premises for catering and of food handling for special events is also done to ensure that the standards of food handling minimise the dangers of food spoilage and of cross-contamination in order to reduce the chance of food poisoning.

EHPs will continue to sensitize all food handlers especially caterers and informal food vendors on the food safety protocol so as to prevent the outbreak of food borne diseases and to guarantee a hygienically protected and safe environment for food handling.

Many of the food handling businesses in the district are aligning themselves with international standards viz, the Hazard Analysis Critical Control points System (HACCP).



This is encompassed under the Regulations defining the Scope of Practice of Environmental Health Practitioners. EHPs are trained and updated on the HACCP standards in order to be able to assist the businesses to comply with the control standards.

3.2.3.3. Environmental Health Education

Health education is a very critical aspect of environmental health, as some of the health issues are being taken for granted by communities. This includes unhygienic food preparations, food contamination as a result of unhygienic surroundings and other factors such as non-compliance with basic standards, etc.

The lack of education is a compounding factor to the high levels of ignorance of health related issues amongst disadvantaged populations. Health education, being a critical aspect in environmental health, is prioritized in order for timely and accurate information to be disseminated to these disadvantaged communities. With more emphasis on appropriate water and sanitation practices and proper prevention techniques regarding food contamination, unhygienic surroundings can be eliminated.

Health education therefore creates awareness amongst rural and urban communities as people would be able to identify existing health risks as well as risky behaviors in their surroundings. Health Education also addresses other natural aspects of health risks in relation to:

- Water resources and general environmental pollution;
- Nurture proper behaviour and also provide skills to identify health risks;
- Continuous education at schools, communities and businesses to sensitize and ensure prevention before cure;
- Control and containment of communicable diseases; and
- Due to the increase in positive Rabies cases within KZN, a Rabies Action Group (RAG) has been constituted in order to promote the vaccination of all dogs annually, and to promote awareness of the fatal disease. Community Health Workers have been trained and will be assisting in all areas within the district. The Environmental Health staff assists the Dept. of Veterinary Services with the Rabies vaccination campaigns.

3.2.3.4. Health Care Risk Waste

Health Care Waste (HCW) is a combination of Health Care General Waste (similar to domestic waste) and Health Care Risk Waste, which is the hazardous component of HCW.

Historically, incineration had been a method of treatment and destruction of all health care risk waste. The incineration of health care risk waste was phased out in 2003 by the Provincial Department of Health in favour of alternative technology to incineration.

The Health Care Risk Waste Policy focuses on the management of health care risk waste and it is critically important to ensure that health care general waste is also well managed. The development of



this policy is aimed primarily at improving the standard of health care risk waste management and disposal at all the health care facilities.

To this end Environmental Health has a critical role to play to ensure compliance in terms of the management of HCRW at health facilities, tattooists, state veterinary services and medical practitioners' surgeries etc.

District Health Care Risk Waste Management is greatly empowered with E.H.Ps now employed by each Provincial Hospital in the District. This will greatly assist in managing the health care risk waste related issues in the district.

3.2.3.5. Basic service delivery and integration with other stakeholders

Integration of this with Environmental Health is very critical as there are some elements of health that cannot be addressed unless the communities have the basic and essential services at their disposal. These relate to waste management facilities, housing, safe water supplies and appropriate sanitation facilities amongst others. It is very critical for the projects to be integrated with other services such as water, sanitation, environmental impact assessments, health facilities, waste management services and compliance with National Building Regulations in order to ensure that all the requirements are met. Compliance with these will help prevent the repetitive cycle of poverty and major environmental and health hazards as a result of poor and disintegrated planning.

3.2.4. Spatial and Environment Trends Analysis

This section looks at the spatial and environmental trend analysis of the Ugu District Municipality area of jurisdiction as summarised in Table 3.2.4.1.

Table 3.2.4.1: Ugu District Environment Trend & Analysis

Source: Ugu District Environmental Services, 2012

Issue	Challenges	Current Interventions	Recommended Interventions
Air pollution		Air pollution monitoring (SO ₂ , NO _x , CO ₂ and PM ₁₀)	
Air pollution and poverty	Lack of awareness in terms of pollution impact on the environment, shortage of electricity supply leading to high usage of domestic fuel, poor indoor air quality	Indoor and Ambient passive sampling in Harding, Port Shepstone and Park Rynie	<ul style="list-style-type: none"> -Continuous passive sampling, -Environmental Education and Awareness Campaigns in communities. -Projects to reduce air quality related environmental and health risks. -Pilot projects for poor households [e.g. Basa njengoMagogo and other innovative projects
Regulatory instruments for air quality management	Lack of enforcement and compliance of regulatory strategies for open burning, especially veld fires and sugarcane	Regulatory Tools in place: Atmospheric Emissions Licensing (AEL) -Air Quality Management plan	<ul style="list-style-type: none"> -Compliance by facilities eligible for licencing Law enforcement for open burning Multi-stakeholder forum (Air



Issue	Challenges	Current Interventions	Recommended Interventions
	Human resource capacity for air quality management	-Air Quality Management by-laws	Quality Management forum)
Alien Invasive Plants Management			
Biodiversity (Invasive alien plants and emerging weeds as well as problem animal management – bushpigs)	Invasion of ecosystems by alien plants. This is a threat to food security and environment at large Invasion of communities and destruction of their crop produce by the bushpigs	-Community programmes viz. greening initiatives to enhance green spaces, promoting the “planting of the indigenous to replace or counteract the invasive alien which also contribute to mitigation of climate change effects. -Pilot project on bushpig management	Development of IAS Management Plan as well problem animal management strategy.
Public awareness and stakeholder engagement	Extent of knowledge and awareness on invasive alien species	Education and awareness campaigns – schools and communities EKZNW’s stewardship programme Invasive Alien Species Forum for stakeholder engagement Clearing projects by conservancies	Support for and recognition of the work done by the South Coast conservancies Engagement of communities, especially private landowners
Invasive alien plants projects	Departments and Stakeholders work in silos in the implementation and eradication of Invasive Alien Species (IAS) Integrated and localised data for decision-making	Partnership with and support to local conservancies Clearing projects by government, Ugu, departments, EKZNW and conservancies	Sourcing of funds through EPWP and relevant Sector department programme for the municipality to stimulate green economy through creation of green jobs and beneficiations Support and funds directed to local conservancies and environmental NGOs as they also undertake clearing projects
Disaster management	Seasonal Fire outbreaks within Ugu	Disaster management plan and initiatives Community outreach through volunteers	Veld fire management programmes to focus on invasive alien plants as well
Environmental Impact Management			
Environmental compliance by infrastructure projects	Aging infrastructure	Whistle blowers reporting Education on Environmental legislations Implementation of Environmental Management Framework	A coordinated response measure and full compliance of all projects to Environmental legislations Implementation of Generic environmental management plan
Coastal Management			
Coastal development	Sea level rises associated with climate change effects resulting to coastal disasters. Poor planning of	Draft Coastal Vulnerability Index (CVI) Implementation of Generic Environmental Management Plan to	Fast-track the drawing up the setback line for both urban and rural coastal areas Minimal development along the coast



Issue	Challenges	Current Interventions	Recommended Interventions
	previous development along the coast Coastline vulnerable to adverse conditions caused by climate change	guide future development Application for Environmental Impact Assessment	
Institutional requirements	Limited budget for the development of Coastal Management Plans, Estuarine Management Plans	Estuarine management plan being developed for estuaries falling within protected areas Coastal management committees in place and functional	Funding to be made available in order to enable the municipality to fulfil this statutory requirement
Research and development	No focus on research regarding coastal processes and adaptation ability of the municipality in the face of climate change and its effects on the coast	Current CSIR's study on the readiness of coastal local government to adapt and mitigate climate change effects on the coast	Local government to establish research and partner with research institutions (UKZN, CISR, etc)
Poverty alleviation	Limited work opportunities Lack of support to emerging entrepreneurs	Short-term EPWP projects viz. estuaries cleaning and management (Ugu), Working for the Coast Project (DEA), Subsistence Fisheries Data Capture project (EKZMW)	Successive sustainability of projects Empowerment of emerging entrepreneurs
Climate Change			
Climate change	Direct and indirect negative effects of climate change, viz. natural disasters, Effects of climate change on communities and sectors, some that facilitate economic growth e.g. agriculture, health, rural communities, environment and tourism	Internally: environmental policy that promotes Green offices and green procurement Local level: Education and awareness in Climate change adaptation Small scale mitigation interventions like greening initiatives, viz. <ul style="list-style-type: none"> • planting of indigenous trees, • enhancement of green spaces and • establishment of green corridors that act as carbon sinks, Provincial level: Provincial risk assessment study that focuses on risks, vulnerabilities, opportunities or possible areas of intervention per sector.	An organisation that is conscious of sustainable environment. Allocation of funds to long-term initiatives like renewable energies, cleaner production technologies, more studies in relation to human health adaptation and agricultural practices. Science based policies and strategies that will influence clear roles and responsibilities government and private sector Realisation of the Green Fund in order to address climate change effects and invest in Green Economy Partnership with surrounding Municipalities for the development of Climate Change Response Strategy.



Issue	Challenges	Current Interventions	Recommended Interventions
		<p>National Level: Policy approach - White Paper on Climate Change</p> <p>Capacity building through engagement with other stakeholders and sectors</p>	
Waste Management			
<p>Waste collection services, waste minimisation</p>	<p>Limited waste management and provision of waste collection services in local municipalities</p> <p>No designation of waste officials in some local municipalities</p>	<p>District integrated waste management plan</p> <p>Support local municipalities</p> <ul style="list-style-type: none"> - Recycling programmes - Waste Management Education and Awareness - Waste Recycling Schools Projects - DEA implementation of Youth Jobs in Waste in all Local Municipalities 	<p>Extension of refuse removal to un serviced areas in all municipalities and even in rural areas</p> <p>Implementation of Basic Refuse Removal to all local municipal</p> <p>Development of green jobs-recycling, alternative energies</p> <p>Focus on waste minimization initiatives, starting with education and infrastructure</p> <p>Adoption of District Integrated Waste Management Plan</p>
Environmental Strategic Planning			
<p>Strategic planning and environmental management tools</p>	<p>Limited development of strategic environmental management tools</p> <p>Human resource capacity in LMs – no environmental offices</p>	<p>Ugu Integrated Waste Management plan, Umuziwabantu and Umdoni Strategic Environmental Assessments, District Environmental Management Framework, Biodiversity Regional Plan, and Mpenjathi Estuarine Management Plan, Ugu Environmental Management Policy Air Quality Management Plan</p> <p>Ugu District staff is supporting LMs</p>	<p>To adopt all SEA in 2012 and EMF Biodiversity plan in 2013.</p> <p>Implementation of all current and upcoming plans</p> <p>Local municipalities to make a bold decision to establish environmental management offices</p>
Education, Awareness and Training			
<p>Education in schools</p>	<p>High schools not very active in environmental education which should also influence their career focus</p> <p>Declining finances for environmental education in municipalities</p>	<p>Schools programmes:</p> <ul style="list-style-type: none"> • Adopt a wetland • Eco-Schools • Environmental calendar days • Career guidance 	<p>Intensify and sustain all programmes</p> <p>Career guidance especially focusing on the scarce skills and specialist fields of environmental management</p> <p>Curriculum review by the Dept of Basic Education and FETs to keep up with current environmental issues</p>
<p>Education in communities</p>	<p>Budget Prioritisation for Environmental</p>	<p>Community information sessions</p>	<p>Local community conferencing</p>



Issue	Challenges	Current Interventions	Recommended Interventions
	Education Programmes	Public campaigns Celebration of environmental calendar days	
Partnerships as per Local Agenda 21		Ugu Environmental Education and Awareness Forum formed through partnership with private sector, public entities, sector departments and other interested parties	
Internal education	Limited focus on capacitating internal staff Waste minimisation project currently not sustainable	Green offices through: <ul style="list-style-type: none"> Paper, plastic and can recycling Education and awareness with cleaning services 	Policy implementation Intensification of education with staff, political leadership, contractors, business partners, customers and visitors.
Problem animal management			
Invasive bushpigs	Invasion of communities by wild pigs resulting in destruction of agricultural produce	Stakeholder engagement with EKZNW, local municipalities, traditional structures	Funding for EPWP programme to engage communities to manage / capture problem animals Policy and strategy approach Ownership of problem animal mandate
	Sector departments as well as local governments do not accept the responsibility of problem animals	Ugu municipality is piloting a project on problem animal reduction at Umzumbe	

3.2.1. Spatial & Environmental Analysis Emerging Key Issues

From the analysis from the above sections the emerging key issues were identified for the Spatial and Analysis section.

- There are increasing inappropriate, illegal and uncontrolled developments taking place in certain land parcels in the district. There is a need to enforce development controls and implantation of planning frameworks accordingly.
- Climate change is a threat to biodiversity, health, economy, food security and disasters. However, it also offers growth of the green economy.
- Sand mining is a challenge in the district due to non compliance to the permits and lack of monitoring and enforcement. In some areas of the district it has led to fatalities. Lack of cooperation between Mineral Resources Department and other departments regarding environmental and socio-economic impacts is adding to the sand mining challenge.
- National departments not taking full responsibility for their properties thereby exposing them to invasion by alien plants are a threat to the environment, water supply and road safety
- Water resources - quality and quantity (pollution, invasion of water bodies by water intensive alien plants)



- The lack of suitable land for the disposal of the dead (burial), and current challenge of cemeteries running out of space at an alarming rate can lead to the burial of bodies in non-designated areas due to unavailability of registered burial plots or cemeteries-may also pollute water sources
- Illegal solid waste disposal, coupled with airspace in landfill sites fast reaching capacity and there have been illegal landfill sites identified in some local municipalities which needs urgent attention.
- Policy environment is improving (by-laws, licensing of listed activities that pose a serious threat to the environment, human health and the economy) what remains is ensuring consistency in implementation.
- Pollution threatening the coastal environment thereby compromising beach tourism which in turn threatens the Blue flag beach statuses which are an international accreditation boosting tourist confidence. This may have adverse consequences as tourism is our main economic contributor.
- The disposal of dead animals or the lack thereof, ensuring responsibility towards them by relevant persons remains a challenge.
- The municipality faces limitation of microbiological and chemical analysis of foods due to the lack of funds.
- There is a need for a district wide awareness with regards to environmental health.

3.3. Disaster Management

In terms of the Disaster Risk Management Act 2002, (Act No.57 of 2002), Section 43-50 outlines the establishment and functions of the Disaster Management Centre in order to ensure an integrated and co-ordinated approach to Disaster Risk Management within the district. Ugu District Municipality Disaster Management Risk Centre was established in 2005, is fully functional. The Centre Control Room Number (039 682 2414), the Ugu Call Centre Toll Free No: 0800 092 837.

The call centre is shared between the Disaster Management & Fire Services and Water Services for enquiries and Incident reporting.

3.3.1. Municipal Institutional Capacity

The responsibility for reducing disaster risk, preparing for disasters, and responding to disasters is shared among all departments and employees of local municipalities within the Ugu District Municipality, all departments and employees of the Ugu District Municipality, all provincial and national organs of state operating within the municipality, all sectors of society within the municipality and, perhaps most importantly, all the residents of the municipality.

The Disaster Management structure for the Ugu District Municipality is meant to deal with both proactive and reactive disaster management issues and encompasses more than the department which is responsible for the function. It is important to note that disaster management has a different structure which needs to operate in. Disaster Management in the Ugu District interfaces the local municipal and provincial spheres through the various forums. This communication is coupled with



decision making ability and ultimate responsibility and accountability present on three different and all very important levels which are:

- Strategic level;
- Tactical Level; and
- Operational Level.

3.3.2. Risk Assessment

Risk Assessments were conducted during the sector plan review process and risk reduction strategies were developed and in addition, the risks mapping exercise being completed. The District is seating with a ward based risk profile which was conducted per ward within the 84 wards throughout the District. Each Local Municipality has its own Ward Based Risk Profile which is incorporated in their Local Disaster Management Plans. Table 3.3.2.1 below provides the details of the risk prioritised as per sector programme.

Table 3.3.2.1: Municipal Risk Profile 2015/2016 Financial Year

Source: Ugu District Disaster Management, 2016

Umdoni	Vulamehlo	Ezinqoleni	Hibiscus coast	Umuziwabantu	Umzambe
Drought	Drought	Drought	Drought	Drought	Drought
Structural Fires	Structural Fires	Structural Fires	Structural Fires	Structural Fires	Structural Fires
Informal Settlement Fires	Air Pollution	Informal Settlement Fire	Informal Settlement Fires	Informal Settlement Fires	Air Pollution
Veld Fires	Veld Fires	Veld Fires	Veld Fires	Veld Fires	Veld fires
Floods	Thunderstorms		Floods	Floods	Floods
Water Pollution	Water Pollution	Hail Storms	Hail Storms	Hail Storms	Water Pollution
Hazmat by road	Hazmat by road	Hazmat by road	Hazmat by road	Hazmat by road	Hazmat by road
Strong Winds	Strong Winds	Strong Winds	Strong Winds	Strong Winds	Strong Winds
Lightning	Lightning	Lightning	Lightning	Lightning	Lightning
Rabies	Wild Wigs	Wild pigs	Rabies	Rabies	Wild pigs
Storm Surge		Air Pollution	Storm Surge	Water Pollution	Storm surge
Air Pollution		Water Pollution			Drowning's



3.3.2.1. District Vulnerability to Disaster Risk 2015/16 Information

During the 2015/2016 financial year, the District experienced a high level of fire related incidents followed by heavy rain and lightning. Most of the fire incidents reported were structural fires within informal settlements. The incidents that were reported occurred in all six local municipalities namely: - Eziqoleni, Hibiscus Coast, Umdoni, Umuziwabantu, Umzumbe and Vulamehlo. The summary of the Ugu District Municipality vulnerability to disaster risk in the 2014/ 2015 financial year are summarised in table 3.2 below.

Table 3.3.2.1.1: Ugu District Vulnerability to Disaster Incidents Reported in 2015 /2016

Source: Annual Report: Distribution of Incidents, 2016

No.	Type of Incident	2014-2015	2015-2016
1.	Structural Fire	75%	67%
2.	Lightning	3%	2%
3.	Heavy Rains	8%	10%
4.	Strong Winds	8%	19%
5.	Severethunderstorms	1%	2%
6	Hail Storm	4%	0%
7.	Veld Fire	1%	0%

Table 3.3.2.1.2: Ugu District High Risk Disaster Areas Summary 2015 /2016

Source: Ugu District Disaster Management Sector Plan, 2015/ 16

Municipality	High Risks
Eziqoleni	Fire, Drought and Water pollution
Umdoni	Drought, and Floods
Hibiscus Coast	Fire, Floods, Lightning and Drought
Umuziwabantu	Fire, Flood, Drought and Lightning
Vulamehlo	Fire, Floods, Lightning and Drought
Umzumbe	Fire, Floods, Lightning and Drought

The District and Local Municipalities have plans and strategies in place to mitigate the risks that have been identified above and to ensure that there are no fatalities. The immediate actions taken by the municipalities are:

- Training and education
- Public Awareness/ road shows
- Emergency relief programs
- Councillors, Amakhosi and officials were trained on Disaster Risk Management

3.3.3. Disaster Management Education, Training and Public Awareness

The Disaster Management Act states that the following concepts should form the basis of disaster management awareness and training:

- A culture of risk avoidance.
- Promotion of education and training.
- Promotion of research into all aspects of disaster risk management.



This is aimed at achieving the following requirements:

- Addresses the requirements for the implementation of education, training and research needs.
- The development of an integrated public awareness strategy
- Effective use of the media.
- The development of education and training for disaster risk management and associated professions.
- The inclusion of disaster risk management in school curricula.

In line with the above the District Disaster Management team together with Local Municipalities and PDMC support team conducted community based risk reduction measures in a form of community based awarenesses which included the following programs.:-

Table 3.3.3.1: Risk Reduction Measures Community Based Awarenesses

Source: Ugu District Disaster Management, 2016

No	Program	Municipality	Ward/Area	Target Audience
1.	Fire Safety Awareness	All LM's	Traditional Councils: KwaMachi, KwaJali, KwaFodo, Nzimakwe, Kwa Madlala, KwaLembe, Kwa Cele, KwaNyuswa. Informal Settlements: Mkhholombe, Masinenge, Loisiana	Traditional Leaders, Volunteers, Ward Committee Memebers, Senior Citizens CDWs
2.	Comunity based fire awereness	All LM's	Traditional Councils: KwaMachi, KwaJali, KwaFodo, Nzimakwe, Kwa Madlala, KwaLembe, Kwa Cele, KwaNyuswa. Community: Nyuswa, Jali and EPWP Volunteers(Umzumbé).	Traditional Leaders, Volunteers, Ward Committee Memebers, Senior Citizens CDWs
3.	Floods / heavy rains Awareness	All LM's	Traditional Councils: KwaMachi, KwaJali, KwaFodo, Nzimakwe, Kwa Madlala, KwaLembe, Kwa Cele, KwaNyuswa. Informal Settlements: Mkhholombe, Masinenge, Loisiana	Traditional Leaders, Volunteers, Ward Committee Memebers, Senior Citizens CDWs
4.	Thunderstorm and Lighting Awareness	All LM's	Traditional Councils: KwaMachi, KwaJali, KwaFodo, Nzimakwe, KwaLembe, Community : KwaMachi , Kwa Jali, KwaQwabe, KwaNhlalwane and Taxi Ranks	Traditional Leaders, Volunteers, Ward Committee Memebers, Senior Citizens CDWs
5.	Event	All LM's	Umzumbé EPWP	Trainee Fire Fighters



No	Program	Municipality	Ward/Area	Target Audience
	Safety awareness			Practitioners, Volunteers and Ward Committee Members.

Table 3.3.3.2: Number Of Awareness, Trainings And Workshops Conducted

Source: Ugu District Disaster Management, 2016

Event	Date	Venue	No. People Reached	Municipality
Community Awareness Campaign	09 April 2015	Vukuzakhe MPCC	116	Umuziwabantu
	13 April 2015	Harding Town Hall	94	Umuziwabantu
	15 April 2015	Scottsburg	50	Umdoni
	15 April 2015	Mistake Harmhall	173	Vulamehlo
	16 April 2015	Emadududu Crech	100	Ezinqoleni
	17 April 2015	Mtheshu Community Hall	100	Umuziwabantu
	20 April 2015	Santombe Sports Ground	110	Umuziwabantu
	20 April 2015	KwaNyuswa Sports Centre	138	Ezinqoleni
	21 April 2015	Maqahelini	95	Umuziwabantu
	28 April 2015	Amahlongwa Community Hall	115	Umdoni
	29 April 2015	Hlanganani School	131	HCM
	06 June 2015	Bremma	20	Vulamehlo
	11 June 2015	Rent Office	8	Umuziwabantu
	15 June 2015	Port Shepstone Taxi Rank	140	HCM
	17 June 2015	Masinenge Informal Settlement	97	HCM
	17 June 2015	Louisiana Informal Settlement	121	HCM
	02 July 2015	Umthwalume Taxi Rank	77	Umzumbe
	05 July 2015	Vusushaba	150	Hibiscus Coast
	08 July 2015	Ezingolweni Taxi Rank	35	Ezinqoleni
	08 July 2015	Ramsgate Taxi Rank	51	Hibiscus Coast
	16 July 2015	Mahlabathini Hall	50	Ezinqoleni
	21 July 2015	Louisiana	50	Hibiscus Coast
	5 August 2015	Ezingolweni taxi Rank	128	Ezinqoleni
	7 August 2015	Thafeni Sport Field	41	Hibiscus Coast
	22 August 2015	KwaMachi Tribal Court	100	Umuziwabantu
	23 August 2015	KwaMachi Sport Field	125	Umuziwabantu
	25 September 2015	Mkholombe	32	Hibiscus Coast
	13 October 2015	Mashiwase Sports Field	113	Vulamehlo
	14 October 2015	Buhlebethu Sports Ground (cluster B)	100	Umzumbe
	15 October 2015	Nogoduka Sports Ground (cluster C)	157	Umzumbe
23 October 2015	Ovumaneni Sports	200	Vulamehlo	



Event	Date	Venue	No. People Reached	Municipality
		Field (ward 7)		
Awareness of Fire By – Laws	27 October 2015	Zembeni TC	20	Vulamehlo
	28 October 2015	Ukuthula TC	13	Vulamehlo
Community Awareness Campaign	3 November 2015	Vukuzakhe NPCC	87	Umuziwabantu
	6 November 2015	Mvuyo Sports Ground	135	Umuziwabantu
	10 November 2015	Mzimnhlanga	181	Umuziwabantu
	11 November 2015	Mahlabathini	112	Ezinqoleni
	16 November 2015	Sewing Center	96	Umuziwabantu
	14 December 2015	Ezinqoleni Taxi Rank	81	Ezinqoleni
	17 December 2015	Mkholombe Informal Settlement	103	Hibiscus Coast
	17 December 2015	Masinenge Informal Settlement	45	Hibiscus Coast
	22 December 2015	Mthintanyoni TC		Umuziwabantu
	28 December 2015	Kenterton Taxi Rank	68	Vulamehlo
	29 December 2015	Gamalakhe Taxi Rank	56	Hibiscus Coast
	29 December 2015	Port Edward Taxi Rank	21	Hibiscus Coast
	30 December 2015	Hibberdene taxi Rank	48	Hibiscus Coast
	31 December 2015	Southbroom RTI roadblock	200	Hibiscus Coast
	28 January 2016	Mdumezulu (ward 1)	100	Vulamehlo
	05 February 2016	Port Shepstone Taxi Rank		Hibiscus Coast
	06 February 2016	KwaBhekani Sports Ground (ward 3)	100	Umzumbe
	17 February 2016	Sandanolwazi Sportsfield	36	Umzumbe
	28 February 2016	Ndumezule Sports Ground (ward 1)		Vulamehlo
	04 March 2016	Harding Mall	157	Umuziwabantu
16 March 2016	Dunywa Primary School	20	Hibiscus Coast	
24 March 2016	Oribi Plaza	13	Ugu District	
30 March 2016	Zisukumele Primary School	87	Umzumbe	

3.3.3.1. Capacity Building: Disaster Risk Management Trainings

The DDMC co-ordinated the Fire and Rescue accredited Training funded by COGTA. The co-ordinated training has assisted in increasing the level of capacity, response and daily rendering of services by municipalities. During the course of 2015/16 a total of 35 members were recruited through the respective Local Municipalities and trained on both Disaster Management and Fire and Rescue.

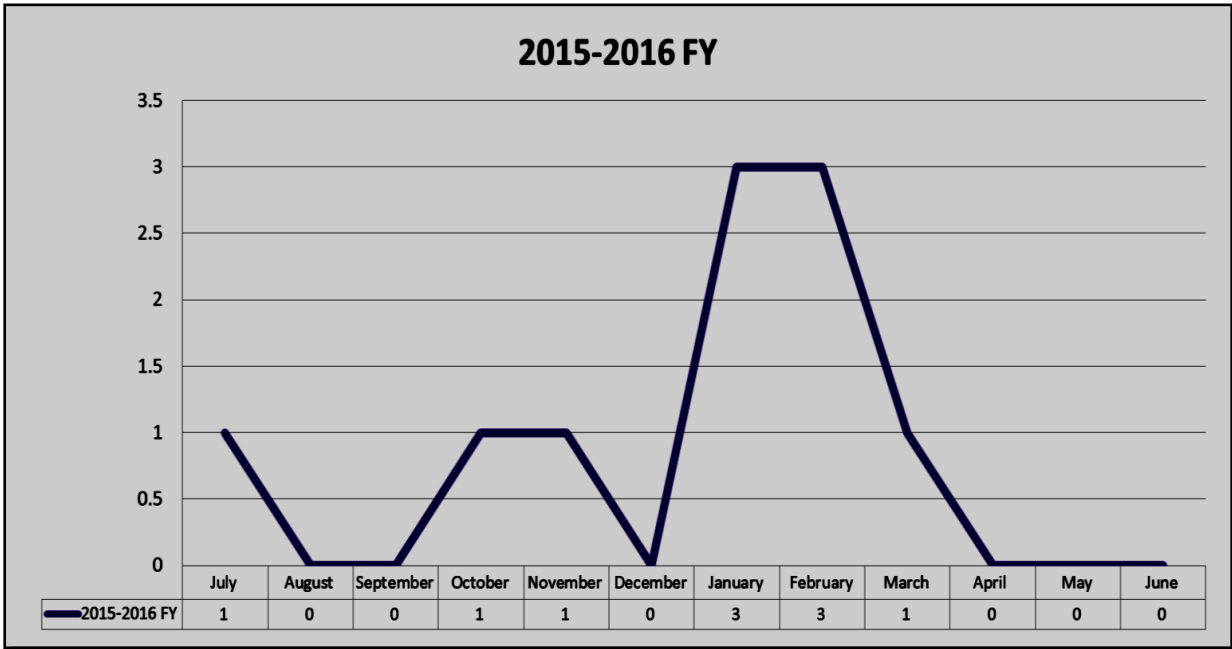


Figure 3.3.3.1.1: Disaster Risk Management Trainings
Source: Disaster Management, 2016

The above figure 3.3.3.1.1 shows the number of Disaster Risk Management trainings (monthly) which were conducted for the 2015 – 2016 Financial Year.

3.3.3.2. Community Awareness Campaigns

The District has targeted the vulnerable areas that are prone to disaster by conducting community based awareness campaigns. These awarenesses are in line with the District Risk profile and forms part of the risk reduction initiatives.

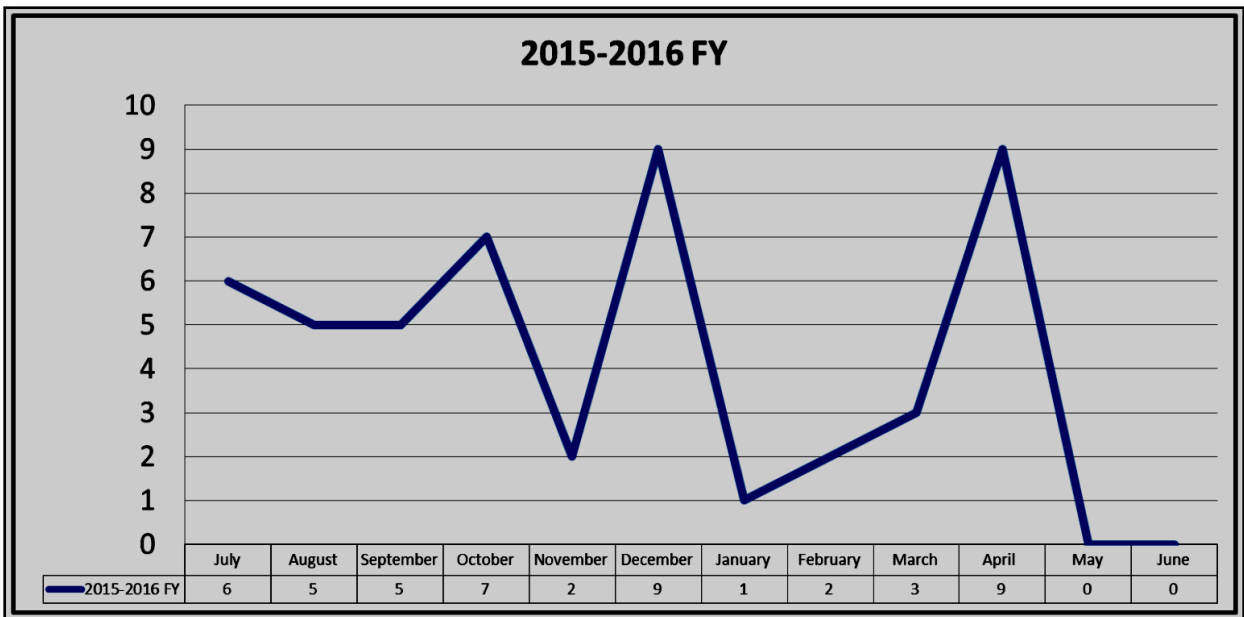


Figure 3.3.3.2.1: Disaster Risk Management Community Awareness Campaigns
Source: Disaster Management, 2016



Figure 3.3.3.2.1 depicts the number of Disaster Risk Management community awareness campaigns (monthly) which were conducted for the 2015 – 2016 Financial Year.

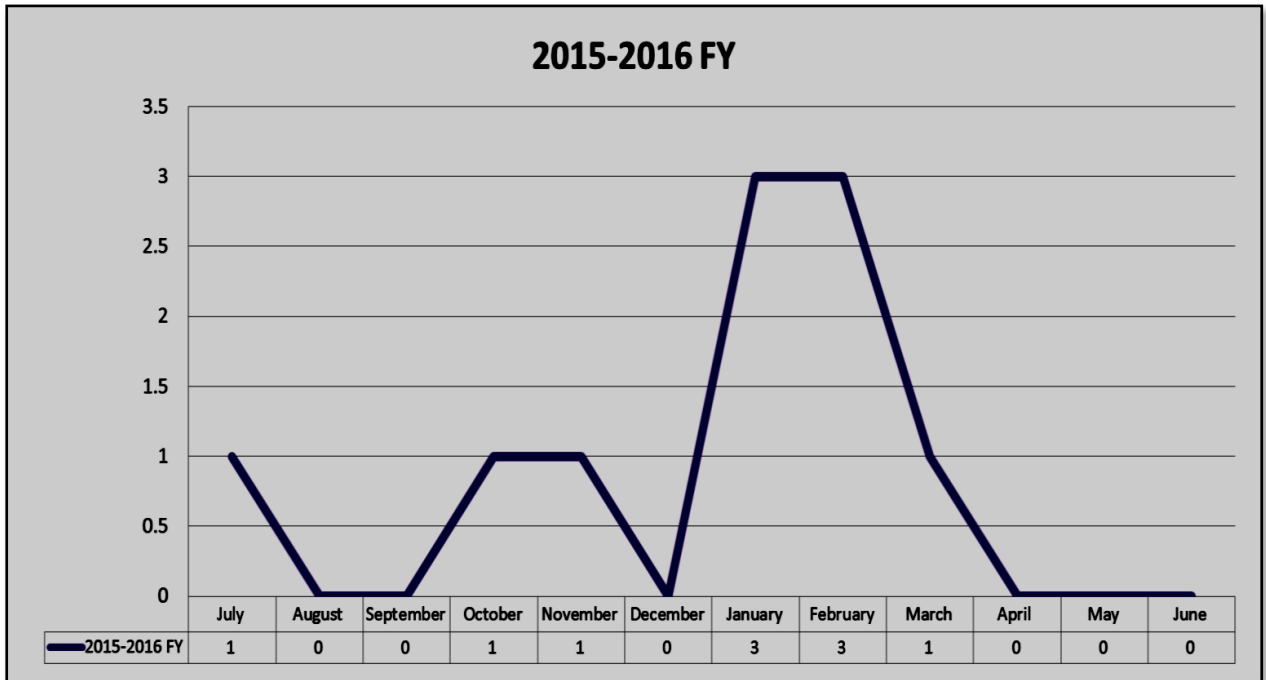


Figure 3.3.3.2.2: Disaster Risk Management Community Awareness Campaigns
Source: Disaster Management, 2016

The above figure 3.3.3.2.1 depicts the number of Disaster Risk Management workshops (monthly) conducted for the 2015 -2016 Financial Year.

3.3.4. Risk Reduction & Prevention

The institutional arrangements for risk reduction within the municipality includes Ugu Disaster Management, the Disaster Management Advisory Forum, the Extended Management Committee, the nodal points for disaster risk management within municipal departments and local municipalities within the district, departmental and local municipal planning groups, risk reduction project teams and preparedness planning groups. The total structure of the municipality, with every member of personnel and every resource should also be committed to disaster risk reduction. Ongoing capacity building programmes will be required to ensure the availability of adequate capacity for risk reduction.

3.3.4.1. Road Blocks and Inspections

Amongst other Risk Reduction Initiatives , the district conducted successful roadblocks during the peak seasons. The main aim objective of these roadblocks was to increase the level of awareness also ensuring compliance, road safety and public safety. The road blocks were a joint effort between Fire Service, SAPS, Traffic/Transport, Water Services and Disaster Management. A total of 135 business selling fireworks were inspected within HCM.



Table 3.3.4.1.1: Risk Reduction and Prevention Programmes

Source: Ugu District Disaster Management, 2016

Programmes	Progress
a) Fire safety workshop , b) Research on causes of lightning, c) Early warning System , d) Event Safety inspections e) Disaster Risk Management Awereness and Campaigns	<ul style="list-style-type: none"> - Conducted Fire Safety workshop in all 6 LMs - A research study was conducted by the Provincial Disaster Management through Departmnet of Agriculture on lighting causes in KZN - Weather warnings from SA -Weather Services are dessiminated to LM's as early warning via SMS's and Emails. - Disaster Management Unit participate in Events Planning Meeting, developes Event Safety Contingency Plans and further conduct inspection in all events across the District. - Disaster Risk Management Awereness Campaigns were conducted in all LMs with a special focus on Taxi Ranks , Schools , Clinics, Izimbizo and Traditional councils

3.3.4.2. Status of the Disaster Management Plans

The following plans and policies were developed and adopted by Council:-

- Fire and Rescue Strategy and Fire Safety Plan:- the District Fire Fighters and Trainees are workshoped on the District Fire Strategy for effective implementation and improved response.
- Disaster Management Plan:- The district is in the process of reviewing its Disaster Management Plan with the assistance of PDMC and Local Municipalities.
- Disaster Relief, Reconstruction and Rehabilitation
- Disaster Management and Community based Fire bylaws :- currently the awareneses are conducted on bylaws in the District's Traditional Councils and workshops.
- The District Disaster Management Sector Plan was reviewed for the 2015/2016 financial year. The programmes identified as per reviewed Disaster Management Sector Plan were aligned with the IDP and were further adopted by the District Forum.

3.3.4.3. Status of the District Disaster Management Human Capacity

The Disaster Management human capacity for Ugu District family is reflected on Figure 3.3.4.3.1 below. The figure reflectect the current warm bodies and does not include the vacancies in respective municipalities. The vacancy rates are shown in the respective municipal organograms.

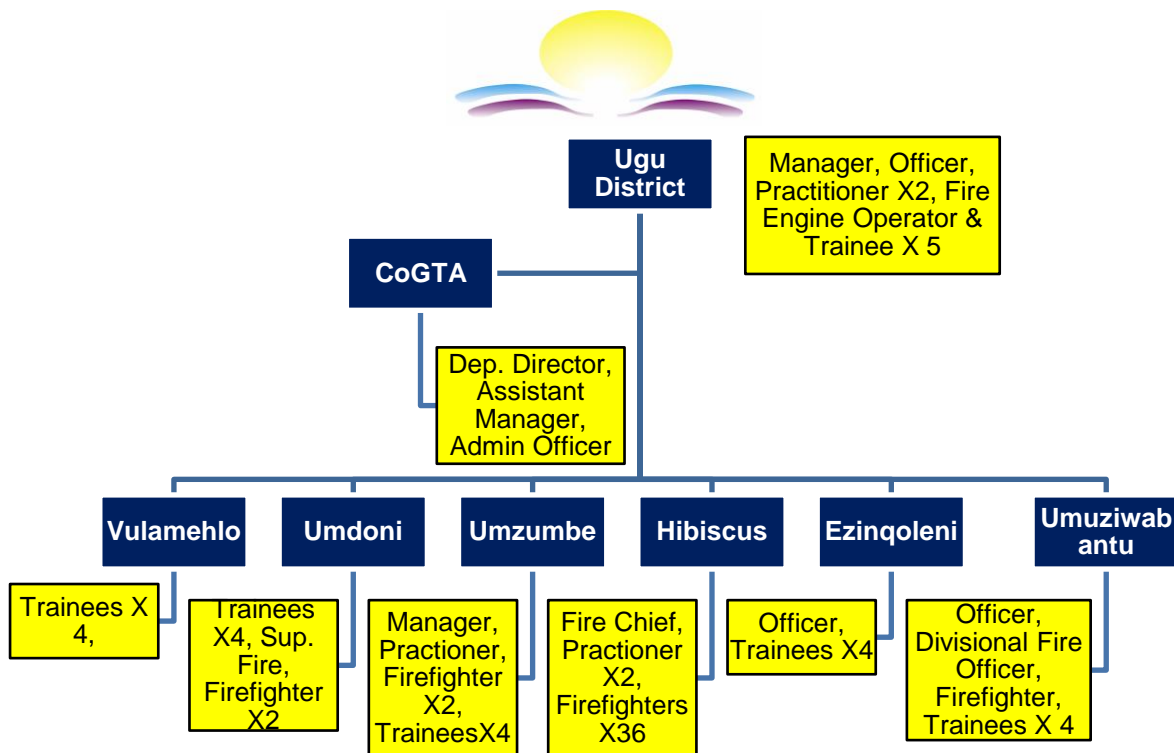


Figure 3.3.4.3.1: Ugu Disaster Management Human Capacity

Source: Disaster Management, 2016

3.3.4.4. Status of the District Disaster Management Financial Capacity

The Disaster Management financial capacity for the Ugu District family is reflected in the table below. The table reflects the respective municipalities' 2016 / 2017 disaster management budgets.

Municipality	Program	Budget
Ugu	Education and Training	R1 300 000.00
	Risk Reduction and Preparedness	R 150 000.00
	Response and Recovery	R2 200 000.00
	Fire Fighting	R3 000 000.00
	Total	R 6 650 000.00
Vulamehlo	Disaster Management	R75 000.00
Umdoni	Disaster Management	R 60 000.00
Umzumbe	Disaster Management	R1 300 000.00
Hibiscus	Disaster Management	R 200.000.00
Izingoleni	Disaster Management	R 80 000.00
Umuziwabantu	Disaster Management	R341 000.00

3.3.4.5. Status of District Disaster Management Advisory Forum

The District Disaster Management Advisory Forum is fully operational and was formed in terms of the Disaster Management Act No. 57 of 2002, Section 51 coupled to Section 42, which requires the municipality to establish a multi-disciplined structure consisting of representatives from the District Municipality, all Category B municipalities within the district, provincial departments who have a role to play in disaster management and have district offices within the area, senior representatives of national departments within the area and all role-players i.e. NGOs in the district.

The Forum is being utilised as “a body in which a municipality and relevant disaster management role players in the municipality consult one another and coordinate their actions on matters relating to disaster management.”



The Forum meets at least four times per annum and special meetings are convened as and when required. The Forum dates are included in the council roster of Meetings is chaired by an EXCO member. The membership of the forum is made up of Municipalities, Sector Departments, NGO's Councillors and other community structures.

Table 3.3.4.4.1: The DMAF meetings convened at Ugu District Municipality

Source: Ugu District Disaster Management, 2016

No.	Municipality	Dates
1.	Hibiscus Coast Municipality	21 April 2015
2.	Umzumbe Local Municipality	4 June 2015
		5 February 2016
		25 April 2016
3.	Umdoni Local Municipality	12 June 2015
4.	Ugu District Municipality	26 May 2015
5.	Umzumbe Local Municipality	18 September 2015
6.	Ugu District Municipality	14 August 2015
7.	Ugu District Municipality	13 November 2015

The district has conducted bilateral meetings with the Local Municipalities who have launched the Local Disaster Management advisory Forum with the aim of reviving their forums.

Table 3.3.4.4.2: The DMAF Bilateral Meetings Convened

Source: Ugu District Disaster Management, 2016

Meeting	Frequency	Status	Achievements
Disaster Management Advisory Forum	1 Meeting per quarter	All 4 schedule meetings took place during	<ul style="list-style-type: none"> - Adoption of winter and summer seasonal plans - Adoption District wide Fire and Rescue Strategy - Formation and functioning of Post Disaster Committee - Approval of Fire Services Grants to assist 4 X LM's

3.3.5. District Post Disaster Committee

The district has established a Post Disaster Committee which looks into implementation of relief efforts and Rehabilitation Projects. The committee is made of District Disaster Management Practitioners and Sector Departments including other relevant role-players.

- The DPDC meeting are scheduled on convened bi-monthly together with District Disaster Management Practitioners Forum
- The DPDC allowed the District to monitor and fast track Rehabilitation and Reconstruction programme ensuring that affected families received the required relief on time.
- The DPDC report all its programmes to the District Disaster Management Advisory Forum quarterly.



3.3.6. Disaster Management Emerging Key Issues

From the analysis of the state of Disaster Management in the Ugu District Municipality area of jurisdiction the key emerging issues can be summarised as follows:

- The Provincial Disaster Management Centre – CoGTA funded the Municipality with an additional R5m which will be used for building Phase 2 (Fire and Rescure Services Station) of the New Disaster Management Centre. There is still a need for the facility to be upgraded and further equipped for it to be utilized as a fully functional Disaster Management and, Fire and Rescue Services centre.
- The need to enhance the current Disaster Management Centre and cater for Fire Services in order to be fully equipped and functional.
- The need to conduct scientific studies in order to mitigate the risks associated with the instances of incidents and minimise the impact of occurrences, should they occur.
- Ensure ongoing support to the Local Municipalities through education, training and awareness programs and providing emergency relief.
- The need to incorporate Climate Change initiatives into the Disaster Management programs and ensuring the co-operation of stakeholders.
- Encourage and seek intervention of full participation by stakeholders.
- Encourage compliance with the Disaster Management Act, No 57 of 2002 as amended No. 16 of 2015.

3.4. Demographic Characteristics

The statistics used in the demographic characteristics analysis were sourced from the Statistics SA Census 2011 results.

3.4.1. Population

This section considers the demographic and socio-economic profile of the Ugu District area of jurisdiction making use of data sourced from the Statistics SA Census 2011 results, Department of Education, and Department of Health. Table 3.4.1.1 provide a summary of the demographic profile of the district.

Table 3. 4.1.1: Summary Demographic Profile in Ugu

Source: Stats SA Census 2011

Demographic indicators	1996	2001	2011
Population Size			
Total Population	641 491	704 030	722 484
Growth Rates	-	0.097	0.026
Population Distribution			
Population Density	127.09	139.48	143.13
Urban Formal	-	-	-
Urban Informal	-	-	-
Traditional	2 588	6 287	7 923
Population Composition			
Young (0-14)	252 576	261 698	240 503
Working age (15-64)	342 364	399 063	434 080
Elderly (65+)	38 919	43 270	47 901



Demographic indicators	1996	2001	2011
Sex Ratio (male/100 women)	83	83	89
Dependency Ratio	0.85	0.76	0.66
Disabled (%)			
Fertility Rates			
Total Fertility Rate	81.8	89.1	81.6
Adolescent Fertility Rate	31.5	32.8	40.8
Crude Birth Rate	19.0	21.6	57.4
Mortality Rates			
Total Mortality Rate	-	-	11,8
Under 5 Mortality rate	-	-	7.2
Infant Mortality Rate	-	-	24.6
Leading Cause of Death	-	-	TB
HIV prevalence Rate			
Life Expectancy			
Males	-	45.7	54.4
Females	-	58.2	59.4
Human Development Index	-	-	-
Population Groups			
Black African	572244	646012	654773
Coloured	5175	5221	6123
White	34204	28740	35723
Indian	26565	24057	24711

3.4.1.1. Population Distribution

The total population of the Ugu District Municipality area of jurisdiction as per the Census 2011 conducted by Statistics South Africa (Stats SA) is approximately **722 484** people. The working age (15 to 64) makes up 60% of the total population whilst the young aged between 0 to 14 years makes 33 % and the elderly aged 65 and above makes the remainder 7%. The district has been enjoying a positive growth rate which was 0.097 in the 2001 and 0.026 in 2011. Although the growth rate has been positive, the drop in the growth rate in 2011 is a cause for concern for the municipality.

There are many factors that may have attributed to the decline in 2011. The first factor can be the decline in total fertility rate which dropped from 89 births per 1000 women to 81. There has been widespread awareness regarding family planning, the practice of safe sex and abstaining which was aimed also at curbing the rate of HIV / AIDS infections and teenage pregnancy by the Department of Health in the District. However, the crude birth rate increased from 22 live births per 1000 people to 57. Another contributing factor that could have contributed to the decline in the population growth rate is the mortality rate which was sitting at 11 deaths per 1000 adults. The analysis of the mortality rate cannot be complete as the data could not be sourced for crude birth rate. What has been encouraging though has been the increase in life expectancy for the males and females, the males increasing from 45.7 to 54.4 years and the female's from 58.2 to 59.4 years.

Another major contributing factor to the decline in population growth can be attributed to migration. A study from CSIR, based on IEC statistics of the movement of registered voters between voting districts, suggest that migration has not significantly impacted on population distribution in the District. The following is concluded from tracking the movement of registered voters over a period of 10 years.



- The majority of areas in Ugu did not experience a net outmigration of voters.
- The areas that experienced a substantial loss are mostly commercial agricultural.
- Migration from Umzumbe to eThekweni and from Vulamehlo to Umdoni is evident.
- Interestingly, some out migration from Hibiscus Coast to uMuziwabantu is recorded.

The Stats SA data also reveals that there has not been massive migration taking place in the Ugu District Municipality area of jurisdiction as reflected in Table 3.4.1.1.1.

Table 3. 4.1.1.1: Migration in Ugu

Source: Stats SA Census 2011

Population Group	1996 - 2000	2001 - 2005	2006 - 2011
Youth (0-14)	11	58	214
Working Age (15-64)	278	514	1538
Elderly (65+)	75	113	88

The population pyramid of the Ugu District Municipality is typical of a developing country as it shows that growth rates are slow, the birth rate is high and short life expectancy. It is an expansive population pyramid as it reflects larger numbers or percentages of the population in the younger age groups. Furthermore, the sex ratio in the Ugu District area of jurisdiction is 89 males per 100 females which increased from the 83 in 1996 and 2001.

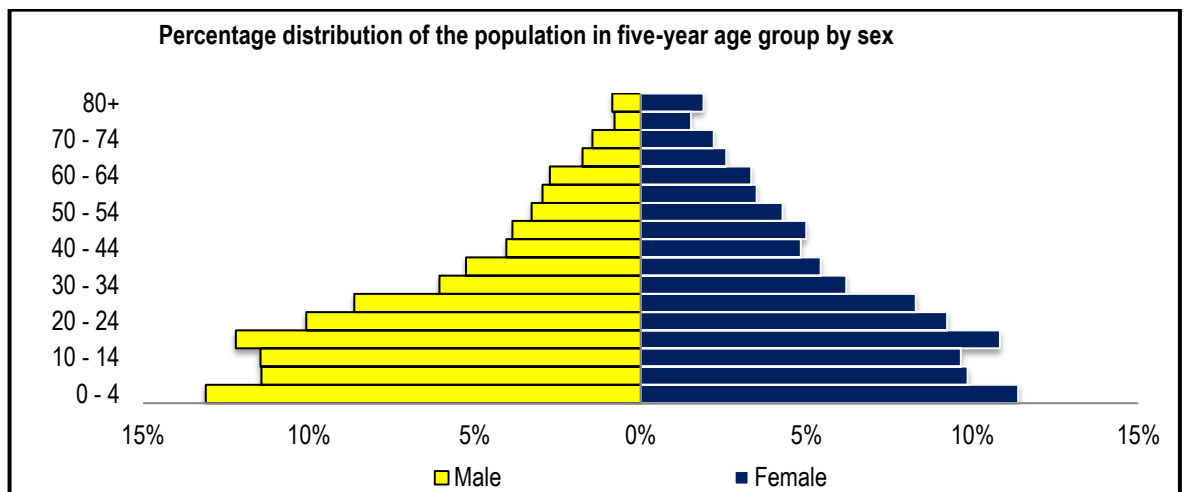


Figure 3.4.1.4.1: Ugu District Population Pyramid

Source: Statics SA, Census 2011

What is noticeable with the 2011 population pyramid as compared to the 1996 and 2001 population pyramids as reflected in Figures 3.4.1.4.1 and 3.4.1.4.2 is the expansion of the base of the pyramid which is the 0- 4 age group. This points to the fact that there has been much improvements in the programmes of combating under 5 and infants mortality through various programmes by the stakeholders involved.

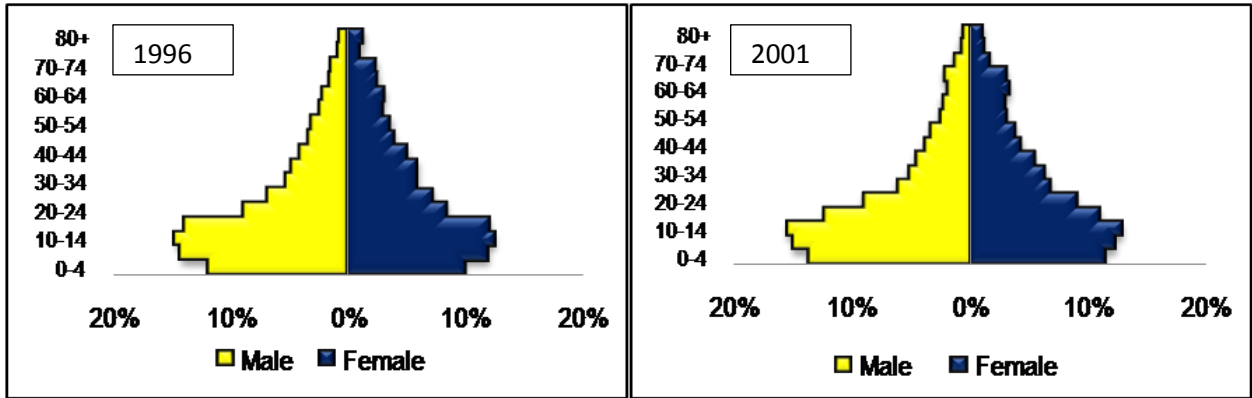


Figure 3.4.1.4.1: Ugu District Population Pyramid
 Source: Statistics SA, Census 1996 and 2001

3.4.1.2 Population Density

The current population density of the Ugu District Municipality is **143 people/ km²**. The Umdoni and Hibiscus Coast Municipalities have the highest densities in the district which are 314 and 305 people/ km² respectively which is to be expected as they are the most urbanised in the district.

Vulamehlo (81 people/ km²), Umzumbe (128 people/ km²), Ezinqoleni (81 people/ km²) and Umuziwabantu (89 people/ km²) municipalities all had lower densities as they are all predominantly rural. The most dense areas in the Ugu District Municipality are along the coast and settlement becomes less dense towards the hinterland as illustrated in Figure 3.4.1.1.1.

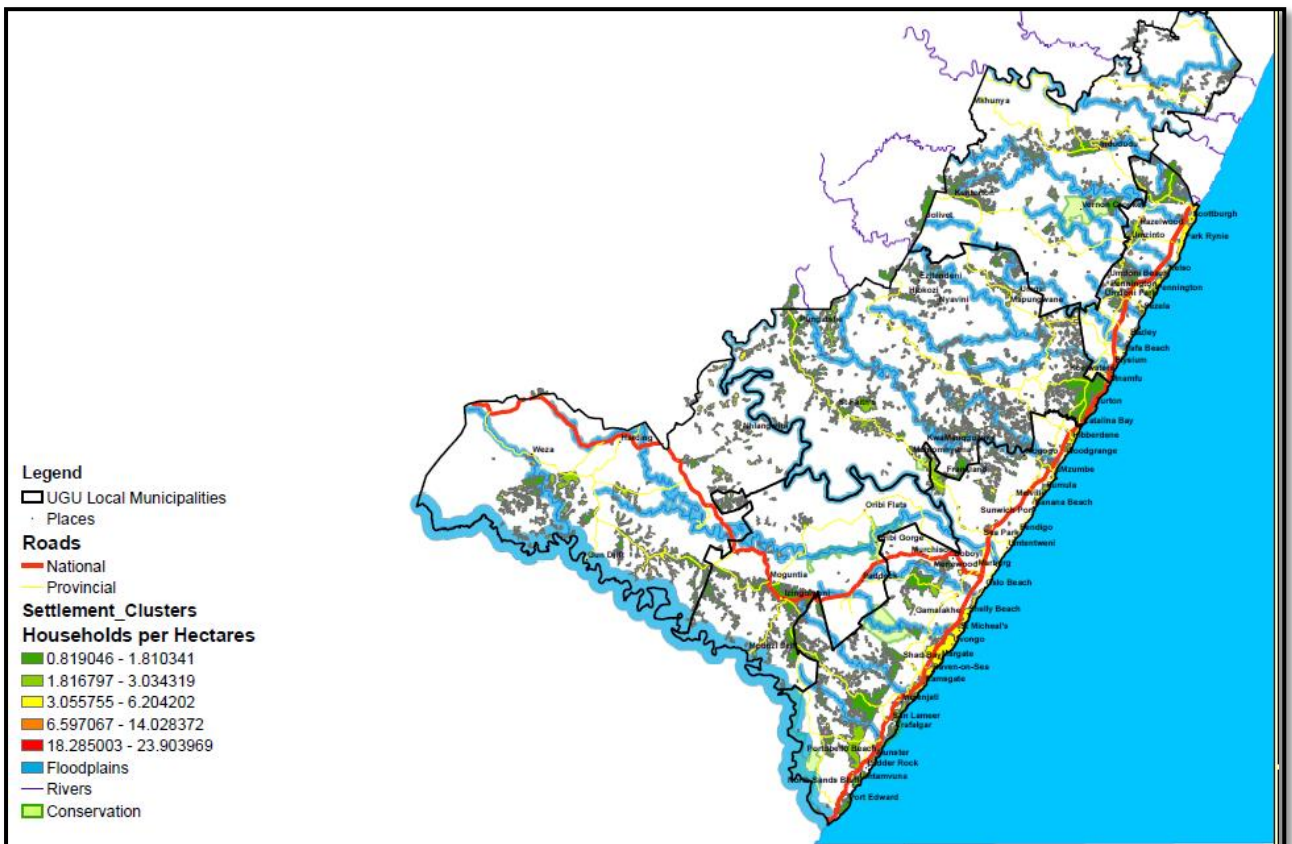


Figure 3.4.1.4.1: Ugu District Population Density
 Source: Statistics SA, Census 2001



3.4.2. Households

The Ugu District municipal area of jurisdiction is comprised of **179 440** households, average household size of 5 persons per household. The household types range from a formal brick house to a caravan or tent as depicted in table 3.30. The census 2011 shows that 61% of the households are formal brick houses, traditional dwelling structures making 30% and block flats making Only 4%.

Table 3.4.2.1: Type of main dwelling per local municipality

Source: Statistics SA, Census 2011

Type Of Main Dwelling	Ugu	Umzumbe	Umuziwanabantu	Ezingolweni	Hibiscus Coast	Vulamehlo	Umdoni
Formal Brick House	109275	15291	9504	7227	56608	4564	16081
Traditional dwelling/structure made of traditional materials	53132	17747	10552	4024	7086	10964	2759
Flat or apartment in a block of flats	7175	1450	816	110	3529	358	912
Informal dwelling (shack; in backyard)	2107	254	225	54	1282	77	214
Informal dwelling (e.g. squatter settlement / farm)	5816	106	275	30	2689	49	2667
Caravan/tent	376	24	14	2	272	11	54
Other	1558	299	233	25	708	112	181
Total	179440	35171	21619	11472	72175	16135	22869

3.4.3. Demographic Analysis Emerging Key Issues

Although this section does not address all the demographics as some of the demographics are spread throughout the document, there are emerging key issues that can be identified as follows.

- There is a strong perception that young people in Ugu aspire to moving into metro areas given the limited opportunities for both youth development and entertainment within the district. There is concern that land pressures in rural areas are pushing young people off the land as parcels being allocated are getting smaller and smaller and outsiders move into areas. This trend could have long term implications for the district as the young productive population leaves the area.
- The majority population of Ugu District municipality falls within the youth bracket. Furthermore, the predominant population group is the African and more than 50% of the population is females. This has far reaching implications for the district as would further be analysed under the LED and Social Development section in terms of service provision and the households' affordability of the services provided. This therefore speaks directly to the municipality's revenue enhancement strategies.
- The majority of the population resides in the traditional areas where the densities are low. In terms of service provision it is more costly to provide services to scattered household settlements and so is the maintenance of infrastructure provided. Furthermore, the demographics advocate for a comprehensive rural development strategy.



- The population is agglomerating in the Hibiscus Coast Municipality as it is the economic hub of the district. There is thus a continuously increasing pressure on the infrastructure capacity of infrastructure in the Hibiscus Coast Municipality especially the coastal belt. There is an urgent need to deal with the ageing infrastructure and increasing its capacity.

3.5. Municipal Transformation & Institutional Development Analysis

3.5.1. Powers and Functions (IDP 2009)

The Municipal Structures Act of 1998 (as amended) makes provision for the division of powers and functions between the district and local municipalities. It assigns the district region wide functions to the district municipalities and most day to day service delivery functions to the local municipalities. The provincial MECs are empowered to adjust these powers and functions according to the capacity of the municipalities to deliver services.

With regard to the above statement for instance, the function of Water and Sanitation as well as the maintenance of water infrastructure is still the function of the district. Whilst the Local Municipality is responsible for Planning, it is also reliant on the District for advice and support. Amongst other things the powers and functions of the municipalities are as detailed in table 3.5.1.1:

Table 3.5.1.1: Ugu District Powers and Functions

Source: Municipal Structures Act, 1998

Local Functions		District Functions	Shared Functions
<ul style="list-style-type: none"> • Storm Water Management • Trading Regulations • Billboards and Public advertising • Cleansing and maintenance • Control of Public Nuisances • Street Lighting • Traffic and Parking • Beaches and amusement parks 	<ul style="list-style-type: none"> • Local Amenities • Noise Pollution • Pounds • Public Places • Street Trading • Harbors and Ferries • Local Sports • Street Lighting • Municipal Parks and Recreation • Municipal roads • Control of Liquor licenses 	<ul style="list-style-type: none"> • Municipal Health Services • Potable Water • Sanitation 	<ul style="list-style-type: none"> • Fire prevention and control Local Tourism • Municipal Airports • Municipal Public Transport • Cemeteries, and Crematoria • Markets • Municipal Abattoirs • Municipal Roads • Refuse Removal and Solid Waste • Municipal Planning • Air pollution

3.5.2. Institutional Arrangement

The Municipal Structures Act provides for different types of Municipal Systems. The Ugu District Municipality is using a Collective Executive System.

The establishment of ward committees has been finalised in all Local Municipalities. The Municipality has customised the generic ward committee policy that was developed by CoGTA. There were a few



challenges that have been identified with regards to the functioning of ward committees such as the lack of capacity among ward committee members, administrative support, reimbursements for out-of-pocket expenses and the general dissatisfaction around the election of committees and the selection criteria thereof. These challenges are currently being addressed and the ward committees are now functioning and have the administrative support and the ward committee members are being reimbursed for the out of pocket expenses.

There are 42 Traditional Councils within Ugu Municipality. The new legislative developments encourage Traditional Councils and Municipal Councils to work in partnership on issues of development even though the former is not vested with legislative authority on Municipal Council matters. There are 7 elected traditional leaders who form part of the Ugu District Municipal Council and all 7 traditional leaders serve in the respective Portfolio Committees.

Clearly in all instances responsibility for decision making lies with the Council and the responsibility for implementation of Council Resolutions lies with the Municipal Manager and the officials.

3.5.2.1 Council

The executive and legislative authority of a municipality is vested in its Municipal Council. The pre-eminent roles of the Council, amongst others, are the approval of by-laws, budgets, policies, IDP, tariffs for rates and service charges. The Council consists of 34 members, seven of whom are full-time. Furthermore, seven Traditional Leaders are participants in the Ugu District Municipal Council.

3.5.2.2 Executive Committee Structure

The Executive Committee has delegated plenary powers to exercise the powers, duties and functions of Council, excluding those plenary powers expressly delegated to other standing committees and those powers which are wholly reserved to the Ugu District Council. Notwithstanding the above, the Executive Committee is authorised to exercise any of those plenary powers delegated to other Standing Committees in circumstances where any matters from these committees are referred to the Executive Committee.

In line with Section 80 of the Municipal Structures Act, the Municipality currently has five multi-party Portfolio Committees, namely:

- Finance Portfolio Committee
- Water Sanitation Portfolio Committee
- Local Economic Development Portfolio Committee
- Special Programmes Portfolio Committee
- Sound Governance and Human Resource Portfolio Committee

These Portfolio Committees continue to assist the Executive Committee in policy development and monitoring to accelerate service delivery, as well as the oversight of strategic programmes and projects.



3.5.2.3 Municipal Departments and their functions

The administration of the Municipality is headed by the Municipal Manager. The Municipality has four administrative departments, each being headed by a General Manager. The departments are:

Office of the Municipal Manager	The Office of the Municipal Manager is responsible for the following functions: Development Planning; Strategy and Shared Services; Internal Audit; Mayoralty and Communication; Legal Services; Youth Development; HIV/AIDS and Special Programmes and Customer Relations Management.
Corporate Services Department	The Corporate Services Department, headed by the General Manager Corporate Services includes: Human Resources, Registry, Auxiliary Services and Secretariat, Information and Communication Technology (ICT), Disaster Management and Fleet Management Services.
Treasury Department	The Treasury Department headed by the General Manager Treasury includes: Equity and Accounts, Grants and Expenditure, Budget Control and Supply Chain Management.
Infrastructure and Economic Development Department	The Infrastructure and Economic Development Department (IED), headed by the General Manager IED is made up of the following sections: Environmental Services, IED Finance, LED and Tourism
Water Services Department:	The following are the sections which make up the Water Services Department headed by the General Manager Water Services includes: Water Services Operations and Water Services Authority (WSA) and Administration.

3.5.2.4 Municipal Entities

The Ugu District Municipality has two entities which are namely, Ugu South Coast Tourism and South Coast Development Agency. The Ugu –South Coast Tourism (USCT) has been mandated to identify market gaps and needs, develop new tourist projects, attract new tourist (domestic and international) and strategically market the destination. Since its formal inception there's been in improving the distribution of tourism spend in the entire district, better improvement of the events that are hosted by the municipal areas outside our tourist hub. Challenges range from lack of skills, lack of well package tourism products, lack of well packaged black economic empowerment transactions in the industry and failure to unlock public sector owned land for the tourism industry. Key factors impacting on the development of tourism in underdeveloped areas of Ugu are poor road access, ownership of land, and environmental degradation across the district.

The South Coast Development Agency (SCDA) was established so as to promote and implement economic development within the parent municipality's area of jurisdiction based on the parent municipality's integrated development plan and policies pertaining to this objective thereby unlocking the economic potential of the Hibiscus Coast area. With focus being on the economic, social and environmental development.



3.5.3. Organisational Analysis

The municipality has finalised and adopted a new organogram in December 2014. This section therefore gives a thorough analysis of the new organogram and the vacancy rates within the institution. The current number of employees employed by the Ugu municipality is 864 as broken down in table 3.5.3.1. The total amount spent on the salaries averages to 17 – 18 million per month and R 2 million goes to overtime. The employee costs will be further analysed under the Financial Viability section.

Table 3.5.3.1: Ugu District Employees per Department

Source: Ugu District Municipality Corporate Services, 2016

Department	Number of Employees
Water Services	613
Infrastructure and Economic Development	43
Budget and Treasury	94
Corporate Services	72
Municipal Manager's Office	42

The organogram currently has 1134 positions approved with only 864 filled making the vacancy rate 31%. The budgeted positions are 986 and with the 864 that is filled the vacancy rate for filled positions are 12.37%. In terms of the age analysis of the Ugu District Municipality's employees, it is broken down as per table 3.5.3.2.

Table 3.5.3.2: Ugu District number of Employees per Age Group

Source: Ugu District Municipality Corporate Services, 2016

Age group	Number
22 - 35	175
36 – 45	334
46 – 55	256
56 – 60	59
61 – 65	40

What emerges from the age analysis of the employees of Ugu District Municipality is that a total number of 99 employees are within a retirement bracket. This amounts to 11.4% of the total positions filled in the municipality. In Table 3.5.3.3 Ugu District Municipality age analysis is taken further through further analysis of ages and positions held.

Table 3.5.3.3: Ugu District Employees per Age Group and Position held.

Source: Ugu District Municipality Corporate Services, 2016

Post Level	22-35	36-45	46-55	56-60	61-65	Total
0 – Municipal Manager	0	0	1	0	0	1
1 - General Managers	1	3	0	0	0	4
2- Senior Managers	0	5	0	1	0	6
3 - Managers	4	15	4	2	0	25
4 - Officers	1	15	3	1	1	21



Post Level	22-35	36-45	46-55	56-60	61-65	Total
5 - Practitioners	2	3	5	1	0	11
6 - Accountants/ other professionals	3	18	12	20	5	58
7 - Foremen / Personal Assistants	6	6	8	2	0	22
8 - Senior clerks, secretaries	7	4	2	0	0	13
9 - Clerks, operators Class 3, admin assistant	32	30	45	7	9	123
10 - Office Clerks	11	15	10	2	0	38
11 - Customer care clerks, VTS supervisors	10	15	5	1	1	32
12 - Operators Class 2, receptionist	8	13	12	5	0	38
13 - Drivers, machine operators	12	25	14	7	2	60
14 - Operators Class 1, Senior shift workers	15	11	6	3	0	35
15 - Handyman, shift workers	1	3	6	4	2	16
16 - Plant reproduction assistant	0	0	0	1	0	1
17 - General workers Grade 1	0	2	3	2	2	9
18 - General workers, Filing clerks, General assistants	42	118	135	40	16	351
Totals	154	299	274	99	38	864

3.5.4. Human Resources

The human resource policies and strategies that are implemented within the municipality are reflected and briefly discussed in Table 3. 5.3.4 below:

Table 3.5.3.4: Ugu District HR Policies & Strategies

Source: Ugu District Municipality Corporate Services, 2016

Strategies	Progress
Human Resources Strategy	<p>The Ugu HR Strategy is in place and is currently being implemented. The following are the pillars of the strategy:</p> <ul style="list-style-type: none"> ➤ Talent Management ➤ Employee Wellness ➤ Performance Management ➤ Capacity Building ➤ Strategic HR Planning ➤ Sourcing and Placement ➤ Employee Relations ➤ Exit Management ➤ Organisational Culture Management
Employment Equity Plan	<p>The plan is in place and the Municipality is in its fourth year of implementation. The numerical goals are summarised as follows:</p> <ul style="list-style-type: none"> ➤ Appointment of people with disabilities thereby increasing the percentage from 1 to 2 (first year), 3 (second year) and 4 (third year) – Disabled Black females (preference shall be given to this category across all levels – subject to suitability of a candidate and availability of a position) ➤ Fair representation of Black Women at Senior Management level (preference shall be given to Black Females within this category) ➤ Fair representation of Black Women (Africans, Coloureds and Indians) at skilled, semi-skilled and unskilled levels depending on availability of



	positions (preference shall be given to this category until a fair representation is achieved)
Skills Audit	Has been completed and the results have been used for workplace skills planning.
Workplace Skills Plan	The plan is currently being implemented and the 2015/16 WSP will take into account skills audit results.
Recruitment and Retention Strategy	During the skills audit scarce skill and critical skills were identified which informed the retention strategy. The Recruitment and Retention strategy was adopted by the Municipal Council and is currently under implementation.

3.5.5. Skills Analysis

The municipality reviews its Skills Development annually which identifies all the training and capacity building requirements for the municipality as informed by the IDP review. This analysis considers all the departments with special focus on the Water Services Department which is the core function of the municipality and accounts for about 70% of all employees. Table 3.5.5.1 gives the analysis of the critical and scarce skills within the Water Services Department.

Table 3.5.5.1: Ugu District Critical & Scarce Skills Analysis Water Services Department

Source: Ugu District Municipality Corporate Services, 2016

Section	No. of Employees	Skills Required For The Job	No. of Employees Trained	Skills Gap
Water & Wastewater Treatment	66 Process Controllers 2 Foremen and 2 Superintendents	Water & Wastewater Treatment Process Operations	60 Process Controllers successfully completed learnership on Water & Wastewater Treatment Process Operations NQF 3.	6 Process Controllers still need to be trained at NQF 3. The Superintendents and Foremen have completed a Skills Programme on Water & Wastewater Treatment NQF Level 5.
Water & Wastewater Reticulation (water distribution)	54 Plumbers and Special Workmen; 4 Superintendents; 7 Foremen and 2 Technicians 4 Superintendents; 7 Foremen; 2 Technicians	Water and wastewater reticulation e.g. Maintenance and repairs of pipes Pipe-laying Fitting and repairing of valves Reading maps.	42 Plumbers have been trained. 25 have successfully completed the trade test. 3 have to redo their trade tests and 5 are awaiting trade test dates	The training of Plumbers who are not qualified artisans would continue in the next financial year. Eighteen (18) artisans (Superintendents, Foremen and Plumbers successfully completed a Skills Program on Water Reticulation Services NQF 5.



Section	No. of Employees	Skills Required For The Job	No. of Employees Trained	Skills Gap
Fitting	6 Fitters and 1 Foreman who are assisted by Artisan Assistants and General Workers	Perform safe work practices, read engineering drawings, fit washers, tighten screws, maintain a pedestal drill, lift & move equipment, operate oxy-acetylene cutting equipment, use angle grinder, mount & remove bearings, use welding equipment etc	Fitters are qualified artisans. 2 Artisan Assistants have completed Phases 1 and 2.	1 Artisan Assistant completed the Artisan Assistant Programme on Fitting. 2 Artisan Assistants are currently studying N2 Fitting at Esayidi TVET College prior to registering for Phase 3 Fitting in preparation for their trade test.
Electrical	3 Electricians 1 Foreman 1 Electromechanical and 1 Electrical Engineer 7 Electrical and Artisan Assistants	Panel wiring card and fault finding, change and repair contactors, timers, voltage modules, solenoids, meter connection and testing, changing and commissioning of induction and submersible meters etc	Electricians and Foremen are qualified tradesmen. 7 Electrical Assistants and Artisan Assistants have been trained at the Enenyezi Campus of the Esayidi TVET College.	Four Electrical Assistants have passed the trade test; two require further training and 1 has to apply for the trade test.
Motor Mechanics	1 Foreman 1 Diesel Mechanic 1 Mechanic	Fault finding and repairs on motor vehicles Servicing of municipal vehicles	Foreman and Diesel Mechanic are qualified artisans.	To identify other Artisan Assistants/General Workers to be trained in the field.

In compliance with the Ministerial Regulations, the municipality has trained the following officials on the Minimum Competency Levels as designed by National Treasury as indicated in table 3.5.5.2.

Table 3.5.5.2: Minimum Employee Competency Levels Training

Source: Ugu District Municipality Corporate Services, 2016

Category	Department	No. Trained	No. Still to be Trained
Section 56	Treasury	1 (CFO)	0
Section 56	IED	1	0
Section 57	Municipal Manager's Office	1	0
Section 56	Corporate Services	1	0
Section 56	Water Services	1	0
Finance Managers	Treasury & PMU	6	1
Managers from other departments	Municipal Manager's Office	4	1
	Corporate Services	2	3 currently trained
	IED	1	1 currently being trained
	Water services	2	2 still to be trained
Other Finance Officials	Treasury & PMU	28	0
Other Officials from Other Departments	Corporate Services	2	1 currently being trained
	MM's Office	0	0
	IED	0	3 currently being trained



3.5.5.1. Skills Levels

The skills audit has been conducted and its results are what determine the priority training interventions required. The summary of training interventions targeted is:

- Multi-skilling of other general workers to improve morale is required.
- A Special type ABET programme will be rolled out to address illiteracy.
- Water and waste water treatment has 66 operators 60 are skilled with NQF level 3, 6 (9%) are unskilled.
- Maintenance of pipes and valves give rise to more over-time being worked, however there are 54 Plumbers and Special Workmen. 42 of these have been trained with 25 having successfully completed the relevant trade test.

Table 3.5.5.1.1: Ugu District Occupational Levels

Source: Ugu District Municipality Corporate Services, 2016

Level	No	Category	Level	No	Category	Level	No	Category
0	1	MM	-	-	-	-	-	-
1	4	GMs	7	21	Foreman/ PA,	13	80	Drivers, machine operators
2	6	SMs	8	8	Senior clerks, secretaries,	14	49	Operators Class 1, Snr shift workers
3	25	Managers	9	150	Clerks, operators Class 3, admin assistant	15	20	Handyman, shift workers
4	37	Officers	10	37	Office Clerks,	16	1	Plant reproduction assistant
5	10	Practitioners	11	34	Customer care clerks, VTS supervisors	17	9	General workers Gr 1
6	53	Accountants/ other professionals.	12	30	Operators Class 2, receptionist	18	273	General workers, Filing clerks, General assistants, junior admin clerks

3.5.6. Health and Safety in the Workplace

A Hazard Identification and Risk assessment was conducted at the Bhoiboyi Purification Plant on the 21 January 2016, and frequent hazards and risks were identified and are summed up as follows:



Table 3.5.6.1: Health and Safety in Workplace rating

Source: Ugu District Municipality Corporate Services, 2016

Identification	Rating
Chlorine facility – SANS 0298 (not all installations compliant)	High Risk
Chemical Waste Management Programme	High Risk
Electrical Issues – risk assessment identified numerous risks	Med – High Risk
Housekeeping – risk assessment identified numerous risks	Med Risk
Perimeter Fencing – Access Control	Med Risk
Wearing of Personal Protective Equipment – also issue of	Med – High Risk
Unsafe Vehicles	High Risk
Open manhole covers	Med – High Risk

Based on Risk Assessments conducted, the following graphical analysis is applicable;

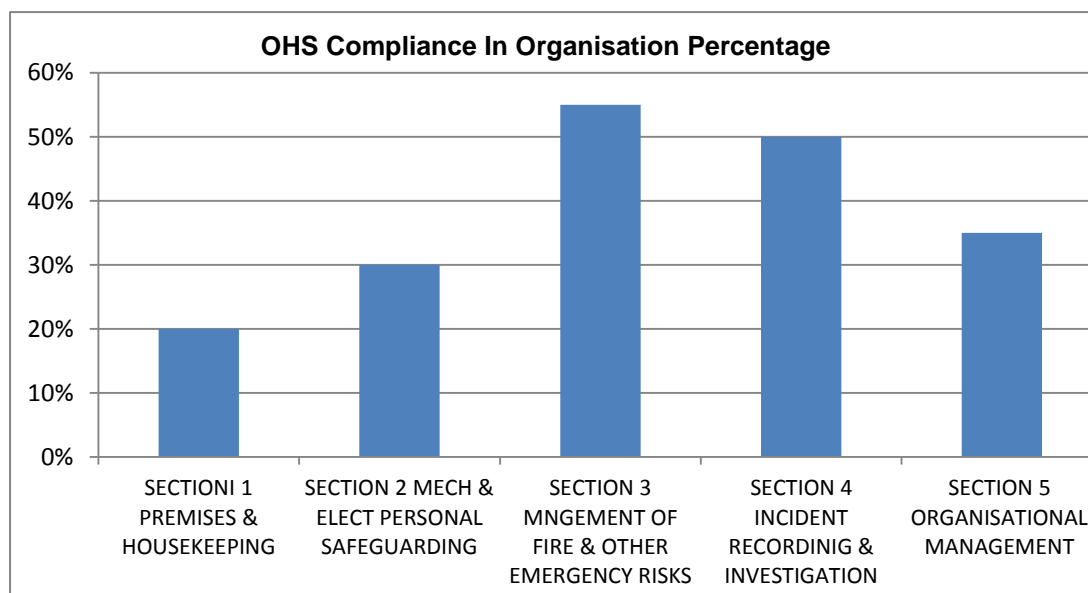


Figure 3.5.6.1: Occupational Health Strategy Compliance

Source: Corporate Services, 2016

3.5.6.1. Analysis of Employee Health and Wellness

Employee Health and Wellness is the promotion and maintenance of the highest degree of physical, mental, spiritual and social well-being in all occupations; prevention of illness caused by working conditions; protection of employees in their employment from risks resulting from factors adverse to health; placement and maintenance of employees in an occupational environments adapted to optimal physiological and psychological capabilities; and the adaptation of work to employees and of each employee to his/her job. The explicit aim of the EHWP is to improve the quality of life of all employees by providing support and helping to alleviate the impact of everyday work, personal and family problems. The focus the programme and role of human resource department is summarised in the table 3.5.6.1 below.



Table 3.5.6.1: Role of HR in Employee Health and Wellness

Source: Ugu District Municipality Corporate Services, 2015/2016

Focus Areas	Role of HR
<ul style="list-style-type: none"> HIV/AIDS Management Chronic Diseases Management Stress / Mental Health Incapacity due to ill health Medical Awareness and Check-ups Promotion of Health, Good Nutrition Impact of Alcohol Abuse Financial Wellness Spiritual Wellness Management 	<ul style="list-style-type: none"> Creating awareness Provision of counselling to employees Provision of organizational support services and education programmes Provision of critical Incident response Programs (i.e. assist all employees to deal with incidents overwhelming their ability to cope like robbery, natural disasters, accidents sudden deaths or violent incidents at work.) through referrals to professional bodies Referral for professional counselling, treatment

3.5.6.2. Analysis of EAP Provision

The total number of employees participating in EAP Programme is 308 out of the total of 863 employees which is 35.6% of the total workforce. This represents only referred cases where 251 were self referrals and 57 being formal referrals. The referrals per department are summarized in Table 3.5.6.2.1 below.

Table 3.5.6.2.1: EAP Referrals per Department

Source: Ugu District Municipality Corporate Services, 2015

Department	Number/ percentage
Office of the Municipal Manager	0 (0%)
Infrastructure & Economic Development	0(0%)
Corporate Services	4 (7%)
Water services	42 (74%)
Treasury Post level 8-18 most participants	11 (19%)

In terms of participating in the medical aid scheme only 523 participate as shown in the table below.

Municipal Manager's Office	Corporate Services	Treasury	Infrastructure & Economic Development	Water Services
33	52	75	35	328

During the 2015 calendar year recorded terminations due to ill health (Medical Boarding) was five (5) all from water services and twelve (deaths), water service accounting for eleven of those.

The role of supervisors needs to therefore be reinforced and ensure that they are aware of the programme and that it is clearly defined to them. The cooperation of supervisors in the EAP can potentially reduce the number of ill-health terminations including deaths associated with ill-health. With the majority of employees being with Water Service Provision function more resources should be channeled through to them.



3.5.6.3. Employer/employee relations

Disciplinary processes take time to finalize because of various reasons for example absence of an accused employee or the Presiding Officer or Prosecutor or non-attendance of the witnesses on the dates scheduled for the hearings.

Disciplinary Hearings March 2015 – March 2016:

- Suspensions 05 and two are back from suspensions and three are suspended
- 41 Cases reported and 35 were finalized and six are outstanding
- Grievances: ten grievances reported, nine resolved, and one referred to Conciliation and later to Arbitration.
- Conciliations: Five Conciliation hearings reported, All were referred to Arbitration
- Arbitrations, Five Arbitrations: Three have been resolved and two have not been resolved

Employee Grievances from March 2015 – March 2016:

- Unfair labour practice
- Unfair conduct
- Local Labour Forum is not yielding the desired effect that of resolving conflict before it escalates to dysfunctional stage of labour unrest.
- Labour Unions feel that management is not consulting in good faith.
- Labour Unions need to be educated on the difference between matters of consultation and matters of negotiation.

3.5.7. Employment Equity Plan

The employment equity strategic objectives emanate from Ugu District municipality's five year Integrated Development Plan. These objectives are:

- i. Achieve equal representation of people from designated groups through setting of numerical goals:
 - Appointment of people with disabilities thereby increasing the percentage from 1 to 2 (first year), 3 (second year) and 4 (third year) – Disabled Black females (preference shall be given to this category across all levels – subject to suitability of a candidate and availability of a position)
 - Fair representation of Black Women at Senior Management level (preference shall be given to Black Females within this category)
 - Fair representation of Black Women (Africans, Coloureds and Indians) at skilled, semi-skilled and unskilled levels depending on availability of positions (preference shall be given to this category until a fair representation is achieved)
- ii. The elimination of unfair discrimination in all HR Practices and Policies.
 - Auditing of HR Policies and practices to ensure integration with EE measures;
 - Removing barriers in work environment, ensuring reasonable accommodation by PWDs;
 - Implement HIV/AIDS Education and prevention programmes;



- Increase the pool of available candidates through community investment and implementation of bridging programmes to increase the number of potential candidates

iii. Taking Affirmative Action measures that are in line with the Act.

This is a policy or a program that seeks to redress past discrimination through active measures to ensure equal opportunity, as in education and employment. The measures includes:-

- Training to focus more on members from designated groups;
- Succession and experiential training;
- Retention strategy, address the retention of employees from designated groups;
- Employment Equity awareness programmes

iv. Ensuring legitimacy of the process through sustained communication and consultation.

The main responsibility of the municipality with regards to EEP is to observe its implementation in relation to numerical goals.

3.5.8. Secretariat, Registry and Auxiliary Services

The Secretariat Unit is an administrative wing of the Municipality through which the taking of resolutions for implementation is done. This is done by providing secretariat support to the Committees of the District Municipal Council such as Council, Exco, Portfolio Committees, Sub-Committees and Forums.

This supporting structure serves as both the catalyst and the hub of information or engine room that suitably co-ordinates and records all the proceedings of the decision making bodies for future references and implementation.

This is also regarded as a confluence of information from all Departments that the Municipality has. The kind of support this Unit provides is indispensable throughout the organisation. The Primary focus areas are:

- Scheduling of Meetings
- Collation of Items / Reports
- Compilation of Agendas
- Maintenance of a resolutions register for Council and the Executive Committee
- Dispatch of Agendas
- Attending Meetings and
- Taking Minutes / Compilation of Minutes
- All other Logistics Associated with Meetings Management

Records Management substantially improved during the 2014/15 financial year after it had been identified as a challenge area by the Auditor General in the 2013/14 audit.

A tender room was maintained to ensure that bid documents are well controlled. All bid processes from specification to adjudication are conducted in this room and original documents are not moved



for any reason. The filing is done according to approved standards. This has proven valuable in ensuring that bid documents and supporting bid information are available at all times.

A building maintenance plan was developed and focussed on ongoing and preventative maintenance to some of the Municipal facilities.

The project for the development and upgrade of fixed property is in Year 1, where the accommodation of the growing organisation in the long term (3 Year Master Plan) is being proactively focussed on and accordingly budgeted for. The following are projects that forms part of our Long Term Office Accommodation Plan:

- Standby Quarters are planned for development in Harding and Park Rynie which will ensure that staff are immediately available when required to work in emergencies;
- The development of an additional office building at Oslo Beach for the Treasury Department processes started during 2015/16 financial year and is a 3 year multi construction project; and
- The Disaster Management site is identified for the development of Phase 2 which includes office accommodation for the Corporate Services Department including a Council Chamber. This project started in 2015/16 and will reach completion during the 2017/18 financial year.

3.5.9. Fleet Management

Fleet Management plays a very integral part in the execution of daily activities in the Municipality and is one of the biggest spenders of the operational budget thus its proper management is of utmost importance. Fleet Management involves the following functions:

- Identification of vehicles for replacement;
- Identification of vehicles for disposal;
- Repair and maintenance of vehicles;
- Licensing of vehicles;
- Monitoring fuel usage and vehicle abuse as well as reporting on same.
- Ensuring clear policies and procedures are in place.
- Annual verification of vehicles and drivers licenses
- Accident management

Ugu District municipality has 270 vehicles within it's Fleet, used primarily for water services provision. Most vehicles have gone beyond their life span as indicated below:

- 36% of vehicles are in a poor condition and due for replacement.
- 64 % of vehicles are fair to good condition.

A vehicle maintenance schedule plan is in place and the vehicles under 100 000 kms are maintained by the Agents to secure warranties.

Some minor repairs are currently done by the in-house mechanics. The coordination of new vehicle licensing and renewals at relevant intervals is also of importance to ensure all vehicles at all times are road worthy. The municipality spends approximately R1.2m per month on fuel which includes



vehicles, generators, grass cutters and all the service plant operations. A challenge still exists on the monitoring of fuel usage and the municipality encounters about 25 accidents per annum many of which are due to negligence.

3.5.10. Municipal Transformation and Institutional Development Emerging Key Issues

The key emerging issues as per the Institutional Transformation and Organisational Development are summarised and through the use of the Organisational Maturity Index, a situational Analysis of the Corporate Services Department was completed. This allowed each Corporate Services Department unit to be individually analysed for the current level of maturity versus reaching a maturity level of excellence.

- The analysis shows the need for improvement of record keeping systems (File plan and electronic document management system) as per the Records authority, (National Archives Act 43 of 1996) and document management system.
- A plan to consider more important and urgent maintenance issues has been drafted to address challenges with the given budget and the need to embark on further assessment for the development of a long term maintenance plan.
- There is a need to phase out renting of office space and building own office space to realise savings. This will be achieved through the adopted Long Term Office Accommodation Plan.
- The need to improve on the quality of minutes produced and the delivery of Agendas to meeting stakeholders.
- The need to co-ordinate and ensure the implementation of resolutions of the Management Committee, the Executive Committee and Council.
- The need to improve on staff retention; overtime and leave management; employee health, safety and wellness; implementation of employment equity plan; scarce skills development and implementation of Individual Performance Management system (IPMS).
- The need to enforce and monitor compliance by Departments in relation to all HR practices and policies.
- The need to improve on the availability of service delivery vehicles as required by service delivery sections of the Municipality
- The need to improve on the licencing of vehicles and stakeholder co-operation is received.
- The need to ensure that competent drivers are utilising the Municipal fleet through the provision of continuous assessments and advanced training.
- The need to reduce the costs associated with fuel and oil usage as well as the repairs of vehicles through proper service provider management and Fleet management.

3.6. Basic Service Delivery

The Ugu District Municipality is authorized in terms of the Municipal Structures Act (Act No. 117 of 1998) and the Municipal Structures Amendment Act (Act No. 33 of 2000) as the Water Services Authority for its area of jurisdiction and therefore has a duty, as assigned to it in terms of the Water Services Act (Act No. 108 of 1997), to all consumers or potential consumers to progressively ensure efficient, affordable, economical and sustainable access to water services.



Ugu WSA has been elected to perform the water services provision function and is therefore also the Water Services Provider (WSP) including the functions of bulk water provision, water reticulation, sewerage services and bulk wastewater collection and treatment to the towns and villages in its area of jurisdiction.

3.6.1. Water Service Provision

It is important to state from the onset that the gaps in the levels of services include a rural/urban national design standard; which affects the rural area more and more because the level of service required in the rural area increases annually and the actual level of service cannot keep up with the demand. This trend will continue until service levels are equalised.

Furthermore, aged water and sanitation infrastructure, lack of capacity of key treatment plants continues to be a challenge and results in many interruptions and service delivery challenges. The key programmes around this still present challenges for the urban coastal strip

- Refurbishment of sanitation infrastructure
- Waterborne sanitation - only 18% reticulated
- Septic and Conservancy tanks - 16%
- Augmentation of water bulk supply schemes
- Development of water resources (Dams)
- Sustainable sanitation for low cost housing projects

The major infrastructure for water services therefore includes the following:

- Dams 7
- Pipelines 4 300 km (estimate)
- Reservoirs 153
- Pump Stations 125
- Water Treatment Works 18
- Waste Water Treatment Works 20

3.6.1.1. Existing Water Infrastructure

As indicated in the WSDP the existing water infrastructure suggests that the formal urban coastal areas have well developed bulk infrastructure and networks and historically was the main focus for infrastructure development in the District. The coastal areas remain the highest concentration of the population and are also the main economic centres for the District. Infrastructure development in the rural areas was historically done in a haphazard manner and this resulted in a number of stand-alone rural water schemes that many times are supplied from unsustainable water sources. The Regional master planning initiatives that were completed in 2006 corrected the lack of planning in the rural areas and shifted the focus towards the implementation of more sustainable Regional Water schemes. The existing and planned future infrastructure in Ugu is shown in figure 3.6.1.1.1 below.

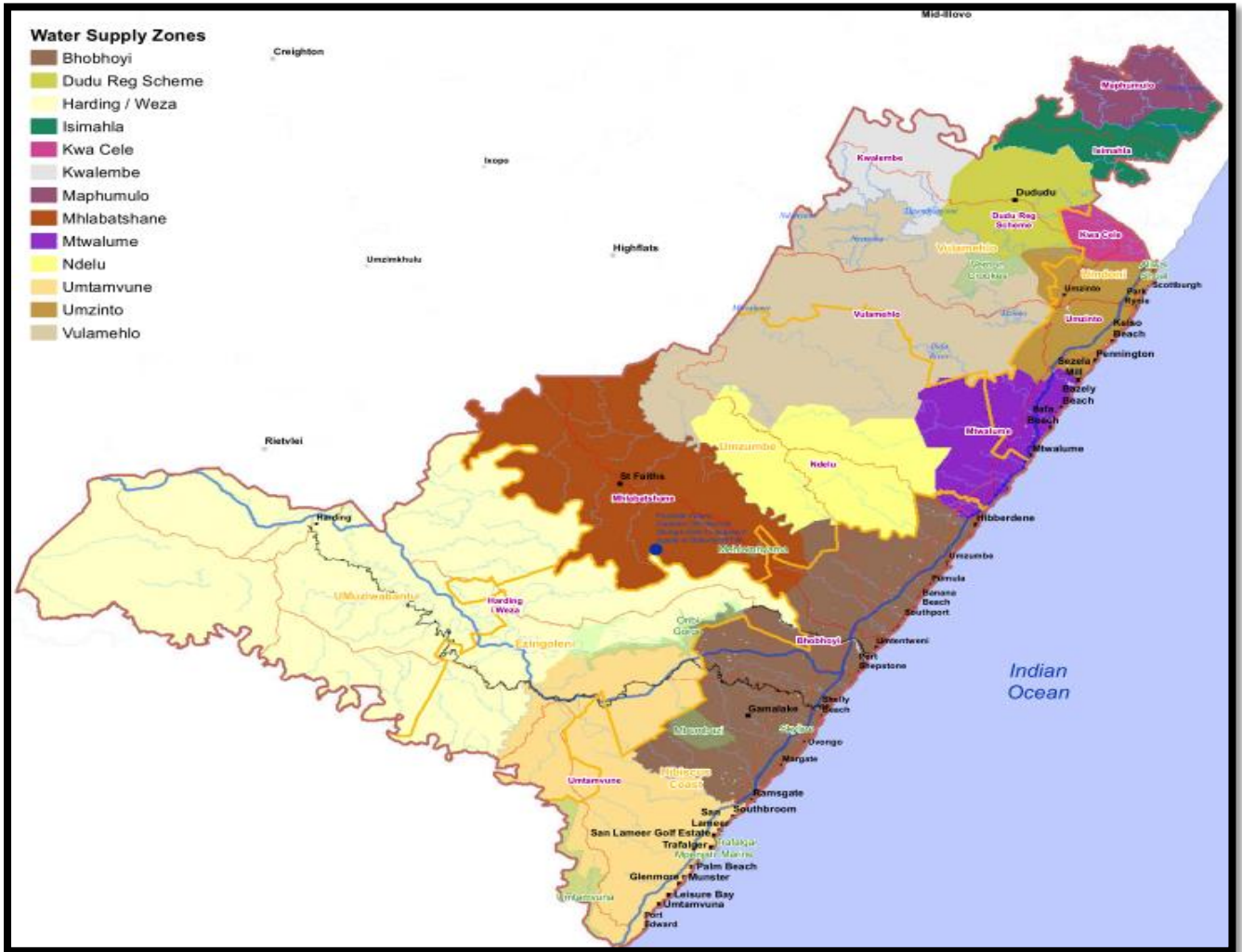


Figure 3.6.1.1.2: Ugu District Water Supply Zone
Source: Ugu District WSDP, 2015

3.6.2. Water Delivery Standards

The water supply to the District is derived from dams, rivers, ground water and bulk purchases from eThekweni and Umgeni Water. The water is then treated at several treatment plants, owned by Ugu before being distributed to households. Distribution of water is done via more than 42 000 private household connections and over 5000 communal stand taps which mainly service the inland rural areas.

The demographics of the Ugu district vary from dense formal urban settlements to scattered rural settlements and must to be dealt with differently when planning for the provision of water services.

Different levels of service are appropriate for each settlement category and the “CSIR Guidelines for Human Settlement Planning and Design” was used as a guideline to determine the water delivery standards per settlement category as indicated in table 3.6.1.2.1.



Table 3.6.1.2.1: Water Delivery Standards per Settlement Category

Source: Ugu District Municipality Bulk Infrastructure Audit, 2011

Settlement Category	Average daily per capita consumption	Description of level of service
Formal Urban	200l/c/d	Medium/high income, with waterborne sanitation
Informal Residential Upgrade	120l/c/d	Moderate income, with waterborne sanitation
Linked Rural Upgrade	75l/c/d	Yard connections, dry pit latrines/septic tanks
Good Access Rural Upgrade	75l/c/d	Yard connections, dry pit latrines/septic tanks
Limited Access Rural Upgrade	75l/c/d	Community standpipes, dry pit latrines/septic tanks
Scattered	75l/c/d	Community standpipes, dry pit latrines/septic tanks

The water delivery standards were used to develop a water demand model for the district and to calculate current and future water demands per supply zone. The current level of basic service within Ugu comprises predominantly of community standpipes at 200m.

3.6.2.1. Current and Future Water Demands

The current and future water demands for each supply zone were calculated and compared with previous studies in this regard, as well as with actual water usage figures where they were available. The actual usage figures assisted in calibrating the water demand model as best as possible.

The future or “ultimate” water demands represent a scenario where backlogs have been eradicated and all households have access to at least a basic RDP level of service. Future developments that are known and “development drivers” that have been identified in the Ugu SDF have also been taken into account with the calculation of the future water demands. The population growth rate was assumed to be 0,3% per year for Rural Municipalities and 0,5% for urban Municipalities.

Certain peak factors were also included in the calculations to determine the “Peak Week Daily Demands”, which represent the average daily consumptions that can be expected during the week of highest consumption in the year (summer holiday season). Allowance was also made for water losses based upon figures that were obtained from the Ugu District Municipality and the results from previous water-loss studies that were conducted. The peak factors and water loss figures that were used in the water demand model were as follows:

Urban

- Summer Peak Factor – 1.3
- Allowance for water losses – 30%
- Holiday peak factor – 1.5

Rural

- Summer Peak Factor – 1.4
- Allowance for water losses – 30%
- Holiday peak factor – 1.5



The current and future water demands within each supply zone were then compared with the current capacities of the bulk infrastructure that supplies the zone and the results are summarised in Table 3.6.1.3.1 below:

Table 3.6.1.3.1: Water Demand and Capacities

Source: Ugu District Municipality Bulk Infrastructure Audit, 2011

Water Supply Zone	Current water demands (2011)	Future water demands (including SDF developments)	Current infrastructure capacities	Bulk Source Of Supply
	MI/d	MI/d	MI/d	
Maphumulo	2	0.5	1.0	Umgeni Water
Isimahla	3	2.4	2.0	Umgeni Water
Dududu	5	3.8	0.4	Ethekwini Metro
KwaLembe	5	1.2	1.0	KwaLembe WTW
Vulamehlo	12	5.1	1.8	Vulamehlo/ Hlokozi WTW
Ndelu	2	2.8	0.6	Ndelu WTW
Mtwalume	12	10.9	8.0	Mtwalume WTW
Umzinto	18	39.6	13.0	Umzinto WTW
KwaCele	3	3.4	1.0	Ethekwini Metro
Mhlabatshane	5	8.6	2.0	Phungashe WTW
Bhobhoyi	70	109.8	54.0	Bhobhoyi WTW
Umtamvuna	26	23.0	20.0	Umtamvuna WTW
Harding/Weza	12	14.4	6.0	Harding &Weza WTWs
Totals (MI/d)	170	225.5	110.8	

The above table clearly shows where current infrastructure capacity problems are experienced, and where the infrastructure will be inadequate to meet the future water requirements.

It should be noted in particular that the demands generated by the proposed SDF drivers will have a significant impact on the capacity demands of the existing infrastructure and that significant capital investment will therefore be required to fully implement these drivers.

3.6.2.2. Access to Water Services

The census 2011 with regards to access to piped water released data in the following categories:

- In Dwelling
- In Yard
- Communal < 200m
- Communal >200m <500m
- Communal >500m <1000m
- Communal >1000m
- No Access

The levels of access and backlog per local municipality are captured Table 3.6.1.4.1 and figure 3.6.1.4.1. The table shows the backlog percentage over the last three censuses. The census 2011 reveals that the major backlog is in Umzumbe and Vulamehlo Municipalities with backlogs of 46% and 34% respectively whilst the rest of the municipalities have backlog of less than 20%.



Table 3.6.1.4.1: Access to Water Services

Source: Sats SA, Census 2011

Local Municipality	Total Households (HH)	Total Households Served	HHs below minimum standards	% Backlog		
				2011	2001	1996
Vulamehlo	16135	10617	5518	34	68	89
Umdoni	22869	22389	480	2	15	32
Umzumbe	35171	19050	16121	46	77	90
Hibiscus Coast	72175	69452	2723	4	32	33
Ezinqoleni	11472	9809	1663	14	58	84
Umuziwabantu	21619	18296	3323	15	53	84
Ugu District	179441	149613	29828	17	49	67

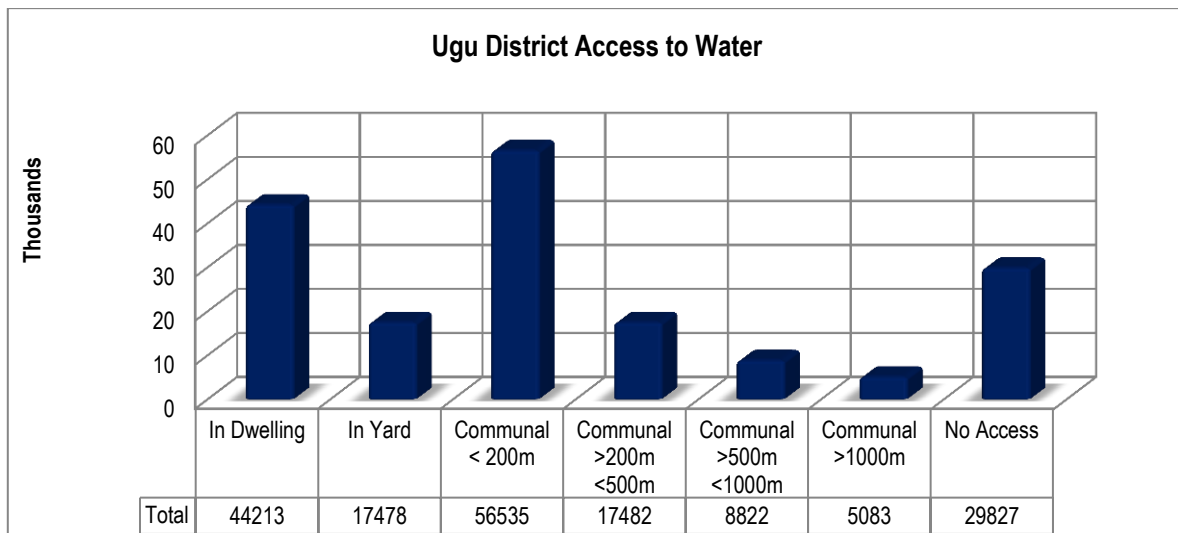


Figure 3.6.1.4.1: Ugu District Access to Water

Source: Stats SA, Census 2011

As reflected in figure 3.6.1.4.2, there has been a drastic reduction of backlog from 1996 to 2011 with the overall reduction in Ugu District amounting to 50%, from 67% to 17%. Umdoni and Hibiscus Coast Municipalities are almost complete with backlog of 2% and 4% respectively. There have been substantial reductions at Ezinqoleni and Umuziwabantu Municipalities both having had backlog of 84% in 1996 and now having backlog of less than 15%. The challenge remains with Vulamehlo and Umzumbe Municipalities where progress has been slow.

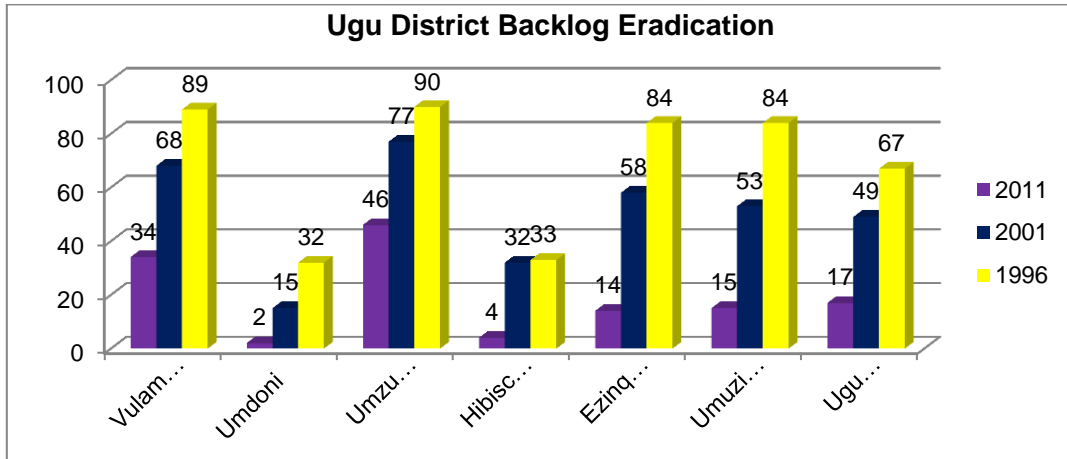


Figure 3.6.1.4.2: Ugu District Water Backlog Eradication

Source: Stats SA, Census 2011

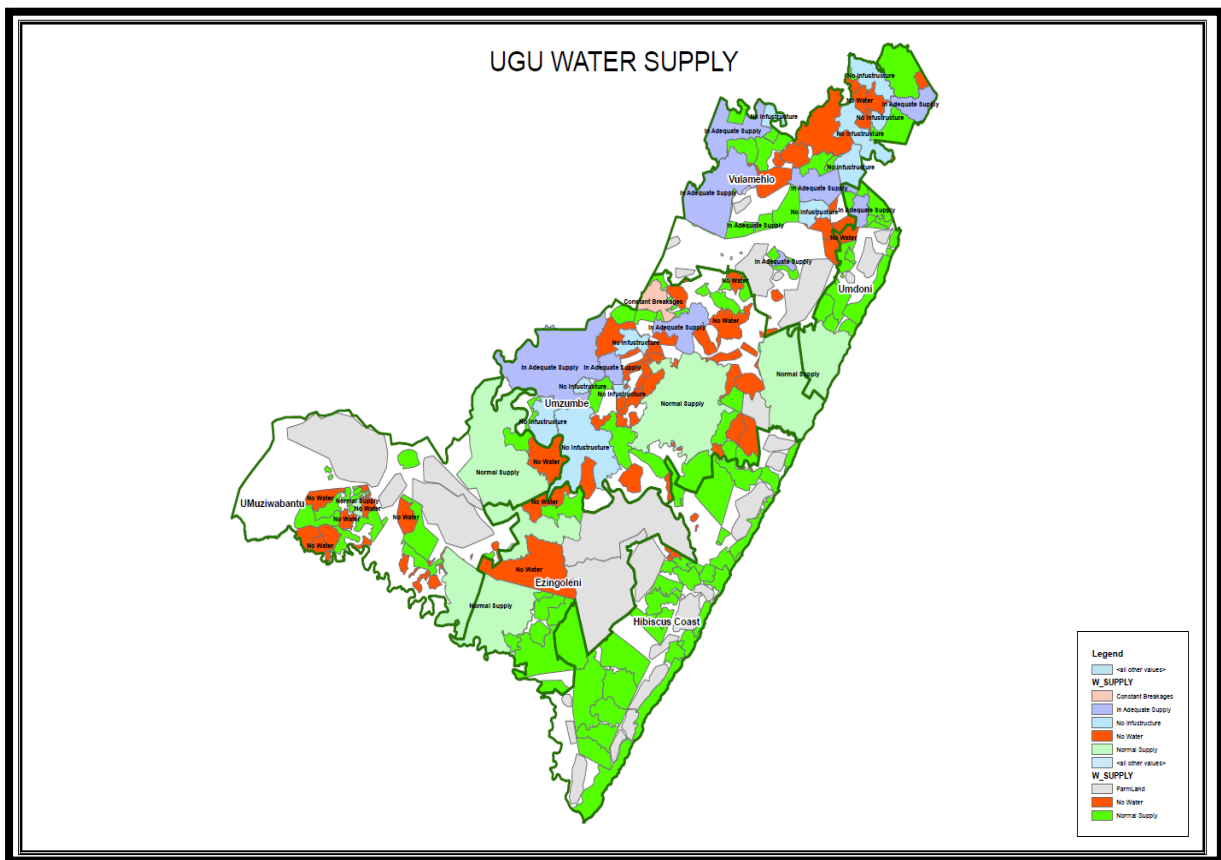


Figure 3.6.1.4.3: Ugu District Municipality Water Supply

Source: Ugu District Municipality GIS, 2013

3.6.2.3. Current Strategies / Programmes for Water Provision

The following are the programmes and strategies that Ugu District uses to ensure efficient water services delivery to the community and that the backlog is eradicated.

i. Free basic water and indigent support

A free basic water policy makes provision for the supply of 6kl of water per metered household per month. An Indigent Support Policy is in place which applies to residential and non-profit organizations entitling the beneficiaries to 6kl of free water per household per month and 100% rebate on water and



sanitation basic charges. To date, we have 6616 water and 2638 sanitation households benefiting from Indigent Support. The information is however based on the billing system while in rural areas households benefit through over 5000 stand pipes in the entire district.

ii. Ground Water programme

Ugu has a rudimentary water supply programme incorporating the use of boreholes and spring water. There is a spring protection and borehole maintenance programme to support supply to communities. However, the ground water potential is not very good in most areas, resulting in the failure of such schemes.

iii. Regional Water Resources Planning Strategy

Ugu has developed a water master plan that seeks to integrate the 16 individual water schemes into sustainable systems, as follows:

- Harding Weza water supply scheme
- Umtamvuna water supply scheme
- UMzimbhulu water supply scheme
- Umtwalume water supply scheme
- Vulamehlo water scheme
- KwaLembe water scheme
- Mhlabatshane water scheme
- South coast water transfer system from Inanda Dam

The strategy seeks to integrate the isolated individual water schemes and provide for investment in more reliable water sources that will be more cost effective in addressing backlogs, meeting the demand due to urban development growth, and mitigating the effect of drought.

iv. Water and Sanitation Master Plan

The Water and Sanitation Master Plan was completed in 2006 and is currently under review for the development of a new master plan with a projection for 2030. The Water Services Development Plan which was last reviewed in 2015 encompasses amongst others, water, sanitation and infrastructure backlog studies, waste water treatment studies, bulk infrastructure development studies. The WSDP is reviewed every year. Additional funding is required to eradicate the water and sanitation backlog etc.

Ugu could not meet the millennium developmental goals of 100% access to water and sanitation by 2014 due to inadequate and sustainable water resources. The municipality has programs such as: urban waterborne sanitation and the rural VIP programme.

v. Umgeni Water's Master Plan for Ugu District Municipality

Umgeni Water operates the following bulk water infrastructure for the provision of potable water to Ugu District Municipality:

- *Storage Dams: Nungwane Dam, Umzinto Dam and E.J. Smith Dam, Mhlabatshane Dam*
- *Water Treatment Plants (WTP): Amanzimtoti WTP, Umzinto WTP and Mtwalume WTP*



Water tanks - This will include identifying the existing water tanks within the areas of the Local Municipality, taking into consideration the community that utilises that water tank, the period in which the tank gets finished in order to determine the intervals of filling the same water tank. Further to this, it will assist in establishing where there is high demand so that more tanks can be added in order to meet the supply and demand a cost effective method.

Rain water harvesting - This will be dedicated to areas where there are no pipeline extensions and as well as water tankers. The idea behind this is to give every citizen of our Municipality clean water at some point.

Springs /borehole Protection - This is highly recommended as the best method of providing clean water to our communities since most of our areas have a good potential to have springs.

Table 3.6.1.5.1: Sihamba Sonke Project

Source: Ugu District Municipality WSDP, 2015

Item	Number	Unit	Unit Cost	Total Cost
Portable Water Storage Tanks	1163	each	5000	R 6 396 500
Springs	419	each	25000	R 11 522 500
Boreholes	79	each	100000	R 8 690 000
Pipe extensions	124.72	km	1000000	R 137 195 751
Rainwater harvesting	3790	each	6000	R 25 014 000
SUB-TOTAL				R 188 818 751.00
Escalation				R 11 329 125.00
Fees				R 20 014 787.00
VAT				R 30 822 772.00
TOTAL				R 250 985 436.00

3.6.2.4. Blue and Green Drop Status

The Blue Drop Certification Programme for Drinking Water Quality Management Regulation and The Green Drop Certification Programme for Wastewater Quality Management Regulation are important to ensure effective and efficient delivery of sustainable water services which is recognised by both South African and International authorities.

The minimum score for Blue Drop Certification is 95% and 90% for Green Drop Certification respectively. Ugu District Municipality is currently ranked at the 7th place in the KwaZulu Natal provincial log in terms of Blue Drop and holds a municipal score of 92.55%(Blue Drop Report 2012) with the following plants holding the Blue Drop Awards:

- Southbroom to Port Edward and Inland areas(Umthamvuna WTW) at 95%
- Umzinto, Pennington to Scottsburg(Umzinto WTW) at 95.22%
- Mathulini, Mthwalume and Qoloqolo(Umthwalume WTW) at 96.27%

The Blue Drop Risk Rating for the Ugu District Municipality is 43.8% (Blue Drop Report 2013), this is categorised as Low Risk. While this may be a good reflection of the operational capacity of Ugu Water



Treatment Infrastructure, the municipality strives to implement projects in ensuring that the risk is contained within the Low Category.

In ensuring delivery of high quality drinking water and improved access to water services, the municipality has in the 2014/2015 financial year refurbished and upgraded Vulamehlo, Weza and Bhubhoyi Water Treatment Works. The upgrades currently add up to the tune of R94.2m

A total of 25km of water pipelines were upgraded and replaced in the 2014/2015 financial year including the critical project in Murchison where the municipality intervened swiftly and was able to bring forward the Murchison Upgrade Project which includes an upgrade of 7.7 km of pipeline, a 10ML storage reservoir and a pumpstation. While the project unfolds, the municipality is implementing effective alternative water services delivery to the area. The Murchison Project is expected to be complete by December 2015.

As the year comes to the end, the municipality is proud to have provided access to water to an additional 2200HH constituted by the areas of Mbiyane, Egoli, Maphumulo, Gumatane, Phongolo, Nhlalwane and Ncengesi. Various other water projects were implemented in this financial year with assistance from grants such as Municipal Water Infrastructure Grant (MWIG), Municipal Infrastructure Grant (MIG), Regional Grant Infrastructure Grant (RBIG) and Massification Grants. All the municipal grants will be 100% spent by the end of the 2014/2015 financial year assuring the public that Ugu District Municipality is here to deliver to the mandate of water and sanitation services provision.

The municipality positively looks ahead to the 2015/2016 financial year as it aims to continue with the plight of rendering services to its communities in spite of the drought challenge that is upon us. Out of the R253 million MIG allocations for the 2015/2016 financial year, the district will continue and complete the Bhubhoyi Water Treatment Works upgrade and commence the uMthamvuna Water Treatment Works Upgrade from 20ML/day to 40ML/day and the Mistake Farm Water Project.

Responding to the drought challenge, the municipality will by July 2015 spend the R10.8m drought relief allocation. In the 2015/2016 financial year the municipality will intensify programmes on water loss management from the MWIG allocation of R100m through its Non-Revenue Water Programme.

For the 2014 Blue Water Services Audits, the municipality participated in the first assessment of No Drop Awards. The results for the assessment have not been published however the municipality is proud to contain its Non Revenue Water Score at 30% being one of the lowest in the country. The municipality continues to implement measures to reduce its Non-Revenue Water from 30% to a projected 23% by the year 2017.

2012 was a gap year for Green Drop Awards however in the year 2013, the municipality's Green Drop Score improved from 70% to 73.91% with the following plant getting a Green Drop Award (Red Desert Waste Water Treatment Works at 90.3%)



In the 2014/2015 financial year the municipality spent R75 million of its MIG allocation towards sanitation projects, these including the refurbishment of 25 sanitation pumpstations to ensure minimal sewage spillages due to aged infrastructure. The Umzinto Water Treatment Works is at its final stages of upgrade for the assurance of service in the Umzinto areas and ready to take on Low Cost Housing Developments. The municipality will for the 2015/2016 financial year commence and complete critical sanitation projects such as Malangeni Waste Water Upgrade, Harding Sanitation Project and Margate Sewer Pipeline Upgrade.

The municipality has heeded to the need for effective operations and maintenance budget and will in the year 2015/2016 increase the budget a few percentages up to the generally accepted norm of 7% of the municipal budget. At 7.3% operations and maintenance budget, the municipality will engage into the implementation of the council adopted Water Safety Plans ensuring efficient and effective delivery of compliant water in line with the South African National Standards 241:2011. Technology in the modern day is an excellent enabler towards delivery of effective service, the municipality starting from 2015/2016 financial year will implement a continuous upgrade of its telemetry system as a means to swift response to remote infrastructure breakdown. The municipality will continue to invest into its technical human resources by adding four more officials into its register of Professionally Registered Officials in line with the Engineering Profession Act 46 of 2000.

3.6.2.5. Capital Requirements for Backlog Eradication

The Ugu District Municipality, as a delegated Water Services Authority (WSA), is in the process of progressively rolling out water services to all consumers in the District, as per the National Government's mandate of servicing all households with at least an RDP level of service by 2014. The estimated cost and time frames to eradicate the backlog, based on the available funding, has been calculated and is indicated in Table 3.6.1.6.1. The following benchmark costs were used in the calculation:

- R 45 000 to service per urban households
- R75 000 to service per rural households that are situated between 200m and 800m from a formal water supply
- R125 000 to service per rural households that are situated further than 800m from a formal water supply

Table 3.6.1.6.1: Water Eradication Plan

Source: Ugu District Municipality WSDP, 2015

Eradication Plan (Excl VAT)	
Estimated cost to eradicate backlogs	R 5 300 000 000,00
Assumed MIG Allocation future	R 290 000 000,00
% of MIG Allocation towards water	70%
Allocation towards water	R 203 000 000,00
Estimated years to eradicate backlogs	23
New Dams (3)	R 2 400 000 000,00
TOTAL	R 7 700 000 000.00



3.6.2.6. Ugu DGDS on Water Services

In terms of the Ugu DGDS Strategic Objective 4.5: **Ensure Effective Water Resource Management and Awareness**, identifies that a key challenge for the district will be eradicating household water backlog while at the same time ensuring that sufficient water is made available for expansion of economic activities. The ability of the district to change its current spatial development patterns will depend to a large extent on addressing water access, rights and management within rural communities.

It estimates the cost of backlog eradication to be R3.4 billion. Massive infrastructure investment will need to be leveraged into the district in the next 10 years. In order to achieve this, three strategic programmes have been identified. These include ensuring effective water resource management; increasing water infrastructure capacity; and promoting awareness for water efficiency.

3.6.3. Sanitation Service Provision

The sanitation service provision in the Ugu District area of jurisdiction is broken down to urban and rural sanitation. With regards to the urban sanitation the service delivery standard is mostly waterborne sewer and for rural sanitation the pit toilets with ventilation (VIPs). Table 3.6.2.1.1 below shows the overall access to sanitation of the district and the following subsections breaks it down per rural and urban area.

The sanitation backlog of the Ugu District area of jurisdiction was determined using the 2011 Statistics South Africa and the minimum requirements for acceptable access to sanitation as per CoGTA backlog study 2013 which are:

- Flush toilet (connected to sewerage system);
- Flush toilet (with septic tank);
- Chemical toilet; and
- Pit toilet with ventilation (VIP).

The service levels therefore that fall below the minimum requirements (backlog) in the Ugu District area of jurisdiction are:

- Pit toilet without ventilation;
- Bucket toilet;
- No sanitation; and
- Any other service level.

Table 3.6.2.1: Access to Sanitation Services per Municipality

Source: Statistics SA, Census 2011

Sanitation Service Level	Ugu	Vulamehlo	Umdoni	Umzumbhe	Hibiscus Coast	Ezinqoleni	Umuziwanabantu
Flush toilet (connected to sewerage system)	32647	444	7832	703	21397	383	1889
Flush toilet (with septic tank)	13181	325	2672	625	8562	245	752



Sanitation Service Level	Ugu	Vulamehlo	Umdoni	Umzumbe	Hibiscus Coast	Ezingoleni	Umuziwabantu
Chemical toilet	15281	2857	981	2773	5330	194	3146
Pit toilet with ventilation (VIP)	32885	4421	2747	5050	8254	7400	5014
Pit toilet without ventilation	62133	6154	4402	21477	20247	2248	7606
Bucket toilet	3123	523	1503	359	558	14	167
None	8397	695	523	1654	3757	673	1094
Other	11793	716	2209	2530	4071	316	1951
Total	179440	16135	22869	35171	72175	11472	21619
Backlog (% HH below min. Standards)	48	50	38	74	40	28	50

As per the Statistics South Africa Census 2011, the major sanitation backlog in the Ugu District Municipality area of jurisdiction is in Umzumbe (74%), Vulamehlo and Umuziwabantu (both at 50%). These are predominantly rural municipalities that are inland and the predominantly urban municipalities that are along the coast have sanitation backlog that is below 50%. The overall sanitation backlog for the Ugu District Municipality is sitting at 48%.

3.6.3.1. Urban Sanitation

The urban areas within Ugu are located predominantly within a narrow coastal strip comprising of a combination of permanent residents and local tourists who descend on the area during holiday periods.

The SSMP suggests that the water demand (and hence waste water flows) in the peak December/January period is typically 33% higher than the annual average values.

Although largely “residential”, most urban areas include some “commercial” activity and there are also some “light and/or service industrial” nodes particularly in Port Shepstone (Marburg) and Park Rynie to a lesser extent. The urban sanitation comprises a combination of waterborne sewerage linked to Waste Water Treatment Works (WWTW) as well as a system of septic tanks and conservancy tanks in the less densely populated areas.

Most of the treatment facilities are owned and managed by Ugu although there are also a number of privately owned and managed, small sewage treatment plants – mostly “package” plants. With the exception of Gamalakhe, the sewerage coverage of formal, urban areas which have a Municipal water connection is approximately 30%.

Being a coastal strip, the topography generally falls towards the coast and is segmented by many water courses (streams/rivers) resulting in numerous hills and valleys as well as very flat areas along the coast. As a result there are numerous pump stations in the reticulated areas whilst the WWTWs



are generally located inland of the coastal strip such that many of the pump stations deal with pumping heads which exceed those readily achievable with open impeller pumps operating at low speeds.

The SMMP notes further that “the geology of the coastal strip may be described in general terms as having rock outcrops all along the coast overlain by one to two metres of sand and with some of these areas being characterised by a high, perched water table” – clearly not ideal for the use of septic tanks with sub-soil percolation drains and as a result there are numerous conservancy tanks within the urban strip.

3.6.3.2. Urban sanitation delivery standards

The SSMP deals with sewage demands and individual scheme options/preliminary designs in greater detail. For the purposes of this audit and a broad assessment of the status quo, the following standards were adopted:

Table 3.6.2.2: Urban Sanitation Standards

Source: Ugu District Municipality WSDP, 2015

Settlement Categories	Sub-Category	Flow	Unit
Formal Urban	Formal Urban	600	l/d/100m ²
	Industrial/Commercial	NA	NA
Informal Residential Upgrade		120	l/c/d

3.6.3.3. Urban Backlog Eradication Plan

Other than maintenance issues and upgrades/extensions of existing sewerage schemes based on the rationale contained in the SSMP, it stands to reason that formal township development requires the provision of adequate water and sanitation and as such there are in effect very few backlogs other than those “informal urban upgrade” areas adjoining the coastal urban strip which by nature of their density should be provided with reticulated waterborne sewerage as opposed to a basic level of service - septic tanks.

The Local Municipalities have allowed residents to construct septic tanks in wetland areas resulting in serious pollution in many areas. Replacing the septic tanks with waterborne sanitation will be very costly and also difficult because the area is built up with well established gardens and boundary walls. Cost recovery and affordability is also an issue. Most residents are pensioners that cannot afford the exorbitant cost to install waterborne sanitation.

A total estimated capital investment (2014) of the order of R 3 billion is required to reticulate and upgrade sanitation within the urban strip.

The refurbishment/upgrading of certain existing assets and the proper management of sludge disposal were identified as immediate priorities and some of this work has already been accomplished by Ugu.



3.6.3.4. Rural Sanitation

There is no reliable data spatially or otherwise pertaining to either the location or age of Ventilated Improved Pit Latrines (VIPs) constructed within Ugu. This poses a major challenge as there is no reliable data with which to plan for de-sludging/re-location of VIPs when full and further prevents the accurate determination of the backlog. Therefore, in order to obtain a better understanding regarding the status quo of the rural sanitation within Ugu, a number of random sample surveys were undertaken within each local municipal area.

3.6.3.5. Rural Sanitation Delivery Standards

The standard for a basic level of rural sanitation in Ugu is a ventilated improved pit latrine (VIP) comprising pre-cast concrete “C” sections. The anticipated life-span to de-sludging/re-location of the VIPs based on various household densities and a sludge accumulation rate of 0.05m³ per annum is reflected in table 3.6.2.5.1.

Table 3.6.2.5.1: VIP Sludge Accumulation Rate

Source: Ugu District Municipality WSDP, 2015

Household Size (persons/household)	Life Span (years)	
	Pit Capacity 1.5m ³	Pit Capacity 2m ³
5 persons/household	6	8
6 persons/household	5	6.7
7 persons/household	4.3	5.7
8 persons/household	3.8	5

Whilst the standard Ugu VIP has an effective pit volume of 1.5m³ (allowing 200mm freeboard), the benefits of a larger pit are clearly apparent in terms of time taken to fill up. Table 3.6.2.5.2 below shows the level at which the VIPs are filled.

Table 3.6.2.6.2: Level at which VIP are Filled

Source: Ugu District Municipality WSDP, 2015

Condition	% of Surveyed
Good	50%
Fair	29%
Poor	21%
Full	19%
75% Full	42%
Balance	39%
Pits older than 5 years	20%

Considering that the survey suggests that 61% of the pits are between 75% and 100% full and that 20% are older than five (5) years suggests that major challenges lie ahead in ensuring the sustainability of the rural sanitation programme. The maintenance plan for VIP toilets installed is under development.

3.6.3.6. Rural Sanitation Backlog Eradication

The sample survey suggests that the rural sanitation backlog is of the order of 20 %. The backlog is further compounded by the fact that there is virtually no spatial data with which to plan and manage



the de-sludging /re-location of pits which are almost or already full such that the health and hygiene effectiveness of the programme going forward must be brought into question.

Therefore, in order to cost a backlog eradication plan for the District, one first needs to determine an accurate assessment of the current status quo. While the mini-audit provides a sample the current situation, it does not give an actual reflection. The most important component therefore in the backlog eradication plan, is an initial audit of rural sanitation. This audit would not only provide the District with a detailed spatial representation of VIPs in the District, it would also provide statistics about usage and full percentage across the District.

3.6.4. Solid Waste and Cemeteries

Waste management services involve the waste collection, treatment, recycling and disposal. The National Environmental Management: Waste Act (Act 59 of 2008) has placed a huge responsibility on municipalities to deliver waste services. Phase 3 of the Infrastructure Audit as well as the Integrated Waste Management Plan reported that solid waste is the most undersupplied service in the district. Where services are being offered, they are usually limited to the formal, urban areas of Umuziwabantu, Hibiscus Coast and Umdoni Municipalities.

Waste minimisation in the district is poorly organised and there is no integrated system which exists private recyclers may link to. The viability of recycling relies heavily on economies of scale as there must be enough recyclables available to justify the cost of transport associated with the collection of recyclable materials. Ugu requires a great deal more work before an economically viable waste recycling system can be put in place.

In terms of cemeteries, three out of six of the local municipalities have formal sites, namely Hibiscus Coast, Umdoni and Umuziwabantu. The remaining three, Ezingoleni, Vulamehlo and Umzumbe have a majority rural population who practice traditional on-site burial of deceased family members. In some cases there has been resistance to the development of cemeteries and interviews with officials have indicated that this is a sensitive matter with cultural implications. A detailed study, with a strong social focus, is needed to assess the need for, and provision of, cemeteries in the district. Table 3.6.3.1 and figure 3.6.3.1 indicate access on a household level to solid waste removal services in the District.

Table 3.6.3.1: Households Access to Solid Waste Removal

Source: Statistics SA, Census 2011

Type of Solid Waste Removal	Ugu	Umzumbe	Umuziwabantu	Ezingoleni	Hibiscus Coast	Vulamehlo	Umdoni
Removed by local authority at least once a week	44137	417	3402	160	27876	274	12007
Removed by local authority/private company less often	2398	325	487	98	1075	164	249
Communal refuse dump	2400	187	153	55	1211	447	346
Own refuse dump	118601	29568	16416	10849	39086	12974	9709
No rubbish disposal	10480	4492	832	291	2393	2033	439
Other	1425	182	328	18	534	243	119
Total	179440	35171	21619	11472	72175	16135	22869



The refuse removal by local municipalities occur at least once a week or less and communal refuse dump is only 27%, the other 63% is households that have their own refuse dump or do not have any form of refuse removal as shown in Table 3.6.3.1.

3.6.4.1. Waste Services Level

The current level of service differs in each Local Municipality. The overall view of the status quo is known, however, it was important to represent the waste service figures for each municipality at a settlement level as this will inform the type of service that should be provided. The current status within each Local Authority is provided in table 3.6.3.1.1.

Table 3.6.3.1.1: Waste Services Level
Source: Ugu District Municipality WSDP, 2015

Settlement Category	Vulamehlo LM			Ezinqoleni LM			Umzumbe LM		
	Service d HH	No Service	Total HH	Service d HH	Not Service d	Total HH	Service d HH	Not Service d	Total HH
Formal Urban	1	80	81	0	0	0	0	25	25
Good Access Rural Upgrade	73	4,317	4,390	52	4,133	4,185	136	8,034	8,170
Limited Access Rural Upgrade	73	2,189	2,262	8	712	720	131	5,541	5,672
Linked Rural Upgrade	48	2,768	2,816	53	2,612	2,665	169	8,998	9,167
Scattered	42	4,882	4,924	7	1,053	1,060	95	7,959	8,054
Total	237	14,236	14,473	120	8,510	8,630	531	30557	31088
Percentage	1.6%	98.4%	100%	1.4%	98.6%	100%	1.7%	98.3%	100%
	Hibiscus Coast LM			Umdoni LM			Umuziwabantu LM		
Formal Urban	20,082	5,683	25,765	5,505	1,947	7,452	1,303	826	2,129
Good Access Rural Upgrade	1,681	5,228	6,909	583	1,309	1,892	435	5,716	6,151
Informal Residential Upgrade	111	142	253	225	67	292	106	65	171
Limited Access Rural Upgrade	151	827	978	4	125	129	227	7,059	7,286
Linked Rural Upgrade	1,155	13,906	15,061	824	6,153	6,977	140	1,711	1,851
Scattered	57	1,629	1,686	63	220	283	50	2670	2,720
Total	23,237	27,415	50,652	7,204	9,821	17,025	2,261	18,047	20,308
Percentage	45.9%	54.1%	100%	42.3%	57.7%	100%	11.1%	88.9%	100%

3.6.5. Transportation Infrastructure

The Ugu District Municipality does not have an adopted Integrated Transport plan as the one available was last adopted in the 2006/2007 financial year and is now outdated. Through the Ugu Sector Wide Infrastructure Audit, updated information is available for the purposes of analysis. Furthermore, Ugu District as an organisation does not maintain the roads as all the district roads were transferred to DOT.



3.6.5.1. Public Transport

Access to public transport is a major development challenge within the Ugu District and a potential factor in increasing access of communities to economic opportunities. 87% of public transport users within the district are dependent on mini bus transport, compared to 9% dependent on bus transport. Table 3.6.4.1.1 illustrates current commuter demand from the main public transport terminals within the Ugu District. In those instances where bus services are available, they transport more commuters than the mini bus taxi service.

Table 3.6.4.1.1: Commuter Demand from Main Public Transport Terminals

Source: Ugu District Municipality Sector Wide Infrastructure Audit, 2014

Terminal point	Annual passengers	Mode	Daily vehicle trips
Gamalakhe	3,282,353	Bus	182
	2,230,800	MBT	572
Nyandezulu	2,837,647	Bus	158
	1,662,300	MBT	427
D338/N20	2,601,900	Bus	144
	1,879,800	MBT	482
Mthwalume	2,229,390	Bus	100
	1,610,700	MBT	413
Murchison	2,107,059	Bus	117
	1,267,500	MBT	325
Assisi	1,683,529	Bus	94
	741,000	MBT	190
Mzumbe	1,281,177	Bus	71
	588,900	MBT	151
Palm Beach	1,115,100	Bus	55
	807,300	MBT	207
Melville	900,450	Bus	42
	651,300	MBT	167
D952/R102	198,720	Bus	9
	144,300	MBT	37
D1097/N20	84,600	Bus	5
	66,560	MBT	16

Access to rail transport is limited within the region. The metropolitan rail system serving eThekweni only reaches the northern extremity of the Ugu area with three stages in the Umdoni municipality, namely Kelso, Park Rynie and Scottburgh. Although the south coast railway line is electrified and in use by Transnet Freight Rail as south as Port Shepstone, no commuter services are offered beyond these three stations. The district is looking to benefit from the rail station upgrading plans of the Passenger Rail Agency of South Africa (PRASA), as the Port Shepstone Train Station is one of the targeted multi-modal upgrades. This is in line with longer-term plans to extend the passenger rail service southwards. Ugu stakeholders have made presentations for a rail link into the Eastern Cape. Municipal Integrated Public Transport Plans are required to support the SDF of the district and ensure alignment with the plans for nodal investments.

Intermodal Public Transport Facilities

The KwaZulu-Natal Department of Transport (KZNDoT) has identified the development of intermodal public transport facilities as one of the key public transport improvement elements. An intermodal facility is a focal point where many modes of transportation converge to provide economical and



efficient service to destinations. Port Shepstone has been identified as a potential nodal point for building such a facility. This suggests that there is a constant demand for transport feeding from the more rural areas into this economic hub.

3.6.5.2. Freight Rail Infrastructure

The main rail corridor in the district is the standard gauge South Coast line that runs from Port Shepstone to eThekweni. The volume of freight has been reduced over time due to more goods moving to the N2 for transportation. The main commodity on the rail network is 500,000 tons of lime clinker from Simuma to Mount Vernon. There are no longer any passenger services in operation on this line.

A narrow gauge line used to operate between Port Shepstone and Harding. This was primarily used to transport timber and sugar cane. The line was also used for tourism, providing excursions to Paddock. Unfortunately the line has been abandoned due to the demise of the Alfred County Railway and the final destruction of the Izotsha river bridge in 2007.

There is definitely a need for revival of passenger rail and additional freight rail capacity within the district has been highlighted during the GDS consultation process. The standard gauge line is supplemented by a narrow gauge line from Port Shepstone to Harding, which no longer functions and is in a state of disrepair. This is primarily used to transport timber and sugar cane. Overall, the volume of freight on this line has reduced and more goods are being transported by road along the N2. The reason given for this switch is that many branch lines are no longer in operation. An opportunity for the district is that Transnet has recently released a plan to invest R300bn in infrastructure within the country, of which R151 billion has been earmarked for freight rail.

Further investigation into demand should be undertaken to inform an approach to Transnet. This could include a review of the current location of the railway line with a proposal to re-route the railway line away from the coast into the hinterland. This would serve to boost tourism along the coastal strip and economic activity within the hinterland.

3.6.5.3. Roads and Transport

The road hierarchy in the district starts with national roads, then provincial roads down to local municipal roads. The N2 runs parallel to the coast with plans to extend this coastal route into the Eastern Cape. The provincial road network provides a high proportion of the road network in Ugu and covers a vast range of types of roads from main regional links (class 2) through to local roads (class 7). In terms of road usage, up to date traffic volume data is only available for the N2 and R103.

The largest traffic volumes pass along the N2 towards Port Shepstone, and further towards Kokstad, as well as along the R61 from Port Shepstone towards Port Edward. Large volumes of traffic also pass along the R612 from Park Rynie to Ixopo and the road from Umtentweni to St Faiths. Access to road infrastructure varies across the district, especially between rural and urban areas. In Table 3.6.5.3.1, access to transport is measured in terms of the percentage of households that have access to Level 1 and Level 3 roads (i.e. national, main and district roads).



Table 3.6.5.3.1: Access to Transport

Source: Ugu District Municipality Sector Wide Infrastructure Audit, 2014

Local Municipality	HH within 1 km of a Road	Total HH	Percentage
Vulamehlo	11,771	15,661	75
Umzumbe	24,274	31,801	76
Ezinqoleni	6,996	9,041	77
Umuziwabantu	17,956	20,840	86
Umdoni	16,452	17,257	95
Hibiscus Coast	49,993	51,480	97
Ugu District	127,442	146,080	87

The SDF has identified priority road corridors for development that will promote spatial integration of the district. These include the upgrading of the P77 and P58 in order to increase accessibility for rural communities. Consultations with the agricultural sector have also identified key roads and causeways that need to be targeted for upgrade to open up areas for commercial activity. Other sectors have raised concerns regarding the poor condition of roads servicing large populations, such as Gamalakhe. The key strategy for the district will be to ensure that its specific road infrastructure needs are included in the Department of Transport's and relevant local municipalities' project priority lists.

The poor condition of provincial and local roads within the Ugu District has been raised during the GDS consultation process. Lack of road maintenance and asset deterioration will result in much greater financial burdens on provincial government and municipalities in the medium to long-term.

A road in poor condition also impacts negatively on journey speed and road safety, decreasing the accessibility or desirability of the region for business. The findings of the Infrastructure Audit undertaken by the municipality were that:

- National roads are of a very high standard with good continual maintenance. Funding is generally adequate, supported by funds generated by toll fees.
- Funding for maintenance and new provincial roads is limited, and generally dealt with at two levels. First, there are major/strategic projects, and secondly there are locally-based projects operated by the regional cost centre based in Port Shepstone and communicated through local "Transport Forums"
- Local roads within the more urban centres are constructed and maintained by local municipalities. Rural municipalities are heavily reliant on the provincial Department of transport for budget.



Figure 3.6.5.3.1: Ugu District Road and Rail Infrastructure
Source: Ugu District Municipality Sector Wide Infrastructure Audit, 2014

3.6.5.4. Air Transport

Given the fairly recent relocation of the Durban International Airport to the site of the King Shaka International Airport and Dube Tradeport along the KZN North Coast, the South Coast is largely unserved in terms of both passenger and cargo air transportation. As a result, the South Coast is much less accessible to tourists than previously with the international airport now favouring the North Coast of KZN. The cost of doing business within Ugu has increased due to longer travel times and greater traffic congestion. The potential exists to increase the capacity of the existing Margate Airport to handle low-cost airlines to make it more attractive within the market. Additionally, the airport could accommodate small cargo planes to ensure that the agricultural sector is able to remain competitive and transport perishable goods.

The upgrade of Margate Airport will make it easier for tourists to access the district once they are in the province, as well as making it significantly easier and simpler for the tourists to remain in the



province for longer periods, due to the expanded range of tourism products in keeping with the tourists' needs. In addition, the area around Margate airport presents substantial potential for future industrial development. The Department of Cooperative Governance and Traditional Affairs financed to the tune of R10m for the upgrade of the Margate Airport and the project bore fruit in November 2013 when the first airplane landed. It is a commercial airliner and will be operating between OR Tambo and Margate respectively until more lines are opened. The municipality has been engaged on this process for the last ±3 years. The Provincial Treasury has a project to revitalize all the regional airports.

3.6.5.5. Integrated Transport Plan (ITP)

Ugu's Integrated Transport Plan was completed in the 2006/2007 financial year. There was funding provided by the Department of Transport (KZNDOT) and in the past we experienced challenges in terms of implementing the ITP as well as sourcing funding to review the study. The project is currently under review.

3.6.5.6. Ugu DGDS on transportation Infrastructure

The DGDS identifies the recent relocation of the Durban International Airport to the site of the King Shaka International Airport and Dube Tradeport along the KZN North Coast, as leaving the South Coast largely un-serviced in terms of both passenger and cargo air transportation, thus the South Coast left much less accessible to tourists than previously and the cost of doing business within Ugu increasing due to longer travel times and greater traffic congestion. It therefore advocates for an increased need to develop Margate Airport to address these challenges.

It further identifies the potential of the coastline to drive development through harbours, sea transport and other maritime sector investments, which is largely unexplored by both the public and private sectors. Included within this sub-sector are small-craft harbours, which have the potential to enhance tourism, and create a waterfront node within the Ugu District. The development of both Margate Airport and Small Craft Harbour are key interventions identified as part of this strategic objective in order to address these challenges and opportunities.

3.6.6. Electricity

Eskom is the sole supplier of electricity in all of the Ugu District with the exception of the urban areas of Port Shepstone and Harding. Major capacity problems that affected most of Ugu District were addressed some ten years ago through the construction of major infrastructure, mostly in the Harding area.

Following from this, capacity problems are of a more localised nature as a result of the "Electrification for All" programme and major developments that have occurred over this time. In addition, future developments and electrification backlog programmes will require localised infrastructure upgrades such as the proposed new Kenterton Substation which is being built to accommodate electrification backlog requirements.



Generically, commercial developments will not have infrastructure built for them until such time as the relevant developer makes a financial commitment. The proposed new Margate Airport will be a case in point where purpose-built infrastructure will almost certainly be required.

Power quality information is not made available by Eskom so it is not possible to assess problems that may be experienced throughout the Ugu District due to ageing or inadequate infrastructure. However, Eskom keeps extensive records regarding power line performance which heavily influences their annual budgets for refurbishment and maintenance.

Eskom electrification delivery depends on the level of the National Treasury MTEF funding normally projected over a three-year period.

3.6.6.1. Electricity delivery Standards

During the development of the standards it was recommended that households within a distance of 5 km of existing electrical grid infrastructure and with a density of greater than 50 households per square kilometre be treated as households that can receive grid electricity. It was also recommended that households more than 5km from grid and with densities less than 50 households per square kilometre be treated as future “non-grid” customers.

However, in reality, very few households are really more than 5 km from existing grid infrastructure. In addition, Eskom’s approach to cost per connection targets has had to be adjusted upwards as they are still committed to electrifying all households and, after years of electrifying the most viable (lower cost per connection) households, they are now left with mainly “expensive” connections to do. This is generally assisted through the Department of Minerals and Energy (DME) run Integrated National Electrification Programme (INEP).

However, cost per connection motivators will still influence an area’s electrification priority which means that “customer” projects (i.e. to build a power line to a pump stations, Tribal Court, etc.) will reduce the cost per connection of the electrification project if the bulk feeder line no longer needs to be built.

For the backlog analysis, all households greater than 4km from the network and in settlements of less than 50 households per square (50hh/km²) kilometre can theoretically not be supplied by the existing network.

3.6.6.2. Access to Electricity

In terms of access to electricity Vulamehlo and Umzumbe remain the darkest municipalities in the Ugu District area of jurisdiction both having an access to electricity of less than 50% as reflected in figure 3.6.5.2.1. The municipalities with urban centres like Hibiscus Coast, Umdoni and Umuziwabantu still enjoy high levels of access to electricity, Eziqoleni being the only rural municipality with high access of 80%. Overall there has been an improvement in the access to electricity across all municipalities from 1996 to 2011.

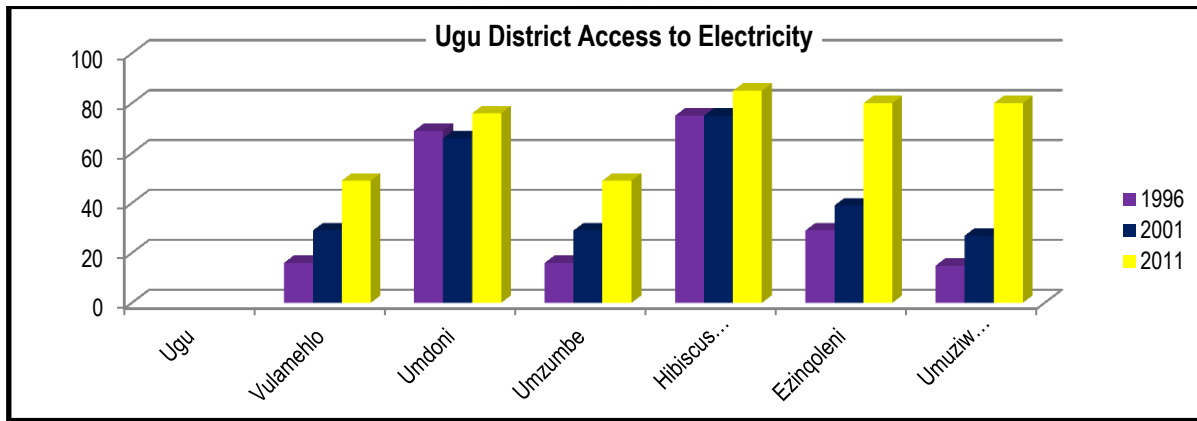


Figure 3.6.5.2.1: Ugu District Access to Electricity

Source: Statics SA, Census 2011

The backlog in many municipalities is attributed to the lack of bulk infrastructure as indicated below. The Department of Energy (DoE) is responsible for the funding of all prepaid electrification which is mainly in Eskom rural areas of supply.

In terms of commercial development, it was stated in the Ugu Infrastructure Audit that generically, a commercial development “will not have infrastructure built for them until such time as the relevant developer makes a financial commitment. This indicates that current electricity infrastructure is not sufficient to support future commercial development within the Ugu District, and will require financial commitment from the investor themselves.

3.6.6.3. Alternative Energy

With regards to alternative energy, it is clear from the census 2011 data that there is still very minimal use of alternative energy within the households with electricity being the preferred energy. Candles are the most used after electricity in terms lighting, whilst wood is the second preferred energy source for cooking and heating.

Many strides have been taken to promote the use of sustainable alternative source of energy. One of those have been sustainable solar lighting packages are offered to rural households and schools without access to the formal electricity grid within the Ugu region. A basic package costed at a once-off payment of R 2 500.00 which includes two lights and cell phone charging. A more comprehensive package costed at R 14 000.00 includes energy for a TV, fridge, radio, cell phone charging and three lights. The products are German-made and the installation company has received no come-backs. The main obstacle to roll-out is financing as cash is required upfront. Capitec is the only bank open to financing this market and willing to attend community engagement sessions. Such a product is a serious option for service delivery to scattered rural communities within the district.

Table 3.6.5.3.1: Energy per Domestic Use

Source: Statics SA, Census 2011

Cooking	No.	%	Heating	No.	%	Lighting	No.	%
Electricity	103747	58	Electricity	80230	45	Electricity	128977	72
Gas	7477	4	Gas	3350	2	Gas	765	0
Paraffin	16889	9	Paraffin	6751	4	Candles	44780	25



Cooking	No.	%	Heating	No.	%	Lighting	No.	%
Solar	339	0	Wood	57599	32	Paraffin	3218	2
Wood	49667	28	Coal	1717	1	Solar	552	0
Coal	423	0	Dung	366	0	None	1136	1
Dung	144	0	Solar	485	0			
Other	311	0	None	28910	16			
None	437	0	Other	22	0			

3.6.6.4. Current and Proposed Electricity Infrastructure and Capacity

The current Eskom infrastructure footprint, the current supply, planned projects and network status and capacity constraints are reflected in Figure 3.6.5.4.1 to 3.6.5.4.2.

As part of the annual planning, Eskom delineates and modifies planning project footprints and associates these footprints with a planned year and costing. These footprints are reviewed on an annual basis and the current planning footprints are included in the electricity maps. These project footprints provide an indication of community level planned infrastructure.

In addition to these community level projects and regional level infrastructure development planning are also reviewed on an annual basis. This process highlights projects that will not only facilitate these community level projects but also serve to improve the existing network capacity.

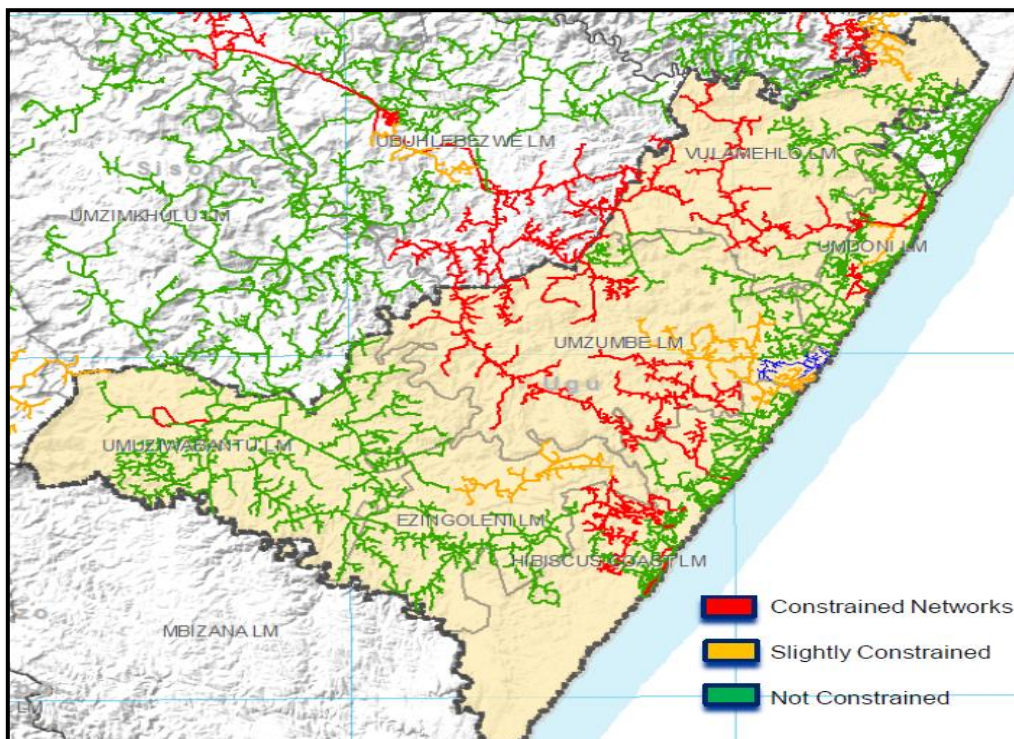


Figure 3.6.5.4.1: Ugu District Electricity Capacity Constraint 2014

Source: Ugu IDP District IDP Rep Forum, 2015

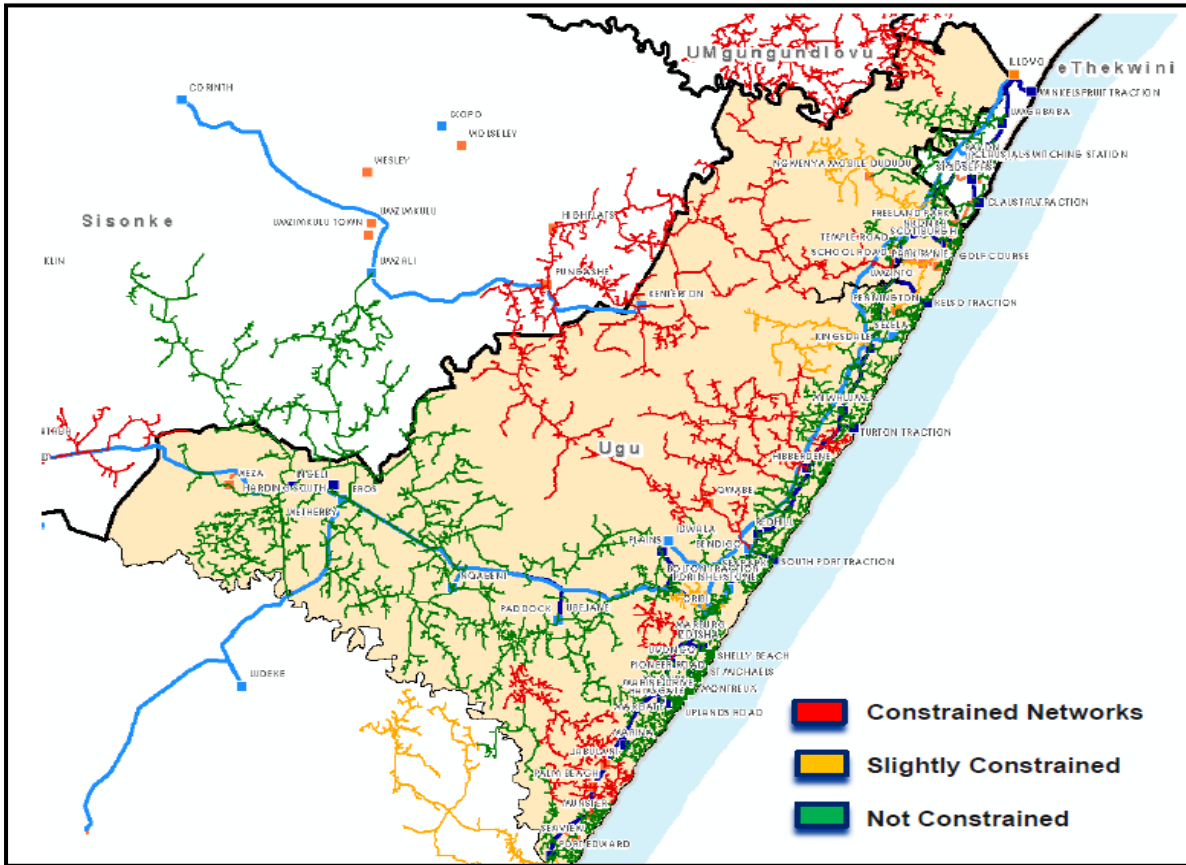


Figure 3.6.5.4.2: Ugu District Electricity Capacity Constraint 2015

Source: Ugu IDP District IDP Rep Forum, 2015

Regional Planning

In order to meet the backlog as well as improve the network, regional projects have been identified. The following list highlights these regional projects and their progress to date. Figure 3.6.5.4.3 illustrates these projects spatially.

Table 3.6.5.4.1: Proposed and Existing Electricity Infrastructure

Source: Ugu District Municipality IDP Rep Forum, 2015

No.	Project Name	Form Status
1	Oslo SS 132/11 kV 20 MVA Establish	CRA
2	Munster 88/22/11 kV SS	DRA
3	Marina SS 88/22 kV 7 88/11 kV Trfr Upgarde	ERA
4	Zwelethu 132/22 kV 2 x 20 MVA SS	ERA
5	Ramsgate Substation upgrade	CRA
6	Pont - Port Edward 132 kV cable	CRA
7	Umgababa 132/22/11 kV SS est.	CRA
8	Sezela Substation Upgrade	DRA
9	Pungashe NB41 upgrade - to be supplied from Kenterton. Via a proposed 2.5 22/11 Mobile	ERA
10	Widenham 88/11 kV 20 MVA establishment	DRA

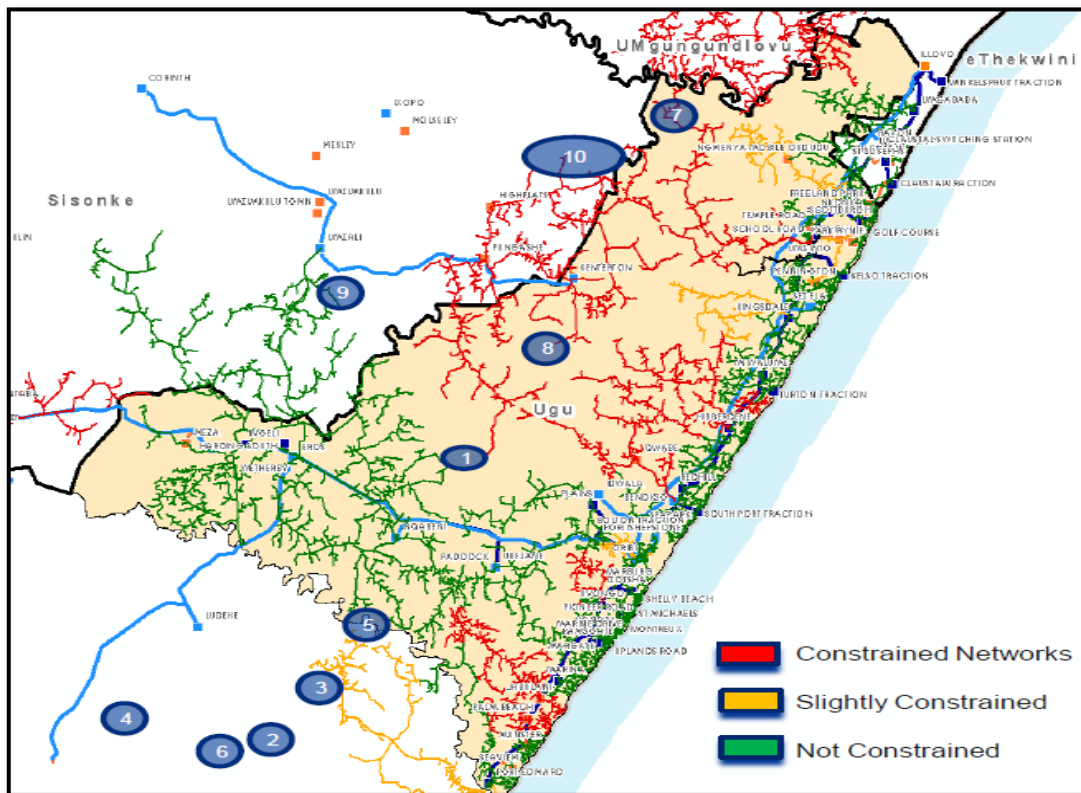


Figure 3.6.5.4.2: Ugu District Electricity Capacity Constraint 2015
 Source: Ugu IDP District IDP Rep Forum, 2015

3.6.7. Telecommunications

Telecommunications data is not easily accessible for the district especially regarding the infrastructure on the ground. Whilst no detailed indication of fixed line or broadband services was available, it has been noted that broadband services are limited and only available in major centres. In response to this need, the Ugu DM has initiated a broadband project for the region. Table 3.6.6.1 reflects the household's accessibility to telecommunications services as captured in the 2011 Statistics SA census.

Table 3.6.6.1: Ugu District Access to Telecommunications
 Source: Statics SA, Census 2011

Municipality	Urban area		% with access	Tribal or Traditional area		% with access	Farm		% with access
	Yes	No		Yes	No		Yes	No	
Access to Cell phone									
Ugu	40239	4077	91	99261	24591	80	8952	2319	79
Umzumbe	-	-	0	26505	8472	21	147	48	1
Umuziwabantu	2607	372	6	13908	3051	11	1446	237	13
Ezinqoleni	-	-	0	8829	1818	7	663	165	6
Hibiscus Coast	27930	2454	63	30471	5406	25	4632	1287	41
Vulamehlo	-	-	0	10485	3837	9	1371	441	12
Umdoni	9702	1254	22	9072	2004	7	696	147	6
Access to Landline / Telephone									



Municipality	Urban area		% with access	Tribal or Traditional area		% with access	Farm		% with access
	Yes	No		Yes	No		Yes	No	
Ugu	17886	26433	40	4749	119103	4	750	10521	7
Umzumbe	-	-	0	1224	33756	1	6	189	0
Umuziwabantu	273	2706	1	564	16392	1	96	1590	1
Ezingoleni	-	-	0	312	10332	0	84	744	0.5
Hibiscus Coast	13056	17328	29	1611	34266	1	405	5511	4
Vulamehlo	-	-	0	477	13848	0	90	1725	1
Umdoni	4557	6399	10	561	10509	1	75	762	0.5
Access to Radio									
Ugu	31689	12630	72	75585	48267	61	5586	5685	50
Umzumbe	-	-	0	20184	14793	16	39	153	0
Umuziwabantu	1770	1206	4	9741	7215	8	789	894	7
Ezingoleni	-	-	0	7134	3513	6	462	363	4
Hibiscus Coast	22821	7563	51	23448	12426	19	3078	2841	27
Vulamehlo	-	-	0	7923	6402	6	882	930	8
Umdoni	7098	3861	16	7158	3918	6	339	501	3
Access to Television									
Ugu	34548	9771	78	70350	53502	57	4152	7119	37
Umzumbe	-	-		15432	19545	12	42	150	0
Umuziwabantu	1962	1017	4	10566	6393	9	519	1164	5
Ezingoleni	-	-		7107	3540	6	336	492	3
Hibiscus Coast	24711	5673	56	24828	11046	20	2487	3432	22
Vulamehlo	-	-		5547	8778	4	504	1305	4
Umdoni	7875	3084	18	6873	4203	6	267	573	2

There is very high penetration of cell phones in the district. However the majority of households have access to GSM / Voice services only. As per the 2011 census more than 90% of the households have an access to a cell phone with only 41% having access to the landline / telephone. Figure 3.6.6.1 shows the accessibility per local municipality. The high access percentage is in the more urban municipalities and less on the more rural ones. This has to do mostly with affordability rather than network coverage.

Global System for Mobile Communications (GSM) coverage across the district is well covered and 99% of all households have theoretical access to GSM services, although some lower lying areas may have difficulty due to the nature of the terrain.

Furthermore, the district is also well covered with respect to both radio and television services. Lower lying areas do have difficulty in accessing these services. Regards to households' access to these services as reflected in Table 3.6.6.1 and Figure 3.6.6.2, the urban areas still have greater access. An average of 75% of households have access to radio and / or television with the average declining as you go further rural. The Hibiscus Coast Municipality enjoys a greater share of access to all the telecommunication services being the economic hub of the district.

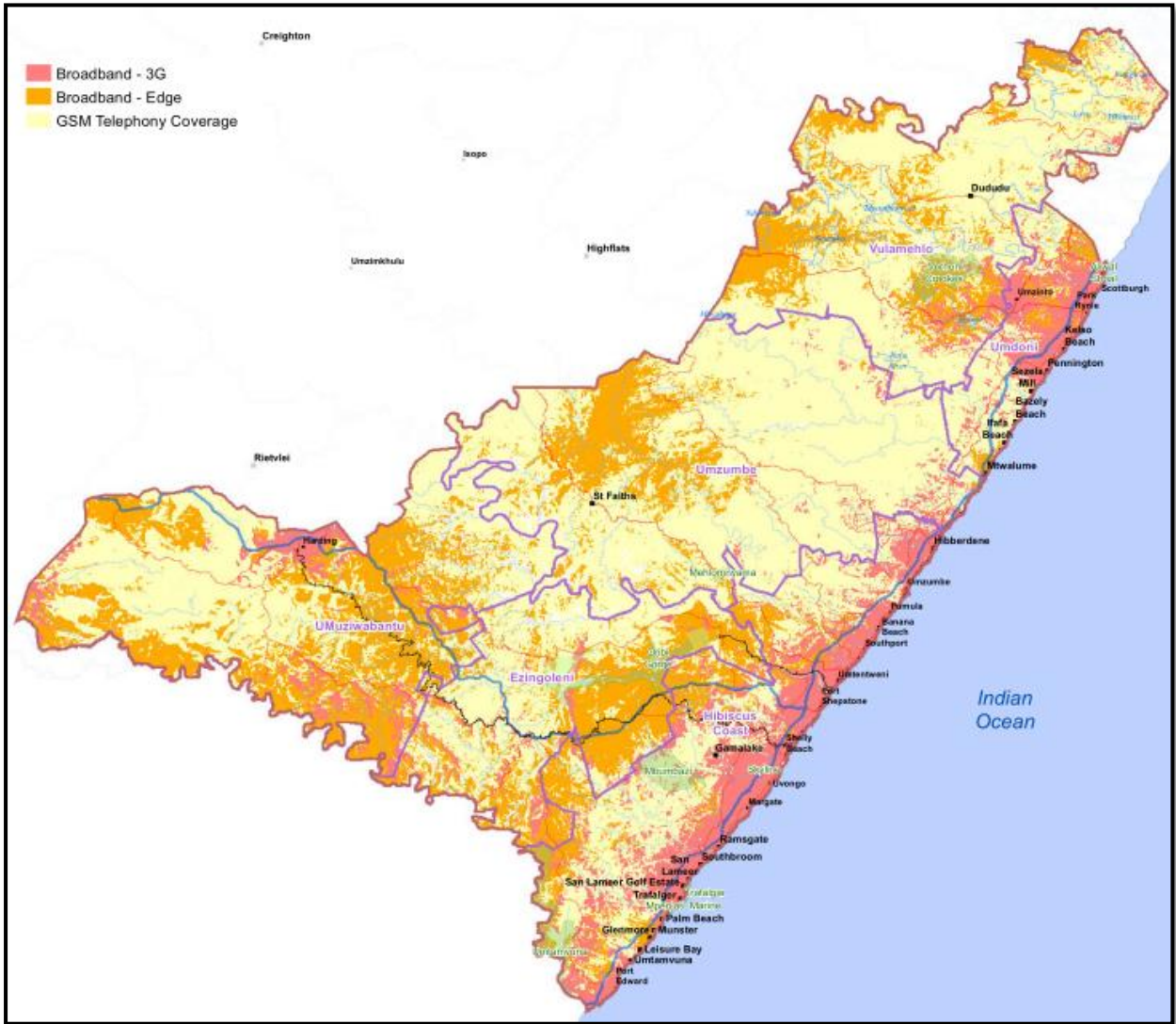


Figure 3.6.6.1: Ugu District Cellular Coverage
 Source: Ugu District Municipality Sector Wide Infrastructure Audit, 2014

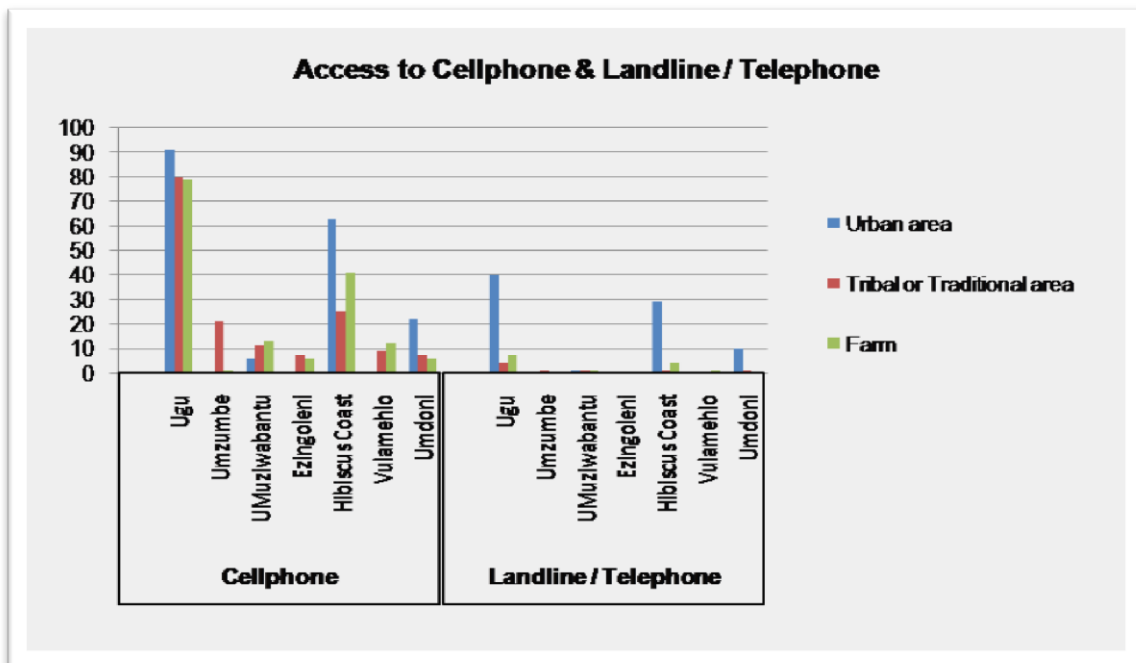


Figure 3.6.6.1: Ugu District Access to Cell phone & Landline / Telephone
 Source: Statistics SA, Census 2011

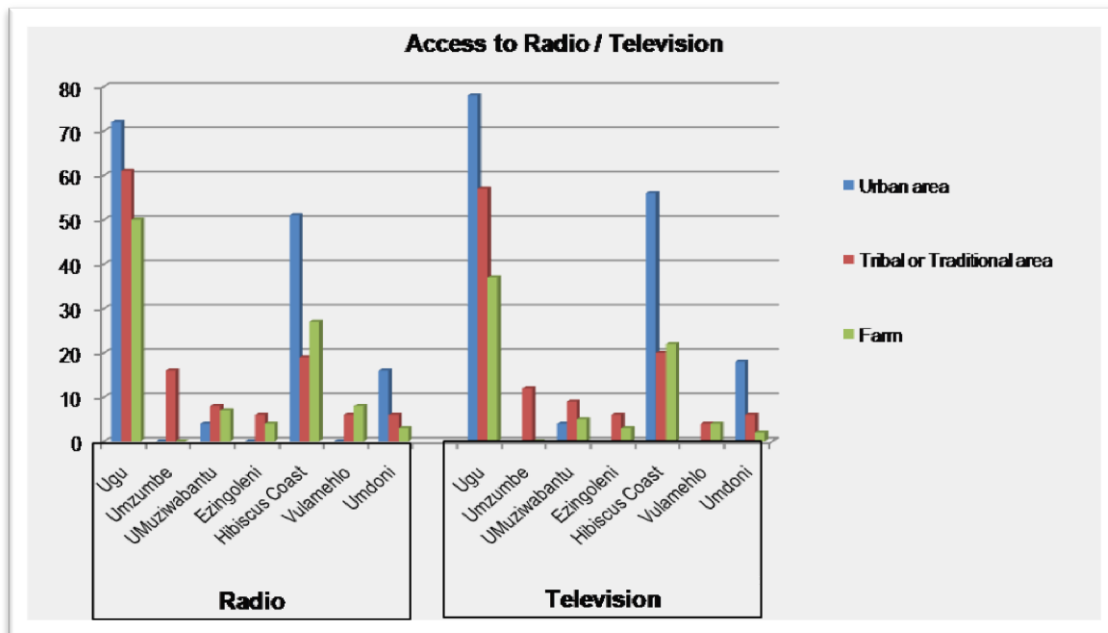


Figure 3.6.6.2: Ugu District Access to Radio / Television

Source: Statistics SA, Census 2011

With regards to internet only 28% of the households have access. Of the 49 827 households that have access to internet, 59% of them access it through cell phones. Furthermore it is worth noting that the shift from the highest concentration of households with access to the internet being in the urban areas (41%) to it being in the rural areas (55%). Further investigation should be made to determine which age group dominates the 55%.

Table 3.6.6.2.: Ugu District Households Access to Telecommunications Services

Source: Statics SA, Census 2011

	From home	From cell phone	From work	From elsewhere	No access	Total
Urban area	8715	7617	2214	1650	24120	44316
Tribal or Traditional area	2106	18297	1692	5496	96255	123846
Farm	495	1008	282	255	9234	11274
Grand Total	11316	26922	4188	7401	129609	179436
% with access	6	15	3	4	72	100

Due to the limited availability of information regarding telecommunications, it is rather difficult to establish whether the low levels of accessibility in the rural areas are as a result of limited infrastructure or affordability. This requires further interrogation and must be analysed together with poverty indicators as they are interlinked to a certain degree.

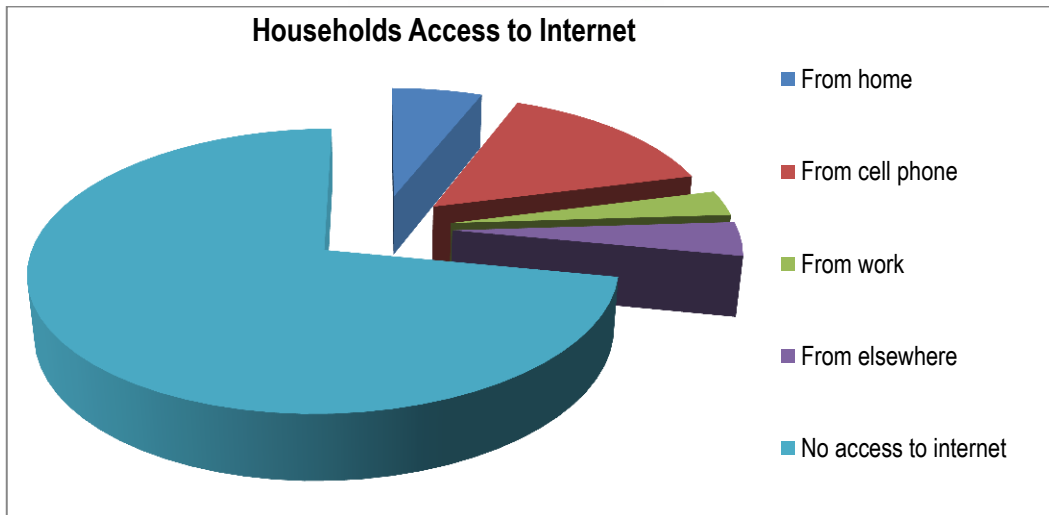


Figure 3.6.6.3: Ugu District Households Access to Internet Device

Source: Statics SA, Census 2011

3.6.7.1. Telecommunications Delivery Standards

Government Gazette No 85 dated 8 February 2010, in a notice issued by the Department of Communications as an Amendment to the Electronic Communications Act, Act No 36 of 2005, reflected the following telecommunication infrastructure standards:

- Voice Services: 1 public phone per 2000 people and within 1 kilometre of place of residence;
- Data Services: 1 public internet access point per 10 000 people within 2 kilometre of place of residence;
- Radio Broadcasting:
 - ✓ 1 community radio broadcasting service in the most relevant language available to all areas;
 - ✓ 1 public radio broadcasting service in the most relevant language
- TV Broadcasting:
 - ✓ 1 community TV broadcasting service in the most relevant language
 - ✓ 1 public TV broadcasting service in the most relevant language

3.6.7.2. Telecommunications Backlog Eradication Plan

Without sufficient data on current backlogs, and without service providers being able to provide us future plans and budgets, it becomes very difficult to cost the different facets of telecommunications provision.

The Ugu Broadband Project plan does provide us with some rudimentary financials, indicating planned expenditure and expected revenue over the next five (5) years. Initial estimates show a total capital expenditure of approximately R 100 Million over five (5) years, with an operational expenditure of approximately R 35 million. Expected revenue from bandwidth sales over the same years is expected to be approximately R87 million.

3.6.7.3. Alternative Delivery Methods

Alternative methods for communication refer largely to methods outside of traditional copper lines and cellular towers. These methods do however rely entirely on the existing backbone of these major



service providers for bandwidth. All methods would rely on voice communication being handled through high speed internet. Common alternative delivery methods are largely focused in an urban environment where household densities are high and there is a small coverage area in relation to total potential subscribers. Services in rural areas are however feasible, but not commercially viable. The outlay of capital is nonetheless high, and would be dependent on a private or public organisation to assist with the capital outlay.

i. Wide Area Wireless Networks

This involves the erection of wireless repeater masts at vantage points that relay a wireless signal from point to point. Each repeater is anything from 10km to 100km away from another. At each point a localised area has access to services provided through the connection. Capital outlay and maintenance for these services are very high. The Ugu broadband project is designed around the philosophy of a Wide Area Wireless network.

Since data transfer speeds decrease significantly over distance, this solution does not provide a real alternative for voice communication, but does provide an alternative for internet services provision.

ii. Wireless Mesh Network

A wireless mesh network follows the same principles as a wide area network, except the wireless repeaters are closely connected and of a smaller scale. Typically each repeater is within 10 or 100 metres of another, and usually affixed to a street pole or housed in a residential building. Wireless mesh networks are generally used in an urban environment. Each repeater is inexpensive, and therefore the network is made up by creating a large “mesh” of hundreds of individual repeaters. Due to the proximity of these repeaters, signal strength is not degraded and therefore, dependant on the existing backbone, a wireless mesh network can be used as an alternative for voice communication.

iii. Mesh Potato

Mesh Potato is a small wireless device that is focused on providing voice communication at a village level. The Mesh Potato wireless device is connected to a normal telephone, enabling that person to make free calls to any other Mesh Potato devices in the area. A greater the number of devices results in a bigger network. Each device costs approximately R800-R1000 dependant on quantity.

3.6.6.1 Ugu DGDS on Telecommunications

The Ugu DGDS Strategic Objective 4.3 **Develop ICT Infrastructure to Support the Knowledge Economy** reveals that broadband services are limited and only available in major centres. In response to this need, the Ugu DM has initiated a broadband project for the region. There is very high penetration of cell phones in the district; however, the majority of households have access to GSM/voice services only, with only 36.6% of the district having 3G coverage. The majority of this is on the coast. The impact of basic cell phone access on rural communities should not be underestimated and the potential for utilizing this technology for empowering communities through access to information is yet to be fully realized. Development of Primary and Secondary POPs (Points



of Presence) as well as Municipal Access Networks is currently a priority of the DEDT's ICT Directorate and the district must ensure that these are rolled out within the district and local municipalities to increase access to communities. In general, technology backlogs in rural areas perpetuate spatial disparities and unequal access to opportunity. Ugu needs to ensure that it is not left out of IT developments and investments within the province.

3.6.8. Access to Community Facilities

Major facilities exist and are evenly spread throughout the District and the entire District is well served for the most part with a range of facilities. Some facilities serve immediate and "local" level populations; while other facilities require large thresholds of support, and consequently serve large areas. Educational facilities have to spread in relation to settlement patterns as they are "local" level facilities and health facilities require large thresholds and consequently will tend to be located at appropriate interceptory locations, mainly at appropriate "Nodes". The distribution of the community facilities in the Ugu District area of jurisdiction is illustrated in figure 3.6.7.1.

In terms of health care facilities, there are about 75 structures which ranges from a Mobile Clinic to a regional hospital. The Ugu District area of jurisdiction with regards to Primary Health Care (PHC) facilities has two community health centres, 15 mobile clinics and 53 clinics the most number of these facilities being concentrated in Hibiscus Coast Municipality having four of its facilities functioning as 24 hour clinics located in Gamalakhe, Izingolweni, Gcilima and Ntabeni.

With regards to physical educational infrastructure, there are 519 registered public and independent ordinary schools in the Ugu District of which 492 are ordinary public schools, 16 are ordinary independent schools and 3 are special needs schools and 8 are Pre-primary schools.

There are 29 libraries in Ugu District area of jurisdiction which are largely concentrated in the Hibiscus Coast Municipality; however, there is at least one library in each local municipality. There are only two museums which are all located in the Hibiscus Coast Municipality. There is a reasonable spread of sport fields in the Ugu District area of jurisdiction with over 50 fields across the district.

The civic centres are only limited to the predominantly urban municipalities and are only three, which are namely, Port Shepstone, Umzinto and Scottburgh Civic Centres. There is however, a wide distribution of community halls across the district which are 47 in total. There are 14 police stations spread across in the district and seven cemeteries

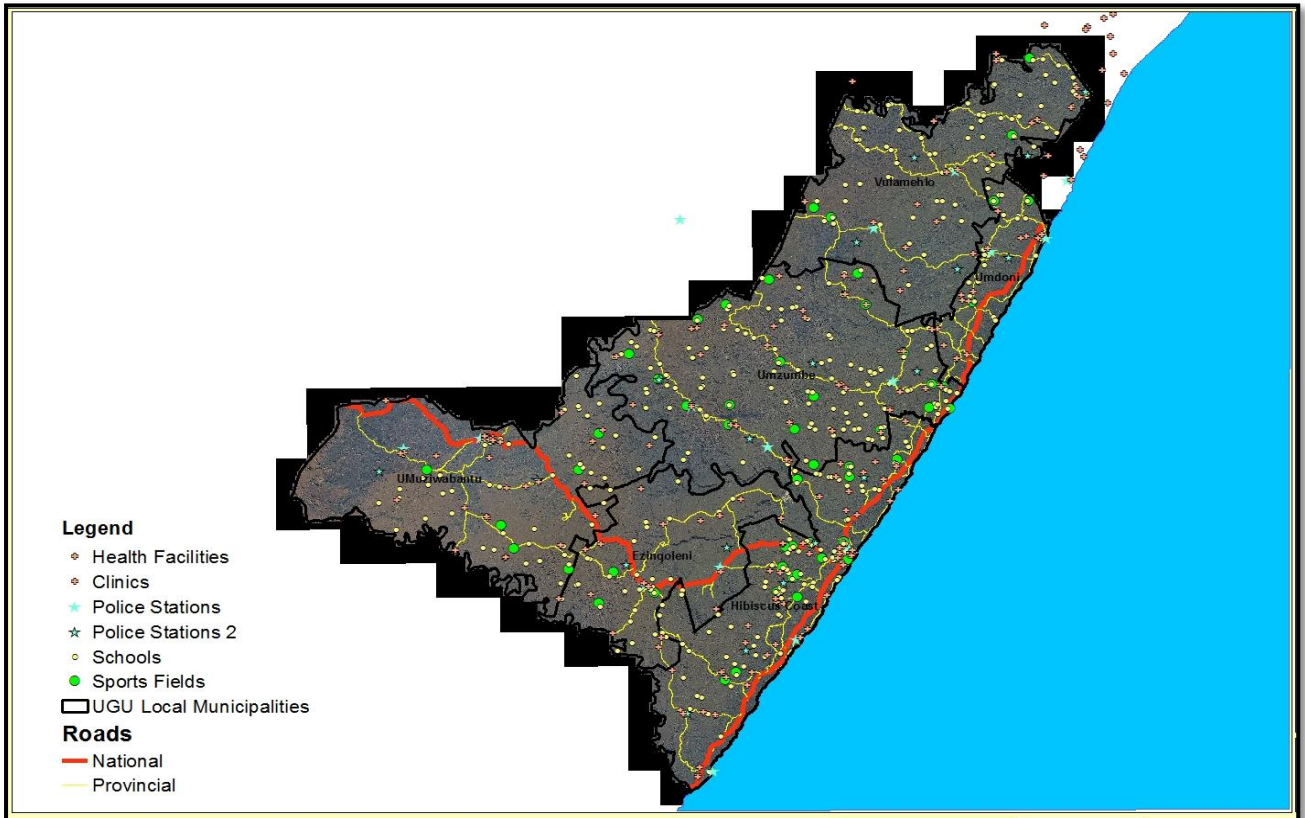


Figure 3.6.7.1: Ugu District Access to Community Facilities

Source: Ugu District GIS, 2015

3.6.9. Basic Service Delivery Key Emerging Issues

The emerging key issues with regards to Service Delivery and Infrastructure Development are summarised from 3.6.8.1 to 3.6.8.8 below.

- There is a need to revitalise the rail line to support the timber industry;
- The rapidly aging infrastructure especially water infrastructure is leading to numerous water outages and slows down the pace of backlog eradication;
- A land audit is required to determine ownership of land as well as vacant land for development and to identify the areas of agricultural potential and agricultural land that is current unused or underutilised;
- Land that is currently being used for housing in the economic centres needs to rather be used for productive industries, with housing provided in proximity to commercial centres;
- There is a low-level of maintenance of bulk services;
- Service delivery to rural areas remains a challenge as costs are escalated due to the scattered nature of rural households;
- More bulk services are required to support tourism and agricultural industries;
- ICT infrastructure is lagging behind within the district and will limit future growth.
- There is a lack of formal waste management systems in rural municipalities.
- There is currently no integrated transport system.
- The maintenance of gravel rural roads is costly and there is no capacity especially in the predominantly rural municipalities to keep up with the demand which is accelerated by the wet climate of KZN.
- There is a lack of infrastructure management and development plans



3.7. Local Economic Development

This section provides a brief overview of the economic indicators of the Ugu District Municipality area of jurisdiction. The data that has been used was sourced from the Statistics SA Census 2011 results, DGDS, Ugu LED Strategy, Department of Education, and Department of Health.

The municipality is currently reviewing its LED Strategy which was last adopted in 2007 to ensure that there is up to date information regarding the economic state of the district.

3.7.1. Municipal Comparative & Competitive Advantages

The Ugu District has significant economic development potential that if realized could have a substantial positive impact on the lives of everyone that lives, works or visits in the region. The district has notable comparative advantages that could be leveraged, such as:

- Its location with eThekweni bordering to the north and the Eastern Cape to the south.
- A mild, tropical climate that is suited for substantial growth in specific agricultural crops, such as bananas, sugar and macadamia nuts (dependent on infrastructure investment i.e., irrigation schemes and roads), and all-year-round tourism season.
- Large tracts of undeveloped fertile trust and communal land that could be developed for commercial agriculture.
- A large number of nature and forest reserves and conservancies, including the spectacular 1,880ha Oribi Gorge that offers adventure activities, such as white-water rafting and the world's highest swing and opportunities for growing the hinterland tourism product offering.
- A 112 kilometre coastline with the potential for: a massive growth in maritime activities, the marketing of a variety of beach experiences, including some with Blue-Flag status; unique adventure tourism activities including the Aliwal Shoal which ranked within the top ten dive experiences in the world and an annual event calendar including the Sardine Run.
- Existing public transport infrastructure that needs to be upgraded and extended such as the railway line that only offers passenger services as far south as Kelso and the Margate Airport that is currently unable to accommodate low-cost airlines.
- Major national and provincial linkage roads with the potential for increasing the accessibility of the region such as the N2 development.
- A relatively diversified regional economy with strong representation of the agricultural, manufacturing, tourism, retail, mining and other sectors.
- Labour availability is another factor that gives Ugu a comparative advantage. There are large rural populations within the District as well as to the South.
- Well established commercial sector and support services: The Ugu District has a strong commercial agricultural sector (cane, timber, macadamias, and bananas in particular). This means that there is existing expertise and support as well as infrastructure and dedicated markets that can be used to uplift the second economy.

Despite these clear comparative and competitive advantages, a situational analysis undertaken of the district in 2011/12 has painted a picture of a district that is underperforming and following a trajectory that is leading to growing unemployment and deepening poverty. Spatially, the district is divided into



an urbanised coastal zone with a relatively resilient and diversified formal economy and a largely impoverished rural interior with some large commercial farms and many struggling subsistence farmers. There is evidence of uneven environmental management resulting in degradation of some natural assets and resources.

3.7.2. Main Economic Contributors

The Ugu District Municipality has five main economic contributors which are, agriculture; tourism; trade and commerce; manufacturing and mining. Sections 3.7.2.1 to 3.7.2.5 gives a detailed description of these sectors.

3.7.2.1. Agricultural Sector

The Ugu District area of jurisdiction is blessed with large tracts of fertile soil. Temperate, mild climate with no winter zones, allow for a large variety of crops to possibly be grown over 70 small rivers and several small dams spread around the district with a couple of Irrigation schemes to be upgraded.

The main crop produced is sugar cane, however, there are also forestry plantations, although timber processing takes place largely outside the district. Banana farming, poultry, cattle and goat farming, as well as vegetable farming, occur on a limited scale. Tribal land is used for subsistence farming and only an extremely small part of the land is dedicated to commercial farming.

Sugar cane is sold to the two sugar mills which are within the district and timber is sent to Durban for processing and local furniture manufacturers end up buying the material back from Durban once it is processed. Vegetables and poultry are largely sold to people in the local communities. Table 3.7.2.1.1 gives more details regarding the commodities produced in the Ugu District area of jurisdiction.

Table 3.7.2.1.1: Ugu District Agricultural Sector

Source: Ugu District Agricultural Plan, 2007

Commodity	Current markets	Supply side factors	Demand side factors
Sugar Cane	<ul style="list-style-type: none"> All cane is supplied to local mills in Ugu 	<ul style="list-style-type: none"> Competition from other countries Loss of sugar cane land to other developments (industrial and residential) Improved organisation and support of small growers could increase their efficiency and supply 	<ul style="list-style-type: none"> The mills are currently running under full capacity so there is a demand for cane locally Local demand is unlikely to fluctuate greatly Exports can be affected by competitors that are able to produce more cheaply Demand is generally likely to increase due to increasing consumption in developing countries Demand is increasing significantly as cane is being used for the production of bio-ethanol.



Commodity	Current markets	Supply side factors	Demand side factors
Broilers	<ul style="list-style-type: none"> Local rural market for live birds Urban demand for slaughtered and processed birds No export currently 	<ul style="list-style-type: none"> This commodity can rapidly respond to changes in demand due to short production cycle Strong competition from large producers and cheap imports 	<ul style="list-style-type: none"> Outbreak of disease such as Avian influenza can reduce consumption leading to a reduced demand
Bananas	<ul style="list-style-type: none"> All bananas are sold within Southern Africa Low grade bananas are sold locally via the hawkers, much of the harvest leaves the district and the province 	<ul style="list-style-type: none"> New producers are likely to enter the market due to reduced national production Government initiatives are encouraging the establishment of outgrowers in Ugu 	<ul style="list-style-type: none"> Demand is relatively constant in South Africa and currently exceeds supply
Macadamias	<ul style="list-style-type: none"> Most of the crop is exported, some nuts are sold locally through retail outlets, processed and sold at roadside stalls 	<ul style="list-style-type: none"> A lot of recently established orchards will come into production in 5 – 8 years – possibility of oversupply 	<ul style="list-style-type: none"> International demand appears to be growing steadily International competition from other countries that have significant production
Timber	<ul style="list-style-type: none"> Timber is sold mainly to mills in Ugu (Sappi Saiccor) and eThekweni (Mondi at Merebank) Some timber is supplied to local sawmills and pole treatment plants 	<ul style="list-style-type: none"> Forestation requires the granting of permits by DWAF Much of the land available for forestation is communal land and requires buy-in from traditional authorities 	<ul style="list-style-type: none"> Local demand is unlikely to decline, especially with the Sappi Saiccor mill expanding There are export markets available for pulp and wood chips, amongst other timber-derived products (including bio-fuel pellets)
Vegetables	<ul style="list-style-type: none"> Current production is limited but local markets exist for fresh produce The new Fresh Produce Market at Ugu creates opportunities as it will serve as a conduit to other markets Dube Trade Port will open opportunities for export (especially for baby veg and organic vegetables) 	<ul style="list-style-type: none"> Current production of vegetables in Ugu is fairly limited and there is little competition currently 	<ul style="list-style-type: none"> Demand for organic produce and baby vegetables is large (locally and internationally)

It is important however, to note that the agricultural industry is currently under pressure and faces a number of key constraints and opportunities which may include:

- Declining investment in the sector due to declining commodity prices, influx of imports.
- Rising costs of production (Minimum wages, fuel, electricity).
- Lack of broader participation.
- A change of land-use from 'agriculture' to other commercial land-uses threatens the sustainability of agricultural industries.
- Coordination is required between local government and Traditional Authorities.



- Competitive advantages include: location, climate, water, tourism, labour availability and well established Commercial Sector and Support Services.

3.7.2.2. Tourism

The Tourism industry is a key contributor to the KZN and Ugu economy which is buoyant with the major activities based on the sea and associated activities. The development and implementation in the Ugu region is driven and headed by the Ugu South Coast Tourism Entity.

The Ugu District boasts of pristine beaches and marine life which includes, five “blue flag” beaches, whales, dolphins and the Sardine Run. Inland there is some level of adventure tourism that is taking place such as the Oribi Gorge and also boasts of ten world-class golf courses.

There are a large number of Bed and Breakfasts and guest houses accommodation in the district, but only a few hotels. Major activities include swimming, surfing and fishing which take place at the beach; offshore there is whale and dolphin watching, deep sea fishing, scuba diving; in terms of adventure there is abseiling, wild water rafting, wild slide, wild swing, hiking and bike trails. In terms of sport there is golf and water sports.

The district has traditionally been the destination of choice for South African domestic tourists and has therefore developed according to these needs. In terms of tourists about 90% of total visitors are domestic and the international visitors come mainly from UK and Germany. Table 3.7.2.2.1 gives a summary of Ugu District Municipality major tourism resources.

Table 3.7.2.2.1: Ugu District Major Tourism Resources

Source: Ugu District LED Plan, 2007

Resource	Location	Key Attractions for Tourists
Blue Flag Beaches	Hibberdene; Lucien; Ramsgate; Uvongo; and Marina Beach.	<ul style="list-style-type: none"> • Excellent water quality for swimming and surfing • Safety – shark nets and lifeguards • Clean, well maintained shore • Good ablution and other facilities
Oribi Gorge	22 km inland from Port Shepstone	The Wild 5: abseiling, wild water rafting, wild slide, wild swing, hiking and bike trails
Golf courses	Scottburgh; Selborne; Port Shepstone; Margate; Southbroom; San Lameer; Port Edward; and Wild Coast.	<ul style="list-style-type: none"> • Rated amongst the best golf courses in SA • Views of the ocean • Spa facilities at some golf courses

The biggest challenge of the district when it comes to tourism remains the difference between the developed / tourist coastal strip and the underdeveloped / rural hinterland. The other challenges facing the tourism sector in the district are:

- There is a small range of tourism products in the district as the tourism product in the area revolves largely around the beaches.
- There is a general lack of skill amongst local people especially the rural people as they do not



have an understanding of what kind of tourism businesses could be successful.

- There is poor accessibility to areas outside the coastal strip as the roads leading into the inland section of the district are very poor and as a consequence, very few tourists venture that way.

3.7.2.3. Manufacturing (Industrial)

The sector has been largely ignored in terms of analysis and funding by local authorities. The manufacturers are quite small and suffer from competition from larger factories outside Ugu and the few bigger manufacturers often struggle to find a reliable long-term supplier locally (e.g. within the furniture sub-sector, suppliers of inputs like wood and lacquer). Cost of utilities provided is far too high and suitable land for industrial activity is not readily available. Furthermore, there is a lack of basic and technical skills. Companies need to train locals or hire in bigger centres.

There is however opportunities that can be explored within the sector such as the labour that is relatively cheap and the coastal area is connected to bigger centers like Durban. The housing and property sector is booming in the area (i.e. increasingly more people want to move or retire on the South Coast), and some manufacturing sub-sectors like furniture should benefit from that.

Spatially, manufacturing remains clustered close to the major nodes of Port Shepstone and Marburg, due to the availability of serviced land and connectivity to the N2 network. Ugu District's major manufacturing activities include clothing, textiles, metal products, cement production, food and beverages and wood products. Ugu has the only 'marble' delta within the province, mined for cement and calcium carbonate. NPC CIMPOR is the province's premier cement manufacturing company and has developed an R 800 million operation in the Oribi Gorge region.

More than 75% of the 242 registered manufacturing enterprises in Ugu on the district levy database are located in the Hibiscus Coast Municipality, mostly in the Port Shepstone / Marburg and Margate areas. The developed industrial areas in Ugu are situated in Port Shepstone / Marburg, Park Rynie, Umzinto North, Umzinto South, Margate Quarry, Margate Airport and Harding. Table 3.7.2.3.1 below shows the spatial distribution of manufacturing activity in the District.

Table 3.7.2.3.1: Ugu District Spatial Distribution of Manufacturing Activity

Source: Ugu District DGDS, 2013

Manufacturing Sector	Hibiscus Coast	Umdoni	Umuzi-wabantu	Ezinqoleni	Total In Sector	% Per Sector
Construction Related	32	6			38	15.7%
Clothing and Textiles	25	7			32	13.2%
Printing	25	5	1		31	12.8%
Metal	22	7	1		30	12.4%
Timber and Related	17	4	8	1	30	12.4%
Furniture	18	3	2		23	9.5%
Chemicals	11			1	12	5.0%
Food and Beverages	7	3	2		12	5.0%
Signage	10				10	4.1%
Vehicle	9		1		10	4.1%
Crafts	4	1			5	2.1%



Manufacturing Sector	Hibiscus Coast	Umdoni	Umuzi-wabantu	Ezinqoleni	Total In Sector	% Per Sector
Other	3				3	1.2%
Packaging	2		1		3	1.2%
Fibre glass	1	1			2	0.8%
Mining				1	1	0.4%
Total	186	37	16	3	242	100.0%

The key industrial sectors in the Ugu district are agri-processing, timber and timber products including furniture, clothing and textiles, food and beverages, arts and crafts and construction related manufacturing. Nearly 75% of the manufacturing enterprises in Ugu are small enterprises (less than 50 employees), with a handful of manufacturers in Ugu being medium and large businesses. The majority of firms produce only for the local market with less than a quarter of firms targeting the international market – these being mostly the larger clothing and textiles, and timber related industries. Many manufacturing firms are optimistic about future developments of their businesses, though some identified skills and labour, transport and roads, and access to finance as constraints to potential development of their businesses.

3.7.2.4. Trade and Commerce

The sector comprises about 56% of the Ugu economy and includes wholesale and retail trade, finance and business services, community, social and other personal services including provincial and local government, hairdressing, funeral services, and many other services. Within the local municipalities, the sector constitute about 60% of the economy in Hibiscus Coast, about 50% of the economies in Umdoni, Umzumbe and Umuziwabantu, and about 36% of the economies in Vulamehlo and Ezinqoleni. The main commercial hubs in Ugu are Port Shepstone, Shelly Beach, Margate, Port Edward, Hibberdene, Pennington, Scottburgh, Dududu, Phungashe, Ezinqoleni and Harding.

A survey amongst formal businesses in most of the commercial hubs revealed the large impact that tourism has on the local economy. Nearly 43% of businesses rely solely on tourists for customers, with a further 10% relying on both tourists and local residents. Most businesses surveyed indicated improved business performance in the past two years, with more than three quarters of business upbeat about future business prospects in Ugu. The majority of surveyed businesses felt services and infrastructure support from local government to be inadequate and suggested that local government must focus on infrastructure improvement and maintenance to improve the local business climate.

Key to development of this sector is SMME development, in particular in underdeveloped areas. In most cases this would entail support for development of informal enterprises. Due to its very nature, informal sector activities are hard to measure. The size of the informal sector activities is estimated to be between 10% and 20% of economically active population. The urban informal economy in Ugu is distinctly different from the rural informal economy. While the former consist mostly of traders targeting tourists, the latter consists of construction, transport, food production, wood products, traditional medicines and other activities that target the rural populace in the absence of formal enterprises. In both urban and rural informal economies, there is a lack of market space, facilities and storage, as well as access to affordable finance.



3.7.2.5. Mining

There is negligible new investment in the sector. Reasons offered for this poor performance include the impact of the National Credit Act, especially in the construction sector, electricity supply shortages; competition from cheap cement imports 36 and the global economic recession. The sector is highly capital intensive and requires market stability to encourage investment.

The two major mining industries produce limestone related products. Alpha Carbonates, located in the Hibiscus Coast local municipality, supplies the fertilizer, animal fodder, paint, paper and plastic industries. Simuma Cements, located in the Eziqoleni local municipality, largely supplies the construction sector 37. NPC has two quarries in the region based in Margate and Marburg³⁸ respectively. There is some local sourcing of supplies and services by these firms in terms of engineering support systems but large equipment such as stone crushers is sourced from Durban.

Smaller contractors within this sector have battled for survival largely owing to delays in government payments. The construction sector within the Ugu District largely services the public sector such as the provision of low-cost housing, schools and clinics.

There are some cautious expansion plans in the sector. For example, NPC has recently acquired the mining rights to adjacent land that it has recently purchased. The life span of this deposit is 10 – 15 years.

The formal mining sector in the district has regular inspections by the Department of Minerals and Energy and rarer inspections from the Department of Labour in terms of the Occupational Health and Safety Act. Both SIMUMA and IDWALA have approved Social and Labour Plans. The firms have approved Environmental Management Plans that are audited and address issues such as rehabilitation.

The formal expansion of small to medium-scale building material in mining is possible within the Ugu District and potential exists to develop stone-crushing plants and lime and cement mining activities.

However, illegal small-scale mining and quarry (including sand-mining and water extraction) is happening extensively around the district, particularly in rural areas. These illegal operators are undercutting formal suppliers in the market with the result that some formal suppliers are sourcing from the illegal operators in order to remain competitive in the market. The negative consequences of these activities include environmental degradation and an inability to ensure sand replacement along the coast, increasing vulnerability of workers and downward pressure on wages and benefits, poorer quality products, decrease in tax revenue to the state, and an informalisation of the formal economy. Greater monitoring and regulation of such activities is required to avoid such negative consequences.

3.7.2.6. Employment and Income Levels

As per the Stats SA Census the unemployment rate (official) has shown a steady decrease from 40.7% in 1996 to 29.1% in 2011 and the decrease is also evident in the youth unemployment rate. The number of households in the Ugu District area of jurisdiction grew by 16% (28829 hh) from 2001



to 2011. The number of indigent households decreased by one percent in 2011 from 2001 as shown in Table 3.7.3.1. Furthermore, as reflected in Table 3.7.3.1, there hasn't been much change in the annual households income from 2001 to 2011 in Ugu District Municipality area of jurisdiction. The number of people receiving some of state grant is high as about 40% of the total population receives some form of government grant in the district.

Table 3.7.3.1: Employment and Income Status Ugu District Municipality

Source: Statistics SA, Census 2011

Socio-Economic Indicators	1996	2001	2011
Employment Status			
Unemployment Rate(official)	40,7	38,3	29,1
Unemployment Rate(Youth)	48,2	44,6	36,0
Main Occupation Sector	Info. not available	Info. not available	Formal sector
Income Status			
Indigent Households (below R800)	Info. not available	29%	28%
Social Grants Recipients	Info. not available	Info. not available	288 728 (40%)
Annual Households Income			
R 1 - R 9600	Info. not available	15%	14%
R 9601 - R 38 200	Info. not available	46%	45%
R 38 201 - R 153 800	Info. not available	18%	18%
R 153 801 - R 614 400	Info. not available	6%	7%
R 614 001 - R 2 457 600	Info. not available	1%	1%
R 2 457 601 or more	Info. not available	0%	0%
No income	Info. not available	14%	14%

The income levels of the Ugu District Municipality area of jurisdiction are relatively low as reflected in Table 3.7.3.1 above. This may be associated with the low education levels as discussed in section 3.8.1.

3.7.3. Creation of Job Opportunities

Unemployment has been identified as one of the major structural constraints within KZN and contributes to high levels of poverty and income inequality, and deteriorates the overall quality of life of the people of the Province. High unemployment results in high dependency ratios, with many more people relying on fewer wage earners. This has resulted in the phenomenon of a large number of working households living near or below the poverty line. Currently an unequally large proportion of the population of KZN relies on grants and related forms of welfare as a source of income.

The situation of the Ugu District is similar to that of the province. It is for this reason therefore that the district also views job creation as a primary means through which economic growth and transformation can occur by distributing the benefits of growth more widely and consequently reducing dependency on a the welfare system. This will require investment and interventions by both the public and private sector in order to create a more enabling environment to stimulate the generation of employment opportunities and inclusive economic growth.

The district has explored the Expanded Public Works Programme (EPWP) and Community Works Programme as two main programmes to create job opportunities especially in the rural areas where



there is extreme poverty. There are also other programmes such as SMME Development and Private Public Partnerships that the district is engaging on.

3.7.3.1. Expanded Public Works Programme (EPWP)

The EPWP is a National Government strategy aimed at eradicating poverty, while creating jobs and providing opportunities to the previously disadvantaged communities through the provision of temporary employment opportunities, labour training, learnerships and skills programmes, etc. The philosophy of the EPWP, with its focus on labour intensive methods is adopted wherever possible and practical in the areas of housing and basic service delivery in order to provide a direct municipal response to the high unemployment rate in Ugu District area of jurisdiction.

At a community level, the intention is to use the infrastructure provision platform to stimulate socio-economic activities within communities, not only in terms of job opportunities, but also with the packaging of appropriate training such as life skills, technical skills and area based livelihood skills for the communities that work on these projects. In addition, in response to growing construction industry demands, a multi-tier contractor development programme provides training and mentorship in labour based construction technologies. The focus is on the number of sustainable employment opportunities (also referred to as full-time job equivalents), training, contractor and cooperative development.

Table 3.7.4.1.1 shows the number of job opportunities that have been created through EPWP visa viz the number of days worked for the Ugu District family of Municipalities.

Table 3.7.4.1.1: Ugu District EPWP Job Opportunities

Source: Ugu PMU, 2014

Project Owner Name	Days Worked	Work Opportunities
Ugu	6 946	221
Vulamehlo	400	10
Umdoni	1 658	35
Umzumbe	1 910	55
Umuziwabantu	778	19
Ezinqoleni	5 349	129
Hibiscus Coast	546	13
Total	17 587	482

In the financial year 2015/16, the UGU District Disaster Management Centre implemented a pilot EPWP Project for Disaster Management Section within Umzumbe Local Municipality.

The EPWP structure is made up of volunteers from different parts of the municipal wards and will be eventual implements in all 6 LM's. Terms of Reference for the said structures were formulated and are in place. Umzumbe Local Municipality has a total of 40 Volunteers who form part of the structures that is fully active.



The District will provide all necessary tools/resources including the necessary training such as Basic Disaster Management, First Aid and Basic Fire Training. Monitoring and mentoring is done by the District supported by Umzumbe Local Municipality. The programme commenced on the 01 February 2016 and will run for a period of six (6) months.

3.7.3.2. Community Works Programme (CWP)

The CWP is a community-driven government programme based in the Department of Cooperative Governance (DCoG). The primary purpose of the CWP is to create access to a minimum level of regular and predictable work for the unemployed and/or under-employed, providing a small income and work experience. It also aims to contribute to the development of community assets and services, community development approaches, especially community participation, strengthen the economic 'agency' of people in marginalized economic areas, thereby enhancing dignity and promoting social and economic inclusion.

Community Work Programme aims at creating access to a minimum level of regular and predictable work for those who need it, targeting areas of high unemployment, where sustainable alternatives are likely to remain limited for the foreseeable future. In this process, the CWP's purpose is also to achieve the following:

- Provide an employment safety net in recognition of the fact that sustainable employment solutions will take time and will reach the most marginalised last
- Contribute to the development of public assets and services in poor communities
- Strengthen community development approaches, including community participation Department of Cooperative Governance
- Strengthen the economic 'agency' of people in marginalised economic areas through the provision of work opportunities and work experience thus enhancing dignity and promoting social and economic inclusion.

Profile of CWP in Ugu District Municipality

CWP was first introduced to the Ugu District in 2009 when the Umzumbe local municipality was included in the initial pilot. Umzumbe Municipality has been operating since then. In 2012 three new sites were added as part the roll out of the programme. Since 2012 KZN has 29 CWP sites. CWP is currently being implemented in four local municipalities in the Ugu District. The municipalities benefiting are Eziqoleni, Umuziwabantu, Umzumbe and Vulamehlo municipalities. There are no indications that the programme will expand to cover more sites in the next financial year although there are indications that the programme will continue for the next three years.

Table 3.7.4.2.1: Ugu District CWP Job Opportunities

Source: AFSA, 2014

Site Name	Target	Composition					Current Total
		Adult Male	Adult Female	Youth Male	Youth Female	Disabled	
Eziqoleni	1000	146	504	124	295	17	1086
Umuziwabantu	1000	126	426	95	224	2	873
Umzumbe	1500	168	850	102	292	0	1412
Vulamehlo	1000	126	459	80	277	1	943

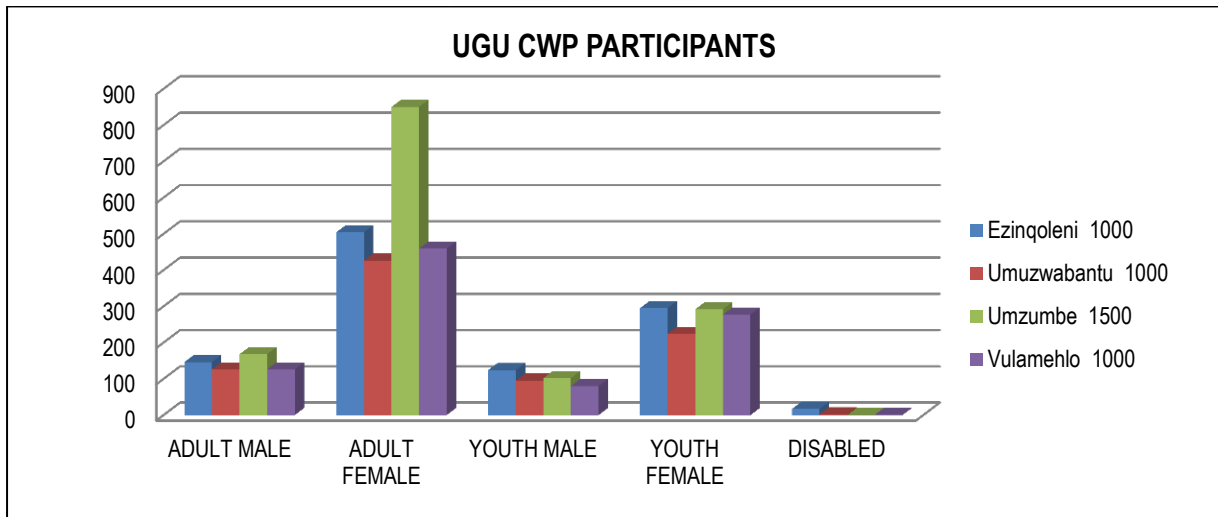


Figure 3.7.3.2.1 Ugu CWP Participants
Source: AFSA, 2014

3.7.3.3. Environmental Job Opportunities

The Department of Environmental Affairs has targeted 176 jobs over a period of three financial years starting from 2014 / 2015 to 2016 / 2017. The jobs will be done through the Coast (Amahlongwa to Umthamvuna River), KZN South Coast Reserves (Vernon Crooks, Oribi Gorge, Umthamvuna and Mbumbazi) and Youth Jobs in Waste programmes (across all six LMs).

3.7.4. Local Economic Development Emerging Key Issues

The emerging key issues with regards to Local Economic Development analysis are summarised as follows:

- Lack of capacity to facilitate and manage Anchor projects,
- Lack of mainstreaming of LED across local government functions,
- Poor conceptualization of LED projects,
- Poor support and alignment with Land Affairs and Rural Development on Agriculture Sector,
- Weak Private sector partnerships,
- Lack of detailed and up to date economic data
- Poverty, unemployment and low levels of economic growth
- The low levels of economic activity in rural areas
- Shortage of investment in the Human Development Capital
- Difficulty for disabled persons to find employment,
- Investment promotion and facilitation as a catalyst for securing new investment and creating jobs,
- Ensure coordinated, streamlined investment promotion activities between itself and local municipalities,
- The assurance of a seamless communication across all tiers of local government, in terms of skills development, training and interventions to retain the current out-migration of skills is proving to be a challenge.



3.8. Socio Economic Indicators

It is perhaps important that this section begins with giving an overview of the levels of poverty in the district even though it will not go in depth to identify the underlying causes of poverty. The poverty level in the Ugu District Municipality is 28.5% as illustrated in figure 3.8.1 which is equivalent to provincial average of 28.8%. Compared to other district municipalities, Ugu is on average.

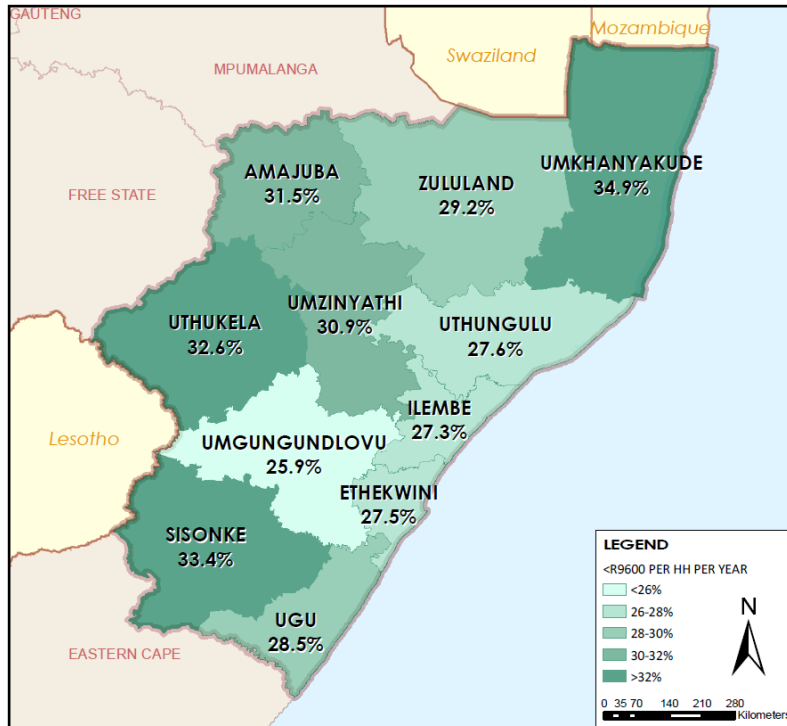


Figure 3.8.1 KZN Poverty Levels
Source: Statics SA, Census 2011

Taking a closer look at the district and its family of municipalities, it comes as no surprise that the predominantly rural municipalities are plagued with the highest poverty rates as illustrated in figure 3.8.2. The Umzumbe Municipality endures the highest poverty levels with Hibiscus Coast municipality enduring the lowest at 33% and 24.5% respectively.

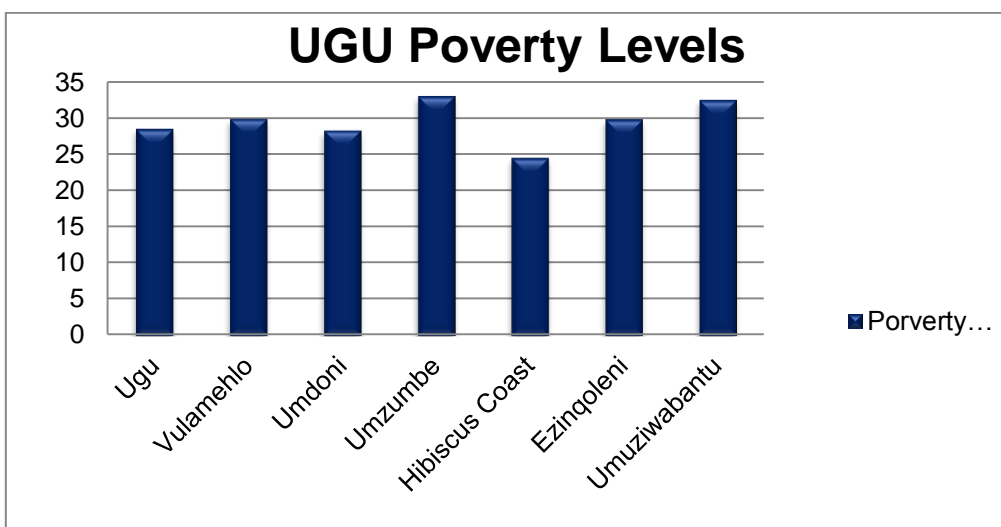


Figure 3.8.2 Ugu Poverty Levels
Source: Statistics SA, Census 2011



3.8.1. Educational status

In terms of the educational profile of the Ugu District Municipality the Stats SA Census, 2011 shows that the literacy rate has grown by 5% from 73% in 1996 to 78% in 2011. There is a concern with the dropping number of people with grade 12 / Std 10 which dropped from 34% in 1996 to 14% in 2011 as illustrated in figure 3.8.1.1. However, there has been a slight increase in the number of people who completed higher education even though the numbers are still relatively low. Based on these stats it is evident that the Ugu District Municipality has a low skills base.

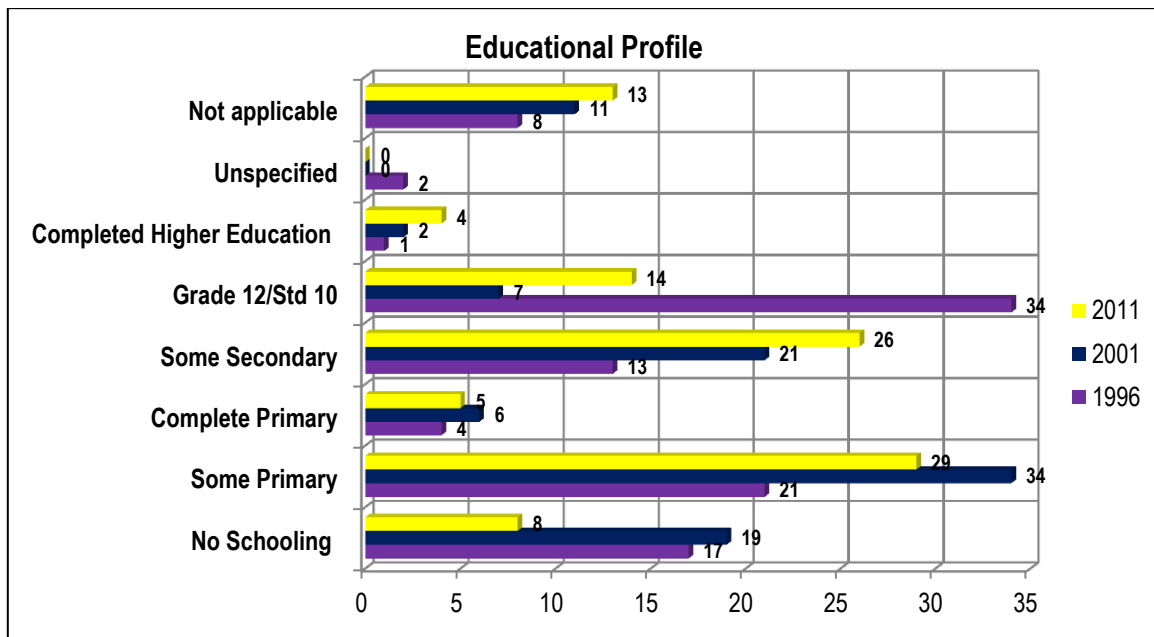


Figure 3.8.1.1: Ugu District Municipality Educational Profile

Source: Statistics SA, Census 2011

Table 3.8.1.1 gives an analysis of the grade 12 pass rate over the past five years starting from 2011. Based on these statistics as received from DoE there has been a steady progress and increase in the grade 12 pass rate with the exception of the 2014 academic year. Furthermore, there are more people passing with higher certificate and diploma than those with the bachelors.

Table 3.8.1.1: Grade 12 Pass Rate

Source: Department of Education, 2016

	2011		2012		2013		2014		2015	
	No.	%	No.	%	No.	%	No.	%	No.	%
Candidates	9120		9355		10146		9367		12073	
Passed	6241	68	6741	72	7624	75	6798	73	7141	59
Failed	2879	32	2614	28	2522	25	2569	27	4711	39
Bachelors	1956	31	2496	37	3072	40	2488	37	1254	10
Diploma	2584	41	2638	39	2821	37	2745	40	2824	23
Higher Certificate	1701	27	1607	24	1731	23	1565	23	2003	17



To further re analyse the educational status in the district this section interrogates the level of schools' access to basic services. Tables 3.8.1.2 show the level of schools access to basic water services. With regards to water services the statistics shows that 35 (7%) schools in the Ugu area of jurisdiction have no access to basic water and about 29% uses tanks. 3.8.1.3 show the level of schools access to basic sanitation services.

Table 3.8.1.2: Schools Access to Water

Source: Department of Education, 2015

Municipality	On-Site	Off-Site	Borehole	Mobile	Tanks	None
Vulamehlo	44	18	5	5	59	12
Umdoni	37	1	1	2	22	1
Umzumbe	49	11	10	7	142	18
Hibiscus Coast	100	17	10	3	54	1
Ezinqoleni	20	8	1	1	28	0
Umuziwabantu	38	10	9	4	41	3
Ugu DM	291	28	14	13	152	35
%	55	5	2	2	29	7

Table 3.8.1.3 shows the level of access to sanitation services within Ugu District area of jurisdiction. What is worth noting is that all the schools do have some level of access to sanitation. However, the high percentage of pit latrines (50%) is cause for concern as per the standards of Ugu District as the VIP is the minimum acceptable sanitation standard. Table 3.8.1.3 further shows the schools' level of access to electricity. About 90% of the schools have access to electricity through Eskom, about 5% using alternative energy and only 4% having no access at all.

Table 3.8.1.3: Access to Sanitation

Source: Department of Education, 2015

Municipality	Flush Toilet	VIP	Pit Latrine	Temporary	Eskom	Generator	Solar	None
Vulamehlo	11	36	47	1	73	2	3	6
Umdoni	22	11	20	0	46	1	1	1
Umzumbe	10	52	117	6	150	6	10	9
Hibiscus Coast	50	30	50	3	121	1	0	2
Ezinqoleni	3	8	16	5	28	0	0	1
Umuziwabantu	10	18	31	2	52	1	0	2
Ugu DM	106	155	281	17	470	11	14	21
%	19	28	50	3	91	2	3	4

3.8.2. Health

The Utilisation rate and actual headcount are viewed together. This is done to ensure the change in reference population values resulting from the adoption of Census estimates is taken into account. The table below depicts the change in population. The growth or decline in population according to the estimates will have the following impact:



It may reflect an apparent improved uptake of services in areas where the population dropped and an apparent reduced uptake of services where the population (denominator) has increased. This is seen in Eziqoleni, Vulamehlo and Umzumbe which have the biggest declines in population estimates and the biggest positive variation in PHC utilisation. It is Umdoni, however, that has the biggest positive variation in actual headcounts, followed by Eziqoleni and Umuziwabantu. Vulamehlo is the only subdistrict with a drop in the headcounts.

Table 3.8.2.1: Primary Health Care Service Volumes

Source: Ugu DHP, 2016/17

Sub-District	2013/14			2014/15			Variation		
	Headcount		PHC Utilisation Rate	Headcount		PHC Utilisation Rate	Headcount		PHC Utilisation Rate
	Provincial	Total		Provincial	Total		Provincial	Total	
Eziqoleni	212 189	212 189	3.9	205 709	205 709	3.8	-3.05	-3.05	-2.56
Hibiscus Coast	965 353	965 353	3.7	986 016	986 016	3.7	2.14	2.14	0.00
Umdoni	267 090	267 090	3.4	283 682	283 682	3.5	6.21	6.21	2.94
Umuziwabantu	327 108	327 108	3.3	337 031	337 031	3.4	3.03	3.03	3.03
Umzumbe	513 808	513 808	3.1	530 184	530 184	3.2	3.19	3.19	3.23
Vulamehlo	170 487	170 487	2.2	189 629	189 629	2.4	11.23	11.2	9.09
District	2 456 035	2 456 035	3.3	2 532 251	2 532 251	3.4	3.10	3.10	3.03

3.8.2.1. HIV / AIDS and TB

Ugu district remains with the highest TB incidence per 100 000 population. In terms of infectious TB (Smear positive PTB) Ugu ranks 12th at approximately 325 cases per 100 000 population well above the countries average of 208 cases per 100 000 population.

Smear conversion being the pre-cursor for a cured client is often low as found in Ugu district and hospitals where found to play a major role in this area as often it is found that this is where we are lacking in collecting the required specimens pre-treatment. It is important to have pre-treatment smears as well as 2 month and end of treatment smears in order to improve the treatment outcomes and ensure most of our clients are cured at end of treatment.

Ugu has a smear conversion rate of 63.8% and a TB cure rate of 65.9% below the WHO target of 80%.

TB successful treatment rate of 74.4% below the targeted 85%. Many factors contribute to this and these include poor follow up from facilities when clients are moved to other facilities; poor submission of data records from registers for capturing on time; high number of clients left unevaluated at end of treatment. Facility managers need to pay close attention to completeness of records and adhere to submission times.



Table 3.8.2.1.1: Ugu District TB Profile

Source: Ugu DHP, 2016/17

TB profile Ugu district	2012	2013	2014
New smear positive cases	1823	2637	3411
Death Rate	10.2%	5.2%	3.6%
Cure Rate	73.3%	76.1%	65.9%
MDR cases confirmed	178	184	131
MDR cases not confirmed	2	37	53
XDR cases	0	2	1
TB/HIV co-infected clients	4413	4597	5044
TB/HIV co-infected started on ART	996 (22.6%)	1849 (40.2%)	4072 (80.7%)

3.8.2.2. Epidemiological (Disease) Profile of the District

This section looks at the mortality data of the major causes of death in the Ugu District, which are, sexually transmitted infections (STI), asthma, diabetes, diarrhoea, epilepsy, hypertension, pneumonia, and severe malnutrition. Figure 3.8.2.1.1 reflects the trend over the past three years, 2010 / 11 – 2013 / 14.

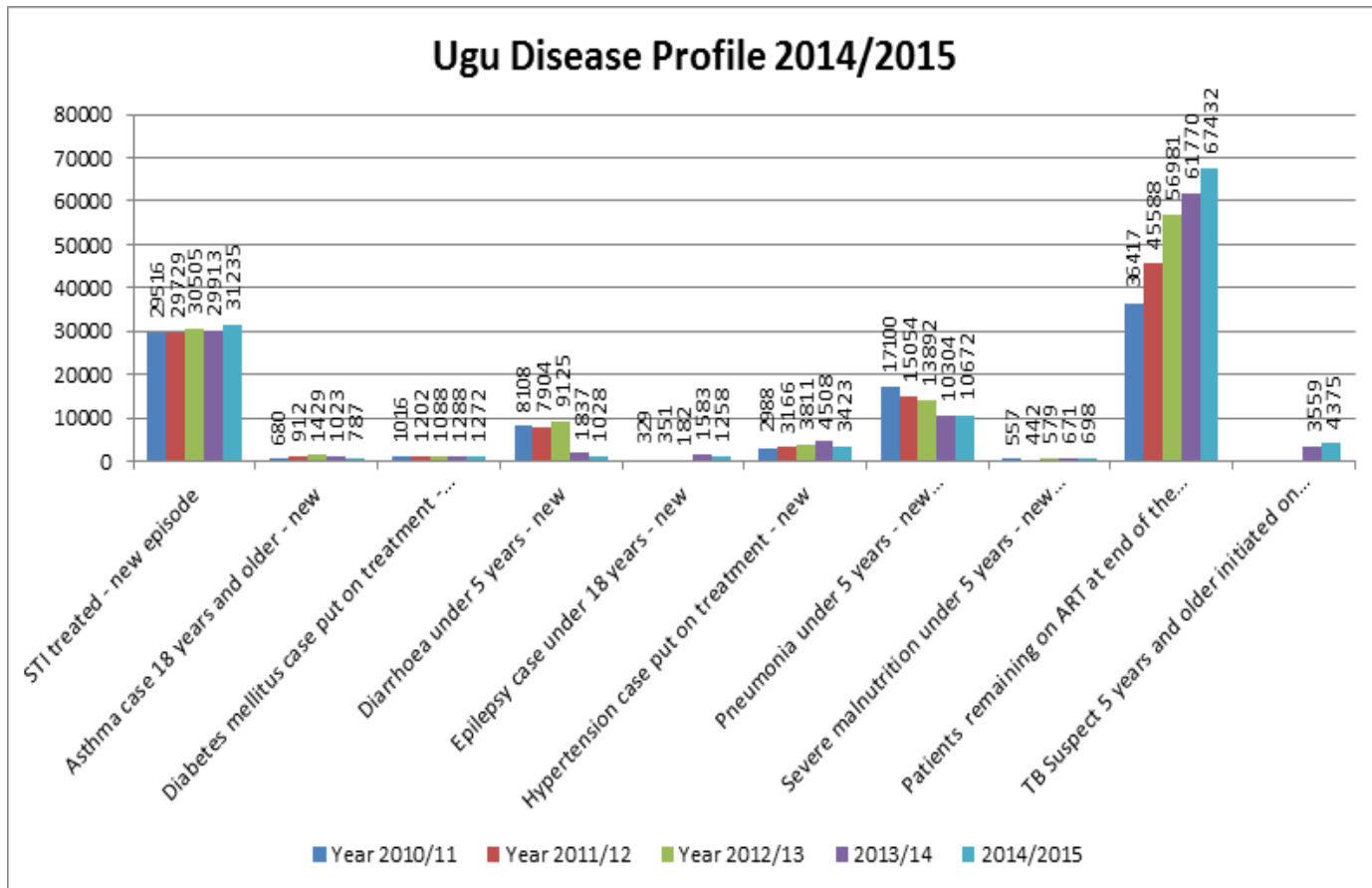


Figure 3.8.2.1.1 Ugu Disease Profile

Source: Ugu DHP, 2013

a) STI treated, new episode

In comparison to what was seen during 2013/14, there was a slight increase in the STI treated, new episode in 2013/14. The IUCD insertions that were intensified in the first part of the year had a secondary benefit of improved identification of STIs among the female clients.



b) NCD (Asthma, Diabetes, Hypertension, Epilepsy)

There is reduction of both diabetes and hypertension new cases put on treatment in 2014/15. This can be as a result of improved community awareness programmes. The newly diagnosed need to be properly monitored, healthy lifestyle behaviours advocated and defaulters identified early. The integrated management of Chronic Diseases is being implemented in the district. Screening needs to be intensified in the current financial year. There is underreporting of new Asthma and Epilepsy cases at Hospital OPDs. This is being corrected at facilities and should show an increase in the subsequent reporting year.

c) Pneumonia (Under 5)

Slight increase in reported cases of pneumonia. Ongoing IMCI trainings are taking place to maintain correct IMCI classification and reporting at the clinics. It had previously been discovered that not all those classified as having pneumonia actually had pneumonia.

d) Severe Acute Malnutrition

This is still a problem in the district and it cuts across many levels. It does require a multi sectorial approach from DSD regarding grants, Municipality with regards to adequate supply of safe water, proper linkage to the war rooms via the CCGS and full functioning of the PHILA Mntwana Centres. Also the IMAM Training that will be rolled out should improve management of those presenting at the health facilities. The District has created the social cluster arm through OSS to address malnutrition across the district by improving intersectoral management of the problem.

e) ART

There is steady increase in those remaining in care in the ART Programme. However, the challenges are still proper monitoring of those in care, timeous tracing of defaulters, management of TB/HIV Co-infected, IPT roll out, and early identification of those developing resistance. On-going counselling needs to be strengthened at all levels of care. The New ART guidelines will result in an increase in the number of clients on ARTs in the new financial year. The 90 90 90 targeted plan will assist facilities to plan their own targets in line with the districts 90 90 90 targets.

3.8.2.3. Mortality

There is lack of uniformity in how deaths are classified and recorded at facilities e.g. at PSH 29% of deaths are due to AIDS and none to TB while TB is the main cause of death at district hospitals with none reported as due to AIDS at GJ Crookes. Second highest is due to “sepsis” and it is uncertain what the underlying cause is. The use of ICD 10 codes and better classification of direct underlying cause will be prioritised for the next financial year.

In general most deaths are caused by Infective causes and most are HIV related. However there is a strong component of NCD as life expectancy is increasing and more patients are on lifelong ARV e.g. CVA, renal failure and cardiac causes also lead to appreciable number of deaths which are preventable by good PHC management.



3.8.3. Safety & Security

Some communities have converted the Community Policing Forums into Safety and Security Committee. There was also a safety and security strategy that was developed by the Department of Community Safety and Liaison in 2009, which is due to be reviewed and it is at the same level where the District Safety and Security Forum will be established.

3.8.4. Nation Building & Social Cohesion

Ugu District Sports Council was launched in 2009. Ugu District Municipality also participates in SALGA-KZN Games, however did not participate in 2013 due to financial constraints.

There are Sport Development Hubs that were established by the Department of Art, Culture Sports and Recreation. The District Youth Council is also responsible for the coordination of social cohesion activities targeted to the youth

3.8.5. Community Development with particular Focus on Vulnerable Groups

Special programmes cater for Vulnerable Groups and those that were previously disadvantaged. The programmes that Ugu District Municipality coordinates are:

- HIV and AIDS
- People with Disabilities
- Youth
- Gender
- Senior citizens
- Children
- Farm workers

3.8.5.1. Role of Ugu District Special programmes Unit

The Ugu District Municipality has a dedicated Special Programmes Unit which amongst other functions, performs the following:

- Coordinating all Special Programmes within the district
- Mainstreaming of Youth development, HIV/AIDS and special programmes within local government
- Providing guidance and support to all six local municipalities and sector departments
- Overseeing implementation of programmes and reporting on status of all vulnerable groups within the district
- Ensuring that all government departments, NGOs and civil society work in a coordinated manner on issues affecting vulnerable groups through Operation Sukuma Sakhe Programme
- Supporting local, Provincial and National activities

There is programme of action, internal funding, coordinating forum for each programme and strategies to link with the local economic development in line with the National Policy Frameworks. HIV and AIDS Strategic Areas/Pillars

- Addressing Social & Structural Drivers of HAST Prevention, Care and Impact
- Prevention of HIV, AIDS, STI and TB



- Sustaining Health and Wellness
- Ensuring Protection of Human Rights and Improving Access to Justice
- Coordination, Monitoring and Evaluation (The implementation Plan targets all the above areas)

3.8.5.2. Youth Development

The IDP objective for undertaking Youth Development within Ugu District Municipality is to promote a culture of participatory democracy and integration. Youth Development is located under the National Key Performance Area, of Good Governance and Public Participation. The strategic focus areas are derived from the National Government Directives, of ensuring the institutionalisation and mainstreaming of Youth Development at Local Government level.

Ugu Youth Development Policy Framework (UDYDF) 2008 – 2014 that was approved by Ugu District Council serves as a guiding tool for the implementation of youth development programmes covering all the family of municipalities within the district.

➤ Institutionalization and Mainstreaming:

Ugu District Special Programmes Portfolio Committee is a portfolio that was established to, monitor and evaluate the implementation of youth development programmes within Council, and there are Youth Development Practitioners responsible for the operations and this combination constitutes Ugu District Youth Unit.

Ugu District Youth Council is a civil society organ which is responsible for the formation of Local Youth Councils and Ward Youth Forums, the same serves as a consultative body representing the voice and interests of young people to be communicated to government and vice-versa, furthermore an annual youth parliament is held in June, which is a dialogue platform created for the youth to share their aspirations with Ugu District EXCO Councilors and Top Management

➤ Information Dissemination and Awareness Creation:

Taking from the strong partnership formed between Ugu District Youth Unit and Umsobomvu Fund, which saw a financial contribution of R1, 595 Million for the establishment of Youth Advisory Centers across the District, which remains the centre for information dissemination, the Ugu District Youth Unit has strengthened its focus on meaningful partnerships.

The Unit has since established partnerships with a number of Celebrities e.g. Melusi Yeni, Non Profit Making Organizations, Department of Correctional Services, Department of Community Safety and Liaison, Department of Education, for the purpose of creating awareness on youth related challenges and dissemination of information to the youth in Schools, Correctional Facilities, Children's homes, etc.

Further to the above, a Youth Development Internet page has been established waiting to be formally launched in 2014. Using the Municipal Road Shows, as a strategic tool, the Unit has managed to interact with various sectors within the District on matters relating to Youth needs, and challenges as well as the Unit's plans targeting Youth Development within the District.



A number of awareness programmes were implemented working hand in hand with the Ugu District Youth Council and other strategic partners e.g Motivational Talks for Juveniles, 16 Days of Activism against the abuse of women and children. Father and Son Walk/Talk, My Life My Future which was targeting the youth in schools, focusing on teenage pregnancy, drugs and substance abuse and crime prevention, Intergeneration dialogue focusing on raising awareness regarding the rape and abuse of elderly people by the youth.

➤ **Social Well Being:**

Ugu District baseline survey report is the source of this intervention, whereby it was found that 70 % of young people within the district are abusing drugs due to high rate of unemployment, the recommendation was to intensify this kind of awareness creation and campaigns. This resulted in the unit packaging a number of intervention strategies in a form of programmes targeting the youth such as “Anti Human Trafficking” which was a programme implemented in partnership with the National Prosecuting Authority, focusing on young women.

Further to the above, a programme targeting the youth in schools, “My Life My Future” was packaged to address social challenges resulting from Drugs and Substance Abuse, Teenage Pregnancy and to further remind the Youth regarding their place and role within the society.

Prayer sessions in various corners of the district were also prioritized for the purpose of strengthening the spiritual element in addressing societal challenges.

In addition to the above, motivational talks by the Mayor Cllr NF Gumede together with other councilors were implemented in ensuring the youth draws strength from the experiences of those senior to them.

➤ **Education, Training and Skills Development:**

The Youth Advisory Centre points, remain the centre pillar for education, training and skills development through the dissemination of bursary, internships information and one on one consultations with the youth on matters relating to career development and entering the job market.

The Ugu District youth unit in its efforts to intensify education, training and skills development has since internally established a healthy working relationship with the Human Resources Sections within all the members of the Ugu District family of municipalities for the purpose of providing Internships for the youth. Further to the above, members of the family of municipalities are providing registration funds to the Youth entering tertiary whereas some youth were currently benefiting from bursaries offered by same.

Our partnership with the Department of Education has seen a number of career exhibitions being implemented across the district targeting youth in schools for the purpose of guiding same towards their careers. Further to the above, our partnership with the Department of Rural Development, the Esayidi FET, for the NARYSERC Programme has seen a number of young people being absorbed by Ugu District Family of Municipalities for practical experience and skills development.



Our partnership with the Department of Economic Development resulted in a selected number of youth from Ugu District being selected for the Maritime Programme which benefited same through exposure to the maritime world, opportunities and bursaries.

➤ **Ugu District Municipality Youth Development Policy Framework:**

It is influenced by the International Institutional & Policy Environment, National Institutional & Policy Environment and Provincial Institutional & Policy Environment.

➤ **Ugu District Youth Unit/Umsobomvu/NYDA Youth Advisory Centre Project:**

The Youth Advisory Centre Point Project was aimed at providing young people with relevant and up to date information that could help them taking correct decisions concerning the livelihoods. The existing centres are used to help the youth to access information in this regard

3.8.5.3. Development of the People with Disabilities & Gender

There is about 4% of the Ugu District municipality living with disability and the district has a sex ratio of 89 males per 100 females. In terms catering for these groups the following has been achieved to date:

- District and local municipality forums are in place with dedicated annual budgets
- Skills development programmes ongoing.
- Support for civil society organizations.
- Integrated planning with other sectors in the Disability programme.
- Implementation plans are developed for both programs.

3.8.5.4. Development of the Elderly

About 7% of the Ugu District Municipality is above the age 65. The district has put measures in place to ensure that these senior citizens are taken care of and the following is in place:

- District and local municipality forums are in place and have Sector plans and dedicated annual budgets
- Integrated District programmes of action are in place since 2009
- Programmes facilitated in collaboration with all key implementing sectors
- Standardized monitoring, evaluation and reporting systems

3.8.5.5. People affected by Crime, HIV/Aids, Drugs, etc.

The district has also put in place structures to deal with the people affected by crime, HIV / AIDS, drugs, etc and the following is in place:

- Functional District AIDS Council launched in December 2006
- Dedicated EAP coordinator, with a Workplace programme for HIV and AIDS, adopted by Council
- Strategy for HIV and AIDS 2007/2008-2011/2012 developed, adopted by Council

Table 3.8.4.5.1 below gives a summary of programmes that have been implemented in 2014/ 15 financial year for the vulnerable groups.



Table 3.8.4.5.1: Special Programmes Implementation

Source: Ugu Special Programmes, 2014

Programme	Programmes Implemented In 2014/15
Gender, Children, Elderly, Farm workers and People with disabilities	<ul style="list-style-type: none"> ➤ Back to school campaign ➤ My life, my future – behavioural change ➤ Take a girl Child to court ➤ One Child, one Fruit tree ➤ Christmas in Ugu Hospitals ➤ Women empowerment session for farm workers ➤ Awareness campaigns on children's rights in ECD centres ➤ Ugu Men's talk Show ➤ Moral regeneration in prisons ➤ Child protection workshops for educators ➤ Sugar daddy campaigns ➤ Roadshows : 16 days of activism against senior citizens, women & children ➤ Father and Son walk/talk ➤ Strengthening existing luncheon clubs ➤ Facilitate new establishment of luncheon clubs ➤ Sanitary Dignity campaign – Primary schools and special schools ➤ Golden Games for senior citizens ➤ Ugu Disability Sports Day ➤ Established support groups for mothers with disabled children
Youth Development	<ul style="list-style-type: none"> ➤ Youth Debates ➤ Career exhibitions in 6 LM's ➤ Back to school campaigns ➤ Sports Development ➤ Sanitary Dignity campaign – High Schools ➤ Youth Summit/Parliament ➤ Skills development – NARYSERC ➤ Maritime career pathing programme ➤ My life, my future – High schools
HIV/AIDS	<ul style="list-style-type: none"> ➤ Strengthening and support to Local AIDS Council (LACs) ➤ Providing support to LACs in establishing Ward AIDS Councils (WACs) ➤ Capacity Building training and report writing for WACs ➤ Training conducted for People Living with HIV and AIDS

3.8.6. Social Development: Key Emerging Issues

The emerging key issues with regards to the Social analyses are summarised as follows:

- There is still a challenge with the quality, quantity, and access to educational facilities and resources particularly in the rural areas. Lack of physical resources such as laboratories and computer centres are still pertinent. To add to this challenge is the quality and quantity of educators.



- With those who have the access there is a need to enhance maths, science and life skills. Furthermore, there is a need to deal with the limited focus on technical subjects (including agricultural) within the primary and secondary schooling system.
- There is a very high rate of teenage pregnancy in the district.
- Socio economic factors e.g. increasing number of orphans and vulnerable children (OVCs).
- HIV Prevalence increased from 37.1 % to 40.2% (Ugu District HIV/AIDS Survey).
- Complexity of key programmes e .g HIV & Senior citizens require dedicated focus.
- The lack of both National and Provincial guideline frameworks for the farmworker programs makes it difficult to develop clear strategies to address farmworkers.

3.9. Municipal Financial Viability & Management Analysis

Ugu District Municipality's Constitutional Mandate of ensuring the provision of services to communities in a sustainable manner requires long term financial sustainability to support the service delivery objectives.

Long term financial sustainability must be ensured by the application of sound financial principles, strengthening of financial management systems and promotion of transparency. The multi-year budgeting method is currently being used to ensure stability. The method balances funding of capital expenditure with the impact on future operational budgets in the medium and long-term.

Sound financial principles must be addressed by ensuring that compliance to legislation is maintained and policies, delegations, roles and responsibilities are properly reviewed and implemented.

The municipality is grant dependent and cannot fund capital projects in the short and medium term from internal funding or reserves. The servicing of existing loan commitments from generated revenues has delayed the process of cash backing of the depleted reserves which had supplemented capital investment when the municipality was in a cash crisis.

The municipality has improved the liquidity and cash coverage ratios in the previous financial year and continues to implement the turnaround plans in order to cash back capital replacement reserves.

These plans were all targeting cost reduction in specific cost drivers and revenue opportunities in all functions of the municipality. The municipality has not yet fully stabilised and must continue managing identified risks in order to maintain the improved cash position.

3.9.1. Cash Flow Management

Figure 3.9.1.1 gives a summary of the cash flow management of the Ugu District Municipality over a period of five years from 2010 / 2011 to 2014 / 2015 financial years. The municipality experienced a cash flow shortfall in the 2010 / 2011 financial year where the cash out flow was higher than the cash inflow. This situation changed in 2011 / 2012 to 2014 / 2015 financial year as a cash flow surplus was experienced with the cash inflow being higher than the cash outflow.

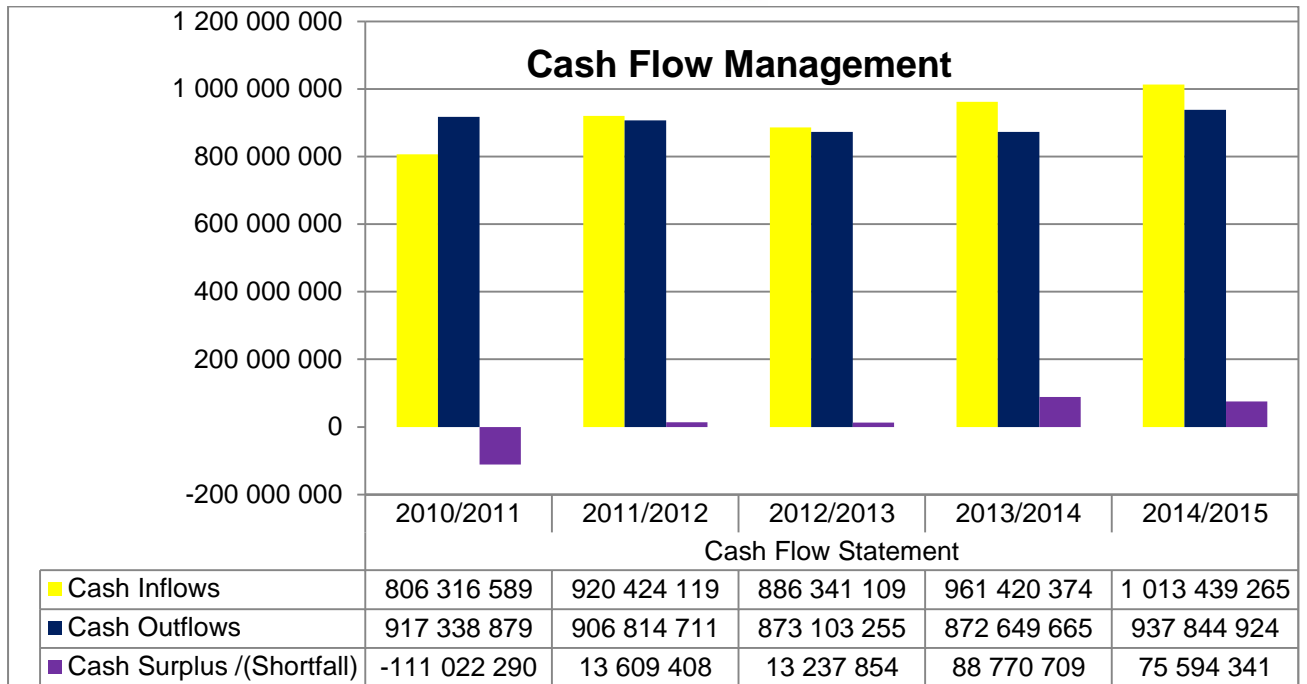


Figure 3.9.1.1 Ugu Distric Cash Flow Management

Source: Ugu District Finance, 2016

Table 3.9.1.1 gives a summary of the district's cash coverage ratio for a period of three financial years from 2012 / 2013 to 2014 / 2015. The district is targeting to improve the cash coverage ratio to three months in the next financial year.

Table 3.9.1.1: Ugu District Cash Coverage Ratio

Source: Ugu District Municipality Finance, 2016

	2011/2012	2012/2013	2013/2014	2014/2015
Cash and cash equivalents	55 319 334	68 557 188	157 327 897	232 922 238
Unspent Conditional Grants	47 196 906	50 775 951	48 333 086	21 365 817
Total Monthly Operational Expenditure	34 299 928	35 688 634	43 516 620	47 503 362
Cash Coverage Ratio	-3.52	-2.74	2.50	4.45

In terms of liquidity ratio which looks at the district's ability of paying its short term debt, the analysis looks at three financial years from 2012 / 2013 to 2014 to 2015. There has been improvement over the 3 year period from 50 cents to pay for every one rand owed in 2012/ 2013 to R 4.45 in 2014/ 2015. The district is has achieved a target of R 2 to pay for every R 1 owed as per the norm.

Table 3.9.1.2: Ugu District Municipality Liquidity Ratio

Source: Ugu District Municipality Finance, 2016

	2011/2012	2012/2013	2013/2014	2014/2015
Current Assets	141 546 140	206 510 687	318 803 339	419 143 666
Current Liabilities	240 494 913	222 818 558	215 849 272	259 881 922
Liquidity	0.59	0.93	1.48	1.61



3.9.2. Supply Chain Management

There have been some difficulties that have been experienced with the municipality's supply chain management as listed below:

- Lack of a monitoring demand management system. (procurement planning)
- Increase in appeals by unsuccessful bidders and MBAT taking long to resolve appeals.
- Delays in turnaround time to award tenders.
- Poor contract management leading to late contract renewals.
- Increase in irregular expenditure due to non compliance to regulations.
- Poor monitoring of vendor performance.

To address the challenges that the district encounters with regards to supply chain management are the following:

- Centralisation of the receiving function
- Conduct 3 stock counts to minimise losses
- Adoption of Procurement Plans aligned to SDBIP
- Maintain improvements in the functionality of Bid Committees
- Turnaround time to award contracts – 90 days
- Intensify Contract management
- Enforce vendor performance policy
- Reduction of Irregular expenditure to 1.5% of total expenditure.

3.9.3. Asset Management

In the 2014 / 2015 financial year the municipality has set up an asset management unit which comprises of technical and financial sections to address asset management challenges. This was a response to various analyses that have been undertaken by the municipality which have been pointing to asset management as one of the main challenges, and most importantly in the attempt to address the AG findings. Below is a summary of the challenges that were identifies regarding asset management and the subsequent attempts that has been made to address them:

- Inadequate policies and procedures, the Fixed Asset Management and Asset Disposal Policies are now in place and the Asset Management Procedure Manual is under review.
- Lack of human resource capacity. Asset Manager, Senior Assets Accountant, two Assets Accountants, Asset Data Capturer and Insurance clerk- Appointed have been appointed to bolster the asset management unit.
- Lack of asset management software system, the Market Demand Asset Management System has been put in place.

3.9.4. Revenue Management

Revenue management and enhancement has been identified as one of the key elements to lifting the municipality from its current financial distress and every attempt is being done to ensure it functions effectively and efficiently. Some of the challenges experienced in the current financial year include:

- Inadequate consumer database.
- Incorrect meter readings and incomplete billing.
- Long outstanding debt



- Lack of integration on financial systems

The Ugu District Municipality in the 2013 / 2014 financial year reached the one billion rand revenue mark. As illustrated in Table 3.9.4.1, the district's own revenue makes up 35% of the total revenue.

Table 3.9.4.1: Ugu District Municipality Revenue

Source: Ugu District Municipality Finance, 2015

Revenue Source	2011/2012	2012/2013	2013/2014
Total Revenue	864 691 006	902 097 394	1 023 156 993
Own Revenue Sources	328 911 558	310 380 541	358 641 964
Grants and Subsidies	535 779 448	591 716 853	664 515 029
% Own Revenue Sources	38	34	35
% Grants and Subsidies	62	66	65

The municipality has adopted a revenue enhancement strategy and a debt reduction strategy to address the challenges identified in revenue management. The projects under these strategies are being implemented in phases as the completion of one project triggers the commencement of the next phase. The result of full implementation will be a reduction in grant dependency as the municipality's own revenue base increases.

The municipality is also planning to review its tariff structure in the next financial year. This is in line with the review of the municipality's tariffs which revealed that some of the charges are not fully cost reflective and some services may be rendered at a loss. This project is part of the recommendations of the revenue enhancement strategy.

The district has targeted 98% accuracy and completeness of billing as one of the objectives of enhancing revenue. In order to achieve these targets the district will ensure:

- Increase billing of rural customers through geographically referencing all households;
- A review and update of the Consumer database;
- Data Migration management to a new Billing System;
- Development of the Billing Policy on Ad hoc charges;
- Implementation of the Revenue Enhancement Strategy; and
- Review of current tariff model and structure.

3.9.5. Budgeting

Budget assumptions/parameters are determined in advance of the budget process to allow budgets to be constructed to support the achievement of the longer-term financial and strategic targets and this has been the practice followed by Ugu Municipality over the past financial year. The following are the challenges that can be associated with budgeting:

- Slow spending on conditional grants resulting in rollovers
- Lack of a full cost recovery system for some services.
- Low cash collection ratio.
- New capital expenditure has not been accurately aligned with related operating requirements.



- Annual operational budget has not been able to fully support the development priorities and targets.
- The strategic split of the Capital Budget between social and economic expenditure has far reaching implications on the future operating budget and sustainability.
- Improved debt collection.
- Clear measurable budget and implementation plans aligned to the IDP.

The municipality targets to reduce rollovers by 100% in the next financial year through ensuring full spending on all gazetted allocations. The adoption of procurement plans has assisted in accelerating spending on grants and capital projects.

3.9.6. Expenditure

The Ugu District Municipality has recorded some challenges regarding the expenditure which have been identified as follows:

- Grant dependency on capital expenditure.
- Late submission of invoices resulting in late payment penalties
- Inadequate accrual and commitment accounting.

Furthermore, the district is committed to maintaining a 30 days creditor payment period; reduction of fruitless and wasteful expenditure to 0.5% of total operating expenditure, monthly reconciliation of all supplier accounts to ensure accuracy in payments, and periodic review of cheque and Electronic Funds Transfer signatories.

3.9.7. Capability of the Municipality to Execute Capital Projects

The municipality has a fully-fledged Project Management Unit and each project is assigned to a Project Officer who monitors and reports monthly on the performance of the contractors. The municipality achieved 90% expenditure on its capital budget in the prior years. The targeted 100% expenditure will be achieved through continuous implementation and monitoring of the procurement plans. Table 3. 9.6.1 below reflects a trend since 2009/2010 financial year up to the previous financial year, 2013/2014.

Table 3.9.6.1: Ugu District Capital Spending

Source: Ugu DM Treasury, 2015

Description	2010/11	2011/12	2012/13	2013/14	2014/2015
Budget	315 702 681	335 092 217	282 068 275	342 664 462	393 204 664
Actual	202 671 797	247 162 181	191 179 897	308 818 290	336 473 767
% spent	64.20%	73.76%	67.78%	90.12%	85.57%
% growth - budget	-24.42%	6.14%	-15.82%	21.48%	14.75%
% growth - actual	-46.53%	21.95%	-22.65%	61.53%	8.96%

3.9.8. Indigent Support

Ugu District municipality's indigent register has a total of 6616 for water and 2638 sanitation households. The register is reviewed and updated monthly. An annual verification of the indigent status of all beneficiaries is conducted in line with the amendments in the qualifying criteria adopted



with the reviewed policy. The following amendments were effected in the existing policy which will further be reviewed before implementation in 2016/17 financial year.

- Restriction of the benefit to exclude consumers who reside within body corporates where the account holder is the body corporate.
- Review of indigent beneficiary status to be done on the anniversary of the subsidy.
- The total household income threshold for qualification is R2 600 per household per month which is based on two state pensions.
- The municipality embarks on indigent road shows annually to create awareness of the available relief and register those who qualify for the benefit

3.9.9. AG Report

The municipality received a Unqualified Audit Opinion in the 2014/15 financial year. This was an improvement from the Qualified opinion received in 2013/2014 financial year. Action plans to improve the audit opinion are currently in place and being implemented in order to achieve the following targets:

- Review and updating of the asset register
- Improving compliance with Supply Chain Regulations to reduce irregular expenditure
- Improving accuracy and completeness of revenue
- Reduction of fruitless and wasteful expenditure
- Updating of the commitments and retentions register
- Monthly leave reconciliations and updating of the Payday leave balances after verification
- Implementation of the Electronic Document Management System to improve document control.
- Compilation of quarterly financial statements
- Monitoring and reporting on the implementation of the compliance checklist by management.
- Maintenance of evidence files on performance information

The details of the 2014/ 2015 auditor general findings and action plans to address them thereof are captured in **Annexure 2**.

3.9.10. Consumer Debt

The Municipality bills for the water, sanitation, shared services, environmental health services and other miscellaneous services. Major services are provided to households. The effects of the global economic downturn / decline have resulted in an increase in the total consumer debt since 2009.

Table 3.9.10.1: Ugu District Consumer Debt Age Analysis

Source: Ugu Treasury, 2015

Description	2009 / 10	2010 / 11	2011 / 12	2012/13	2013/14
Households	27 880 190	10 977 753	20 018 371	114 036 568.14	158 547 161.25
Business	10 457 089	17 052 686	9 705 442	27 516 186.52	36 106 294.35
Government	6 136 746	5 603 402	9 048 646	4 954 804.85	10 368 996.67
Other	801 724	6 203 264	3 880 538		
Total Consumer Debt	45 275 749	39 837 105	42 652 997	146 507 559.51	205 022 452.27
% growth		-12.01%	7.07%		39.93%



The consumer debt age analysis in table 3.9.9.1 shows a huge increase in percentage from 2011/12 to 2013/14 financial years as a result of additional properties being billed following the data cleansing exercise which is still ongoing. Furthermore, debt age analysis reveals that about 50% of the debtors are over a year old as illustrated in Figure 3.9.10.1.

Council has resolved to write off long outstanding debt on certain categories which had been identified as irrecoverable. The meter audit and data cleansing projects are ongoing and will result in the correction of errors on accounts leading to a reduction in outstanding debt.

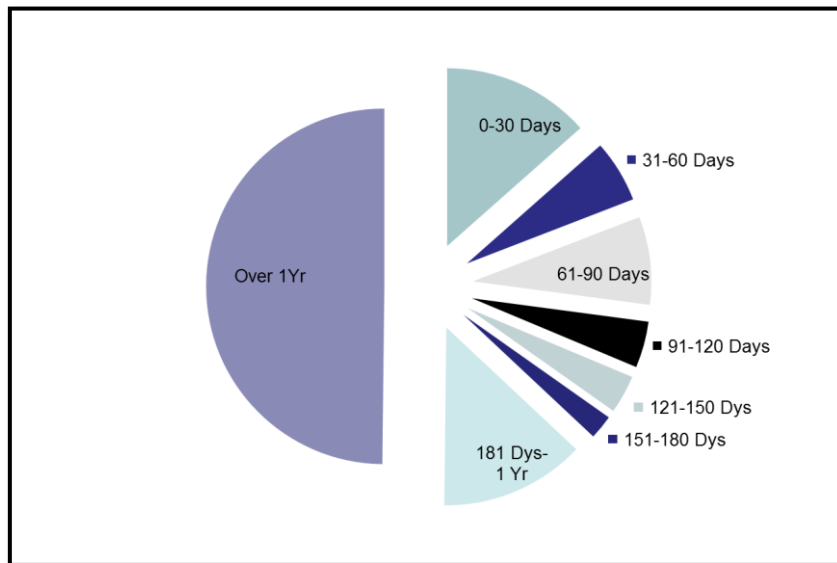


Figure 3.9.10.1 Ugu District Consumer Debt Age Analysis
Source: Ugu District Finance, 2015

3.9.11. Municipal Financial Viability and Management Emerging Key Issues

The emerging key issues with regards to the Municipal Financial Viability and Financial Management analysis are summarised as follows:

- New capital expenditure has not been aligned with related operating requirements.
- Operational budget has not been focused to support the development priorities.
- The strategic split of the capital budget between social and economic expenditure has far reaching implications on future operating budget and sustainability.
- Customer query resolution in keeping with the Batho Pele principles has placed pressure on the District's ability to render uniform services at all its customer care outlets.
- Improve debt collection.
- Clear measurable budget and implementation plans aligned to the SDBIP.
- Exceeding overtime budget.
- The accumulated reserves have been depleted
- Existing infrastructure has not been maintained at the desired levels resulting in loss of revenue from water losses.
- Extension of municipal services in rural areas has resulted in an increase in total book debt due to inadequate consumer database.
- Lack of accurate meter readings has affected the credibility or accuracy of water statements.



- Reduction in debt collection levels as consumers lack confidence in the billing system.
- Global slowdown in the economy has impacted on the customers' ability to pay bills leading to an increase in subsidised customers.

3.10. Good Governance & Public Participation Analysis

Good governance as per the democratic principles can be achieved through effective public participation. Public participation allows constituents to monitor the governance record of its elected officials and further encourages the public to take an active interest in the performance of their municipality and region. It is through broad public participation that citizens can recognise that their interests are taken to heart – especially the needs of the most vulnerable members of society.

The Ugu District has therefore made every attempt to ensure it allows all of its citizens to be heard in determining the political, social and economic priorities through the establishment of a broad societal consensus that includes civil society, government and the private sector.

However, community participation alone is not sufficient in ensuring that good governance practices are adopted. Institutional integrity is of equal importance and therefore, Ugu District Municipality has ensured that its Finance Committee, Audit Committee, Council and sub-committees are fully functional. This was done through the adoption of effective by-laws and policies that entrench the effective performance of all aspects of municipal governance.

3.10.1. Internal Information & Communication Technology

The ICT Section, placed within the Corporate Services Department is primarily responsible for the implementation, monitoring and reporting for the following ICT services supplied to the Municipality;

- Infrastructure planning, maintenance and support
- Budgeting and accounting for ICT services
- Business relationship management
- ICT Capacity management
- ICT Change control management
- ICT Systems Configuration management
- Continuous ICT Improvement
- ICT Incident management and request fulfilment
- ICT Information security management.
- Quarterly ICT Steering Committee Management reviews
- Continuous Measurement of ICT Services
- ICT Problem management
- ICT systems Release and deployment management
- ICT Risk management
- ICT Service continuity and availability management
- ICT Service design
- ICT Service level management and quarterly reviews of service levels



- ICT Service planning and monitoring
- ICT Service reporting

During the 2015/16 financial year the Municipality embarked on a rigorous ICT Turn around strategy which was closely monitored by the Executive Committee and Management Committees of the Municipality. The ICT Turn around strategy prioritised the following Key Focus areas within ICT for immediate action;

Priority 1: Power supply stabilisation during and after load shedding

Priority 2: Key personnel GAP identification and contract engagement

Priority 3: Network stability and ongoing daily preventative maintenance

Priority 4: Daily, weekly and monthly Backups of critical data

Priority 5: Telemetry support

Priority 6: Voice quality at Bazley, Park Rynie, Marburg and Harding offices

Priority 7: Documentation of various business processes

These 7 priorities over a period of 8 months were largely resolved and resulted in the stabilisation of ICT and associated services of ICT within the Municipality.

In addition to these priority areas, ICT implemented a variety of other projects thereby adding relevance, new technologies and relevance.

Projects implemented included;

- Implementation of an MPLS network across 9 geographical sites
- Incident Management System for ICT, Water Services Control Centre, Customer Centre and Disaster Management
- Various upgrades to the back end environments, infrastructure and software
- Upgrades of core infrastructure
- The establishment of a Disaster Recovery solution
- The migration and upgrade of the Ugu website to Microsoft SharePoint
- The Development of a legislative framework and monitoring tool for the Ugu website
- Rigorous ICT security review sessions with all staff
- ICT Policy Strategy, ICT Governance Framework and Charter and ICT total policy reviews and adoption
- The use of cloud technology services
- The development of an ICT Governance monitoring tool

During this period as a result of the Corporate Services Cluster in the District, an ICT District Forum sub cluster was established amongst the 7 Municipalities of the District. This forum meets every second month and to date has launched successful mutual training initiatives, hosted a number of presentations, mapped key areas of support and other valuable interactions.



The ICT unit consists of 10 permanent personnel and there are 2 interns and 1 learnership student within the ICT unit, being continuously capacitated within the ICT market space.

Aggressive ICT Training for ICT personnel has been conducted and is ongoing. The ICT Governance (ITIL and COBIT), Project Management (PRINCE2), Adroit SCADA Training, Knowledge Management sessions, ICDL, Filerite and Dataviewer, EDMS Training and other areas of support training has been conducted.

ICT is a Good Governance and Public Participation implementation area with a key focus on the strategic objective to create a conducive environment for participatory development.

3.10.2. Intergovernmental Government Relations

The Intergovernmental Relations Act requires the establishment of structures and mechanisms aimed at ensuring a high level of input. In striving towards the IDP as a plan for the government sector as a whole the following IGR structures are in place:

- District Intergovernmental Forum;
- Mayors' Forum
- Speakers' Forum
- Municipal Managers' Forum
- Chief Financial Officers' Forum and
- District Development Planning Forum.

Further to the above IGR Structures were established which are as follows:

- Social Transformation Cluster
- Local Economic Development Cluster
- Governance & Administration Cluster and
- Basic Infrastructure & Public Facilities Cluster.

In terms of the functionality of the IGR structure Table 3.10.1.1 below gives a broad overview.

Table 3.10.1.1: Ugu District IGR Functionality

Source: Ugu DM IGR, 2015

Structure Name	Recommend/ Reports to Where	Chairperson	Members	Functionality	Frequency of Meetings
Mayors' Forum	Premier's coordinating forum	District Mayor	Local Mayors	Functional	Once per quarter
Speakers' Forum	Public Participation	District Speaker	Local Municipality Speakers	Functional	3 Times In A Year
Municipal Managers' Forum	Mayors' forum	District Municipal Manager	Municipal Managers	Functional	Once per quarter
Chief Financial Officers' Forum	Cluster	District CFO	Chief Financial Officers	Functional	Once per quarter



Structure Name	Recommend/ Reports to Where	Chairperson	Members	Functionality	Frequency of Meetings
District Development Planning Forum	Cluster	Ugu District Development Planning Manager	District Family Town & Regional Planners	Functional	Bi - Monthly
Financial Cluster	Municipal Managers' forum	Ugu District: CFO	LMs and sector departments	New	Once per quarter
Local Economic Development Cluster	Municipal Managers' forum	Ugu DM: GM IED	LMs and sector departments	Revived	Once per quarter
Governance & Administrative Cluster	Municipal Managers' forum	Ugu DM: GM Corporate Services	Local municipalities and sector departments	Revived	Once per quarter
Technical and Infrastructure Cluster	Municipal Managers' forum	Ugu DM: GM Water Services	LMs and sector departments	Revived	Once per quarter
Communications Cluster	Municipal Managers' forum	Ugu DM: SM Communications and Mayoralty	LMs and sector departments	New	Once per quarter

3.10.3. Municipal Structures

In line with Section 80 of the Municipal Structures Act, the Municipality currently has five multi-party Portfolio Committees, namely:

- Finance Portfolio Committee
- Water and Sanitation Portfolio Committee
- Local Economic Development Portfolio Committee
- Special Programmes Portfolio Committee
- Sound Governance and Human Resource Portfolio Committee

These Portfolio Committees continue to assist the Executive Committee in policy development and monitoring to accelerate service delivery, as well as the oversight of strategic programmes and projects. Table 3.10.2.1 gives the functionality of these committees.

Table 3.10.2.1: Ugu District Standing Committees Functionality

Source: Ugu DM Review of functionality of decision-making, oversight and related matters, 2013

Committee	Function	Decision Making Powers	Recommend/ Report to	Chairperson	Members	Functionality	Meetings Frequency
Council	No TOR Rules & Orders have TOR information.	Passing of by-laws Approving Budgets Imposing rates, taxes levies & duties Raising loans, Approving/ Amending IDP Entering SLA Setting tariffs Appointment of MM	Nil	Speaker	35	Monthly; Meetings; Oversight Role; & Decision-Making	Monthly



Committee	Function	Decision Making Powers	Recommend/Report to	Chairperson	Members	Functionality	Meetings Frequency
		and Managers reporting to MM. Adoption of Policies					
EXCO	No TOR Rules & Orders have TOR information	Recommending Bodies	Council	Mayor	7 members 3 ex-officio	Monthly; Meetings; Oversight Role; & Decision-Making	Bi-monthly
Finance Portfolio Committee	TOR approved 2011 S79/80 MSA Committee Primary function of oversight – financial matters.	Not a decision making body. No delegated powers. Makes recommendations to Exco.	EXCO	Political: Exco Member	8 members 3 ex-officio	Monthly Meetings Oversight Role Deliberations and Recommendations	Monthly
Water and Sanitation Portfolio Committee	TOR approved 2011 S79/80 MSA Committee Primary function of oversight – water and sanitation matters.	Not a decision making body. No delegated powers. Makes recommendations to Exco.	EXCO	Political: Exco Member	8 members 3 ex-officio	Monthly Meetings Oversight Role Deliberations and Recommendations	Monthly
Sound Governance & Human Resource Portfolio Committee	TOR approved 2011 S79/80 MSA Committee Primary function of oversight – human resource and corporate/governance matters.	Not a decision making body. No delegated powers. Makes recommendations to Exco.	EXCO	Political: Exco Member	8 members 3 ex-officio	Monthly Meetings Oversight Role Deliberations and Recommendations	Monthly
Local Economic Development Portfolio Committee	TOR approved 2011 S79/80 MSA Committee Primary function of oversight – LED, Environmental Mgt and Environmental health matters.	Not a decision making body. No delegated powers. Makes recommendations to Exco.	EXCO	Political: Exco Member	8 members 3 ex-officio	Monthly Meetings Oversight Role Deliberations and Recommendations	Monthly
Special	TOR	Not a decision	EXCO	Political	8	Monthly	Monthly



Committee	Function	Decision Making Powers	Recommend/ Report to	Chairperson	Members	Functionality	Meetings Frequency
Programmes Portfolio Committee	approved 2011 S79/80 MSA Committee Primary function of oversight – Special Programmes	making body. No delegated powers. Makes recommendations to Exco.		Chairperson: Exco Member	members 3 ex-officio	Meetings Oversight Role Deliberations and Recommendations	

3.10.3.1. Municipal Public Accounts Committee (MPAC)

The primary function of a MPAC is to help council to hold the executive and the municipal administration to account and to ensure the efficient and effective use of municipal resources. It will do this by reviewing public accounts and exercising oversight on behalf of the Council. The committee examines the following:

- financial statements of all executive organs of council
- any audit reports issued on those statements
- any reports issued by the AG on the affairs of any municipal entity
- any other financial statements or reports referred to the committee by council and
- the annual report on behalf of council and make recommendations to council thereafter the MPAC may:
 - report on any of those financial statements or reports to council
 - initiate and develop the annual oversight report based on the annual report
 - initiate any investigation in its area of competence and
 - perform any other function assigned by resolution of council.

The MPAC sits quarterly as per the calendar of meetings of the municipality and has five members. For the 2014 calendar year the meetings are scheduled as follows:

Table 3.10.2.2: Ugu District Standing Committees Functionality

Source: Ugu DM MPAC Meetings Schedule, 2015

2016				
	Mar	June	Aug	Nov
Municipal Public Accounts Committee (MPAC) 14H00	04	10	05	25

3.10.3.2. Municipal BID Committees

The municipality has put in place the BID Committees and are all functional. The sittings of committees are on a monthly basis and are scheduled on annual basis. The committees are comprised as follows:

i. BID Specification

The BID Specification Committee is a committee of three and two members make up the quorum. The committee is made up of the following members:



- GM: Water Services (Chairperson)
- Senior Manager Water Services
- Senior Manager: WSA
- Manager: Fleet
- Contracts Co-ordinator
- Registry and Auxiliary Services Officer

The participants from user departments are on an invitation basis.

ii. **BID Evaluation**

The BID Evaluation Committee is a committee of five and three members makes up the quorum. The committee is made up of the following members:

- GM: Corporate Services (Chairperson)
- Registry and Auxiliary Services Officer
- Manager: PMU
- Contracts Co-ordinator

The Senior Manager Water Services, Manager ICT, Secretariat, Auxiliary and Assistant Project Officer are the alternate members. The participants from user departments are on an invitation basis.

iii. **BID Adjudication**

The BID Evaluation Committee is a committee of five and three members makes up the quorum. The committee is made up of the following members:

- GM: Financial Services (Chairperson)
- Manager: PMU Finance
- GM: Water Services
- Manager: SCM
- Manager Grants & Expenditure

The GM: IED, Manager ICT and Planning Engineer: WSA are the alternate members. The manager reporting to CFO will chair in absence of CFO. The participants from user departments are on an invitation basis.

Appeal Authority

Manager Legal Services as delegated by the Accounting Officer has the appeal authority and no delegated authority is given to Bid Committees. All recommendations are directed to the Accounting Officer.

3.10.4. Internal Audit

In terms of section 165 of the MFMA, an in house Internal Audit section has been in operation since 2004. The following functions are discharged in accordance with an approved Internal Audit Charter:



- i. To examine, evaluate and improve the adequacy and effectiveness of the municipality's governance, risk management processes and systems of internal control:
 - Governance: assisting senior management in achieving the goals of the municipality by evaluating and approving the process through which goals & values are established, communicated and monitored accountability is ensured and municipal values preserved;
 - Risk Management: assisting the Executive Committee and senior management in identifying, evaluating and assessing significant organisational risks and providing assurance as to the effectiveness of the related internal controls;
 - Internal Controls: evaluating the effectiveness and efficiency of the information systems environment, financial and operational information, operations, safeguarding of assets and compliance with laws, regulations and controls;
- ii. To conduct special investigations and other ad hoc projects at the request of management; and
- iii. To report to the Audit Committee and Municipal Manager.

Internal Audit completes internal audit reviews in accordance with an approved three-year strategic plan. The plan is formulated using a risk based approach and includes evaluating the effectiveness and efficiency of the information systems environment, financial and operational information, operations, safeguarding of assets and compliance with laws, regulations & controls.

3.10.4.1. Forensic Services

The Internal Audit unit also conducts forensic investigations and fraud risk management services.

The District Municipality together with its local municipalities have committed themselves to fight against fraud and corruption. They have strengthened their fraud prevention and detection techniques by jointly procuring the services an Anti Fraud and Corruption Hotline from an independent service provider where members of the public can anonymously blow the whistle on fraud and corruption.

The contact details for the Anti Fraud and Corruption Hotline are as follows:-

Toll Free: 0801 111 660 – Email: information@whistleblowing.co.za – Fax: 086 5222 816 - P. O. Box 51006, Musgrave, 4001

3.10.4.2. Internal Audit Committee

The Internal Audit Committee is functional and sits on a quarterly basis or as and when the need arises. The members are appointed on a three-year term. There are currently three members appointed and one vacancy which has already been advertised. The total number being four. Two of the members are Chattered Accountants and the other member is in the field of law. The vacant post is to be filled by a person who has experience in the field of Municipal Performance Management.



3.10.5. Community Participation Strategy

A Community Participation Strategy has been developed which is aimed at consolidating and formalising these initiatives to ensure that there is an effective, well co-ordinated and ongoing interaction between the municipality and the communities it serves on municipal affairs.

The municipality's intention is to strengthen community participation processes however, there is a need to implement interventions to improve the level of participation by the community, especially the urban based members of the public. Although this strategy is in existence, its adequacy in terms of communication could not be ascertained.

Within Ugu District, one way of implementing the Community Participation Strategy and involving communities within the IDP and Budget process is through the IDP/Budget road shows and Mayoral Izimbizo. Community inputs made during the Mayoral Izimbizo inform the budget processes of the municipality as it is part of the consultation process aimed at improving public participation in the affairs of the District.

The Ugu District Public Participation Forum was established which is comprised of CoGTA representatives, local municipalities and all Public Participation Practitioners and is responsible for the coordination of public participation activities.

3.10.5.1. Ward Committees

The district includes six local municipalities with 81 wards and all ward committees have been established. However, the key challenges that hinder effectiveness of ward committees include administration / logistics support and the vastness and inaccessibility of rural wards. Some of the areas are serviced by the Community Development Workers who have a dual responsibility to report to Department of Cooperative Governance and Traditional Affairs and local municipalities.

A resolution was taken at the IGR meeting in February 2009 that ward committee members shall be paid a stipend per meeting,

Findings on the Role of Ward Committees Challenges:

Ward committee training and workshop was conducted, the following concerns were found to be primary to ward committees and were raised as issues that required immediate and utmost attention:

- There is a high level of frustration from the Ward Committee Members complaining there is no space created for them to use all the information and skills they receive from all these workshops. This is a general feeling from the Ward Committee Members that they have enough knowledge and skill now but are being underutilized and overlooked in the municipal affairs and decisions.
- There is still a high number of Ward Committees that feel there is tension between them and the Chairpersons. This is coupled with a complain that the Chairpersons of the Ward Committees do not make themselves available for workshops of this kind where issues hindering development as a result of unclear roles that must be played by both parties are explained and interrogated.



- The unstable relationship between the Chairpersons and the rest of ward committee members was sighted to have been based on the Chairperson feeling insecure as far as their positions are concerned thus active ward committee members being perceived by as declaring their ambitions for councillorship.
- There is a communication breakdown between the municipalities and the Ward Committees which affects information flow. There is no feedback on the community needs that the Ward Committees submit to the municipality for inclusion in the IDP or explanations as to why some projects are prioritised and others not. Furthermore the Ward Committees are not informed of the proposed or planned development thus cannot inform the community timelessly and effectively and cannot answer to the community.
- There are limited resources to carry out the expected duties of Ward Committees, such as loudhailers, stationery and other necessary office equipment. Furthermore, the stipend amount needs to be reviewed as it only covers telephone costs and falls short in travelling costs.
- Ward committees need to be capacitated continuously in accredited courses that will equip them with certificates so that they are able to utilise them in their endeavour to advance their careers and not just the consultation workshops.
- Municipal documents and materials to be translated into IsiZulu in a bid to accommodate the majority people of the district.
- In the adverse state of crime and scamming of the community, it is important that Ward Committees are provided with proper identity kits and introduced to the communities formally to avoid any other person coming in and posing as them.

3.10.6. Customer Relations

Customer relations unit is concerned with the customers' perception of the services rendered by the municipality and to instil and establish a positive image of the municipality in the customer's mind.

The main functions performed include:

- Being an ambassador for the municipality – both internally and externally
- To resolve customer conflicts when services do not perform as expected and the customer contacts the municipality
- To answer questions from the municipality's current and potential customers
- To create and propose innovative solutions to solidify the partnership between the municipality and the customer
- To be in communication with the customers through Customer Satisfaction Surveys to understand their needs and to stay updated on the customers' perception of the municipality's services

The analysis of customer satisfaction within Ugu DM is informed by an annual customer satisfaction survey as well as records of received complaints during each financial year. The survey findings included the following:

- That most wards and/communities have access to water and sanitation, however there are water interruptions experienced more often due to aging infrastructure and drought.



- A need to improve on communication and information transmission to rural communities in particular
- The survey conducted was focused on general households district wide, soliciting views on integrated services rendered by all spheres of government hence the need for a more specific and focused Survey.

Analysis of received complaints also revealed the following:

- That there is a number of water shortages and burst pipes which is also due to aging infrastructure and drought.

There are a number of mechanisms put in place in order to ensure that communities are satisfied with the services they receive from the municipality.

- Customer Care Bus: The purchase of the mobile office will allow the municipality to reach all communities especially the rural areas. It will bring the services and information to the people.
- Service Commitment Charter: The reviewed and approved Service commitment Charter is in place and employees are workshopped on it to ensure that they are aware, comply and meet the service standards set by the municipality in delivering services.
- Complaints Handling Procedure: It is in place and assists employees in dealing with the complaints received properly and meeting the turnaround times.
- Community Outreach Programmes: These are in place and assist in educating communities about the services they receive, their rights and responsibilities.
- Quality Assurance: In place to ensure that work is done properly and timely and also determine whether or not consumers are satisfied with the service rendered.
- Batho Pele: Its programmes are in place to ensure Service Delivery improvement putting customers first and doing things right the first time for customer satisfaction.

3.10.6.1. Customer Relations Challenges

The challenges that are faced by the Customer Relations function are mainly as a result of institutional arrangement as outlined below:

- There are limited skilled personnel within the Call Centre to provide professional training.
- There is poor alignment of functions between Customer Relations and Communications hence the new proposed organisational structure which will see proper alignment and Management
- Imbalance between available call agents and peak demand in call volume has resulted in the organizational image being compromised as many callers could not get through the Call Centre lines at peak times.

3.10.7. Role of Traditional Leaders and Communities in the IDP

The internal and external role players have roles and responsibilities in terms of the IDP development process. The IDP Representative Forum consists of representatives from all local municipalities, the House of Traditional Leaders, civil society and service providers / sector departments. This forum provides public and private sector input into the IDP. Ugu District Municipality has ensured the continual participation of all the role players to ensure maximum input into the IDP process.



Traditional leadership has also been incorporated into the District Municipal Council as seven Amakhosi were added to the Council. Furthermore, Amakhosi also form part of the municipal portfolio committees.

3.10.8. Shared Services

Shared services must be aligned with provincial roles and responsibilities which are mandated by the Constitution in terms of section 104 (1) (b) (i) and section 156 (2). The following are the services that were to be shared:

- Development planning shared services
- External Audit committee
- Emergency Shared services

The Ugu family of Municipalities opted for both centralized and decentralized model of shared services. It was agreed to run shared services like a business and delivering services to internal customers at a cost, quality and timelines that is competitive with alternatives. Entering into shared services by Ugu family of municipalities purported to achieve the following:

- Shared know-how: The benefits associated with the sharing of knowledge and practice across the municipalities. This involves sharing best practice in service delivery;
- Reducing costs and avoiding duplication of effort: The benefits from economies of scale and elimination of duplicated effort to streamline and simplify delivery of services to reduce costs;
- Improving quality of service to customers: The benefits from more efficient processes can deliver greater consistency, timely and effective service delivery to customers and help reduce competition and rivalry between the Ugu DM family of municipalities;
- Responding to and facilitating organizational change: The benefits of greater structural flexibility, improving organisational learning were seen as an important lever for re-positioning the contribution of shared services as a business-driven function focused on facilitating and supporting municipal change.

Since the 9th November 2006 resolution of the Municipal Strategic Planning meeting, the Ugu District family of municipalities has only been able to share the following services:

3.10.8.1. Emergency Shared Services (Fire Fighting Shared Services)

In 2009/2010 the Emergency Services with a specific reference to fire fighting was implemented by the Municipal Managers' Forum. The municipality has a four-year plan to establish and maintain fire fighting services as per the Fire Brigade Service Act and the SANS (South African National Standards) Code 10090 (Community Fire Protection).

3.10.8.2. Development Planning Shared Services (DPSS)

Many of the smaller rural municipalities have limited planning capacity and high turnover of staff reported. It is proposed therefore, to address these limitations through the establishment of shared services for the development planning function between district municipalities and their constituent local municipalities. The form that this DPSS function will take may vary between municipalities.



It is critical to note that any restructuring must comply with relevant legislation, in particular the Municipal Systems Act (no. 32 of 2000), (mainly Chapter 8), the Intergovernmental Relations Framework Act (no. 13 of 2005) and the Municipal Finance Management Act (MFMA).

The Scope of Municipal Development Planning Functions included In the Ugu DPSS

It is proposed that three (3) Senior Planners be located in the DPSS who would provide technical support and guidance to each of the following groups of municipalities participating in the DPSS:

- Group 1 : Ugu District, Umuziwabantu and Eziqoleni Municipalities
- Group 2 : Umdoni and Vulamehlo Municipalities
- Group 3 : Hibiscus Coast and Umzumbe Municipalities

The following are the adopted positions:

- The three Senior Planners, associated with Groups 1, 2 and 3 respectively will focus on providing Spatial Planning and Development Administration Capacity to the participating municipalities. They will, however, also strengthen the strategic planning and performance management related functions within the participating municipalities.
- The Development Administration Specialist will develop and maintain the Development Administration System for the family of municipalities, i.e. will provide development admin support to all the municipalities in the family.
- These four positions created as part of the DPSS will also provide technical planning support to planning staff in municipalities.

3.10.9. Risk Management

Risk Management is one of Management's core responsibilities in terms of section 62 of the Municipal Finance Management Act (MFMA) and is an integral part of the internal processes of a municipality.

It is a systematic process to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on the service delivery capacity of a municipality. When properly executed risk management provides reasonable assurance that the institution will be successful in achieving its goals and objectives.

The Municipality conducts Risk Assessments (Enterprise wide, IT and Fraud Risk Assessments) annually and develop an organisational Risk Register. The Risk Register is compiled to determine the magnitude of risk exposure by assessing the likelihood of the risk materialising and the impact that it would have on the achievement of objectives.

The identified risks are prioritised which enables Management to focus more time, effort and resources on higher risk areas.

The Municipality has a Risk Management Committee in place. There is a framework in place incorporating the Risk Management Policy, Risk Management Committee Charter, Risk Management Implementation Plan, Risk Management Strategy and Mitigation Plan

Outlined below are key five (5) risks that the Municipality is facing as per the risk register:-



Table 3.10.9.1: Ugu District five (5) Key Risks

Source: Ugu DM Internal Audit Unit, 2014

N o.	Risk Title	Residual Risk Rating (Severity)	Actions Taken/ To Be Taken	Budget	Time Frames	Risk Manager
Maximum Risks : Scores 20 – 25						
1	Excessive expenditure on overtime	25	<p>Pre authorisation of overtime by supervisor and Manager</p> <p>Approval by MM of overtime work exceeding 40 hours</p> <p>Payment of overtime a month later in order to allow enough time for checking</p> <p>Implementation of standard operating procedures; and</p> <p>Control Centre to manage work to prevent fraudulent overtime claims by officials.</p> <p>Continuous monitoring</p>	0 0 0 0	Ongoing	GM CS
2	Ineffective maintenance of water infrastructure	25	<p>Develop and implement the asset management plan.</p> <p>Develop and implement the operations and maintenance plans</p> <p>Revision of a Water and Sanitation Services master plan</p> <p>Capacity Building</p>	0 0 Funded by CoGT A	01 July 2014	GM WS Snr Manager Operations
3	Inability to collect and maximise revenue	20	<p>Finalising the process of outsourcing meter reading</p> <p>Collection of long outstanding debt through the Debt recovery task team</p> <p>Data Cleansing</p>	0	31 December 2013 ongoing	CFO
4	Inadequate Asset management system	25	<p>Review and implement asset management policy</p> <p>Develop and implement asset management plan</p> <p>Review and update of the organogram of the asset management unit.</p> <p>Uploading of existing assets data to AX Financial System</p>	2.4m	31 May 2014 30 June 2014 30 June 2014 31 October 2013	CFO GM: CS GM WS
5	Ineffective implementation and sustainability of LED Projects	20	<p>Exploring an option of obtaining an investors to run the project</p>	0	31 December 2013	GM: IED



3.10.10. Batho Pele Programme

Batho Pele, a Sesotho word meaning “people first”, is a notion which was adopted in 1994 and became a policy in 1997. The Batho Pele concept has as a main objective of addressing service delivery improvement by introducing principles which guide the transformation of service delivery to be people centric. In Ugu DM, Batho Pele was implemented in 2007. Since then a lot has been done towards implementing it such as Batho Pele principles and in SDIP, flagship projects such as Municipal Service week and Know your Service Right Campaigns. In 2008/2009 Ugu obtained a Golden Award in the Premier’s Service Excellence Award.

The legislative framework calls for setting up of service standards, defining outputs and targets, and benchmarking performance indicators against international standards. Similarly, it also calls for the introduction of monitoring and evaluation mechanism and structures to measure progress on a continuous basis.

Batho Pele Principles: Nationally there are eight principles that govern the transformation of service delivery according to Batho Pele White Paper. The province added three more Principles and adheres to eleven principles in the Citizens Charter, as listed below:-

- Consultation
- Service Standards
- Access
- Courtesy
- Openness and Transparency
- Information
- Redress
- Value for Money
- Encouraging innovation and rewarding excellence
- Leadership and strategic direction
- Service Delivery Impact

3.10.10.1. Service Delivery Impact

Under the direction and guidance of DPSA Batho Pele implementation has focused on principles and Service Delivery Improvement Plan. Batho Pele Belief which says, “We Belong, We Care, We Serve.” is a value system which clearly captures the revitalized Batho Pele culture. More still needs to be done relevant to belief sets. A Batho Pele belief set implementation Strategy will be developed and made available. The Public Service Regulations Act of 2001 states the following:

- SDIP must be approved annually. To ensure the implementation of SDIP by all Departments, Departmental Assessments are conducted annually before the end of the year. A department that performs the best in implementing SDIP wins an award for service excellence.

Municipalities are required to publish a Statement of Service Charter. This Charter was published on the 05th December 2008, and reviewed in the 2012/2013 financial year and again in the 2015/2016



financial year. Service standards must be set at a demanding but realistic, measurable level to be reached by adopting more efficient and customer- focused working practices.

Batho Pele Flagship Projects: Since 2008/2009 the following flagship projects, also known as service delivery watch, were implemented and are continuously conducted:

- Municipal Service week and Project Khaedu
- Know your Service Rights Campaign
- Batho Pele Learning Network
- Unannounced site visits or mystery customer,
- Change Management

Greater emphasis in 2014/2015-2016/2017 will be placed on change in the Ugu District Municipality. A Batho Pele Change Management and Engagement Programme have since been conducted for all the managers.

3.10.11. Operation Sukuma Sakhe

The Operation Sukuma Sakhe Programme (OSSP), formerly known as the Flagship, Social Cluster Programme (War on Poverty), was introduced to the Ugu District in 2009. In introducing the programme, the Kwa-Zulu Natal, Office of the Premier gave a mandate to all districts, to ensure successful implementation of the OSSP.

A lot of progress has been made since then even though not as speedily as anticipated due to various challenges as discussed in this section. There have also been some commendable achievements as listed below:

- The DTT is functional and meets regularly twice per month.
- The AIDS Councils, LTTs, WTTs are also functioning and improvement is evident with the war rooms sitting at 84% functionality.
- The Ezingoleni Municipality received a premier's excellence award for best implementation of OSS.
- There is an ongoing capacity building & career pathing CCGs, YAs & WTT.
- Partnerships with business, private and NGO sector: BRHC, Nedbank, BMW.
- Integrated planning and implementation in place.
- Coordination – ongoing NISIS , HHP, M&E
- Project for fast tracking interventions, training 2 wards per LM
- Diakonia to support ward 11, Umzumbe

3.10.11.1. Structural Composition and Functionality

Structure constitutes the District Task-Team (DTT) which convenes twice a month; Local Task-Teams (LTTs) convenes at least once a month, Ward Task-Teams (WTTs) which also sits at least once a month, Political Champion (MEC), Administrative Champion (HOD) District Convenor. Community halls, Schools, Clinics, Crèches, MPCCs, Churches or any other suitable infrastructure, depending on the area are used for convening the meetings.



In terms of functionality, the Operation Sukuma Sakhe is at 84% with a few wards still lagging behind as shown in Table 3.10.11.1.1.

Table 3.10.11.1.1: Ugu District Operation Sukuma Sakhe Functionality

Source: Ugu DM OSS, 2014

Municipality	Fully Functional	Functional	Poorly Functional	Non Functional	Total
Umzumbe	04	10	04	01	19
Vulamehlo	03	05	02	00	10
Umdoni	03	05	02	00	10
Ezinqoleni	02	03	01	00	06
Umuziwabantu	02	8	00	00	10
Hibiscus Coast	10	08	10	01	29
Ugu District	24	39	19	02	84
%	29	46	23	2	100

The challenges that have halted speedy and effective functionality of Operation Sukuma Sakhe include:

- Poor /irregular representation of sector departments in DTT, LTT and WTT, including Ugu as a water services provider.
- Inconsistent and late submissions of LTT reports.
- Limited understanding and poor support of OSS by senior municipal and sector department officials.
- Non-attendance /representation by HOD, provincial convenor and Office of the MEC. It is noted that the previous HOD only attended one meeting over 12 months. The current HOD has also missed 3 meetings.
- Poor communication and coordination of events as arranged from provincial resulting in poor reporting and documenting of intervention.

3.10.11.2. Focus Programmes:

Focus Programmes include: Poverty Alleviation, HIV and AIDS, TB & STIs as well as all health matters, Employment Creation, Youth Development, Drug and Substance Abuse and other social ills, Orphaned and Vulnerable Children and other vulnerable groups (e.g. Senior Citizens, Women, Farm Workers and People Living with disabilities), Illiteracy and other educational programmes, Food Security & social relief, Economic Development and Provision of critical registration documents (e.g. birth certificates, IDs).

3.10.11.3. Current Interventions and Programmes

The special teams as recommended by UDAC: HAST, learner pregnancy & food security led by DOH, DOE & DAERD are reporting consistently to the DTT & UDAC and current interventions and programmes are listed below:

- Poverty alleviation & ECD package - Pilot Umzumbe & Vulamehlo : DSD/DAERD & Ilifaletu – commenced May 2013



- Mikonzo Project in 25 impoverished wards
- Isibindi project targeting the youth - to assume duties before end of December 2013 -118 youth employed, receiving stipends
- Philamtwana implemented in all wards
- Coordinating forum for Drug & Substance abuse established, plan of action for interventions in place
- Road shows focusing on prevention of crime /violence against senior citizens– hosted by CL & Safety held on 25 November to 9 December 2013, 2500 senior citizens reached
- Youth Ambassador Programme: the programme is yielding positive outcomes
- Campaigns focusing on World AIDS Day held in December 2013. Main event held in Umzumbe, ward 6 on 6/12/13.

3.10.11.4. Household Profiling

The implementing process involves: Household Profiling (HHP), reporting of findings to WTT, Referral of cases to relevant department/entity, Provision of interventions, capturing of HHPs in NISIS at the Office of the Premier (OTP), Operation Mbo (To cover the general community and fast-track service delivery).

The reports from sector departments with regards to responding to referrals provide information on the effectiveness of the OSS structure. Table 3.10.114.1 highlights a cumulative audit of interventions by each sector over the 2013 calendar year.

Table 3.10.11.4.1: Ugu District Operation Sukuma Sakhe Interventions Audit

Source: Ugu DM OSS, 2014

Department	No. Referrals received	No. of interventions provided	No. Outstanding /Open Referrals
Social Development	17198	16141	1057
S. A. Social Security Agency	807	607	199
Health	59119	3529	55590
Home Affairs	3001	1244	1757
Human Settlement	1138	373	765
Agriculture and Environment (DAERD)	2680	2170	510
Education	15480	12609	2871
Labour	994	204	788
Transport	12588	11450	1138
DSC	70	60	10

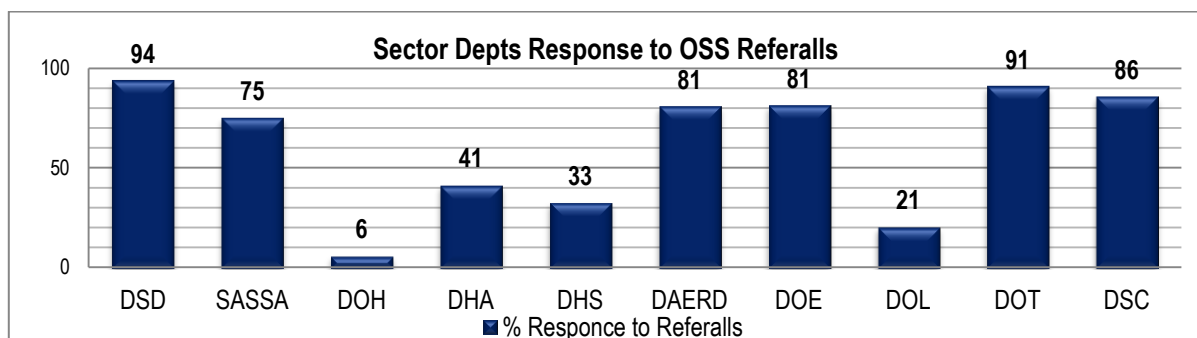


Figure 3.10.11.4.1: Sector Departments Response to OSS Referrals

Source: Ugu DM OSS, 2014



Table 3.10.11.4.1 and figure 3.10.11.4.1 show only the Departments that have provided reports in the relevant OSS structure. The referrals that have been sent to Ugu have not been responded to, to date much to the frustration of the OSS implementation. Coupled with non responses are the low response rate from Departments of Health (6%), Labour (21%), Human Settlement (33%) and Home Affairs (41%).

3.10.12. Annual Report

In the preparation process of the 2015 / 2016 Annual Report, the Municipal Manager formed an Annual Report Task Team with an appointed Co-ordinator and task team members representing each department of the Municipality. The task team met regularly throughout the financial year and ensured the finalisation and adoption of the Annual Report by Council within the required timeframes.

3.10.13. Good Governance and Public Participation Emerging Key Issues

The emerging key issues with regards to the Good Governance and Public Participation analyses are summarised below.

- There is still some bottle necks with regards to alignment with Sector Departments programmes and in ensuring that these are informed by the municipal IDP
- The majority of the population of the Ugu District uses IsiZulu as their home language and thus the need for the IDP to be simplified and translated into IsiZulu as the current language and format exists as it is only accessible to a few.
- There is limited public participation both directly and through civil society structures.
- Public participation is not properly structured and focused but more of compliance and the mechanisms in place not used to full potential.
- Public participation is costly in terms of time, personnel and financial resources required to ensure stakeholder involvement in the IDP
- The government endures bad media publicity with regards to challenges encountered in service delivery provision and this is fuelled up by the government sector's limited reporting on their success stories.
- The need for Water Services Water treatment and Waste Water Treatment plants require wide area network and voice connections to integrate into the Municipality's primary network
- The updating of the Intranet is necessary in order to ensure efficiencies.
- Annual Disaster Recovery simulations are required and monthly system restores and backups must be done of core systems and data centres in line with good ICT Governance practices.
- ICT Security Management should be digitised to avoid manual group engagements, unless through induction workshops.
- Regular website activity usage analysis to produce meaningful results in respect of the public use of the website.
- The need to improve on the availability of service delivery vehicles as required by service delivery sections of the Municipality



3.11. Summary of Development Challenges

This section provides the summary of the key development challenges that are facing the Ugu District Municipality.

3.11.1. Critical Infrastructure Gaps

- There are critical infrastructure gaps within the Ugu District that are restraining development and electricity supply surfaces as one of the priority infrastructure interventions required in accelerating service delivery.
- Water availability and supply has also been identified as a major growth limiter within Ugu. The District Municipality has identified bulk water supply requirements including dams that require significant external funding in order to support future growth within the region.
- Investing in road infrastructure has also emerged as an urgent priority in order to stimulate growth.
- The aging infrastructure and the need to repair and maintain it.

3.11.2. Education Crisis

The poor state of education within the Ugu District, from ECD to FETs has been highlighted as limiting the future economic and social potential of the region. There is a glaring rural/urban divide in terms of the quality of education within Ugu. Calls have been made for a “cradle to grave” education strategy that addresses education at all levels. Critical interventions raised have included the development of quality primary and secondary educational institutions in the main existing rural nodes; strengthening the quality of maths and science programmes (including the promotion of public-private partnerships), enhancing the quality and relevance of FET within the district, opening an agri-college and lobbying for the opening of university branches.

3.11.3. Environmental Management

Perceptions of weak environmental management and regulation contribute towards concerns of unsustainable development in the region. Whilst there are pockets of excellence in the district such as the environmental monitoring of formal mining activities, there are also areas of concern.

These include the lack of co-ordinated planning amongst local and district municipalities and amongst different types of planning, the lack of implementation of a substantial body of work that has already been completed in terms of environmentally-sustainable planning and investment parameters for the Ugu District, the addressing of environmental planning gaps such as the need for a coastal management plan and integrated waste management strategy for Ugu, sustainable service delivery models in scattered or limited access rural communities, service and infrastructure delivery that has adapted to the impact of climate change and builds the resilience of both communities and investments, the sustainable use of the natural resources (e.g. water, land, air, conservation areas, coastal strip etc) in the region, illegal use of natural resources such as illegal sand mining and the impact of climate change on economic activities within the region.



3.11.4. Inadequate Social Services and High Levels of Poverty and Dependency

The high level of exclusion of vulnerable groups such as the poor, disabled, unemployed, people with chronic illnesses, including HIV and AIDS the elderly and low access communities, contributes directly to the under-performing district economy through limiting markets, increasing dependency ratios, decreasing productivity, lowering skills levels and increasing social instability. Ensuring a safety net for the poor, vulnerable and economically peripheral communities in the region and empowering such communities through enhancing access to infrastructure, services, networks, economic opportunity and knowledge will address fundamental constraints to growth and development. At a spatial level, this requires the clustering of social and economic services within the rural nodes and corridors that have been identified for consolidation and development.



CHAPTER 4: DEVELOPMENT STRATEGIES

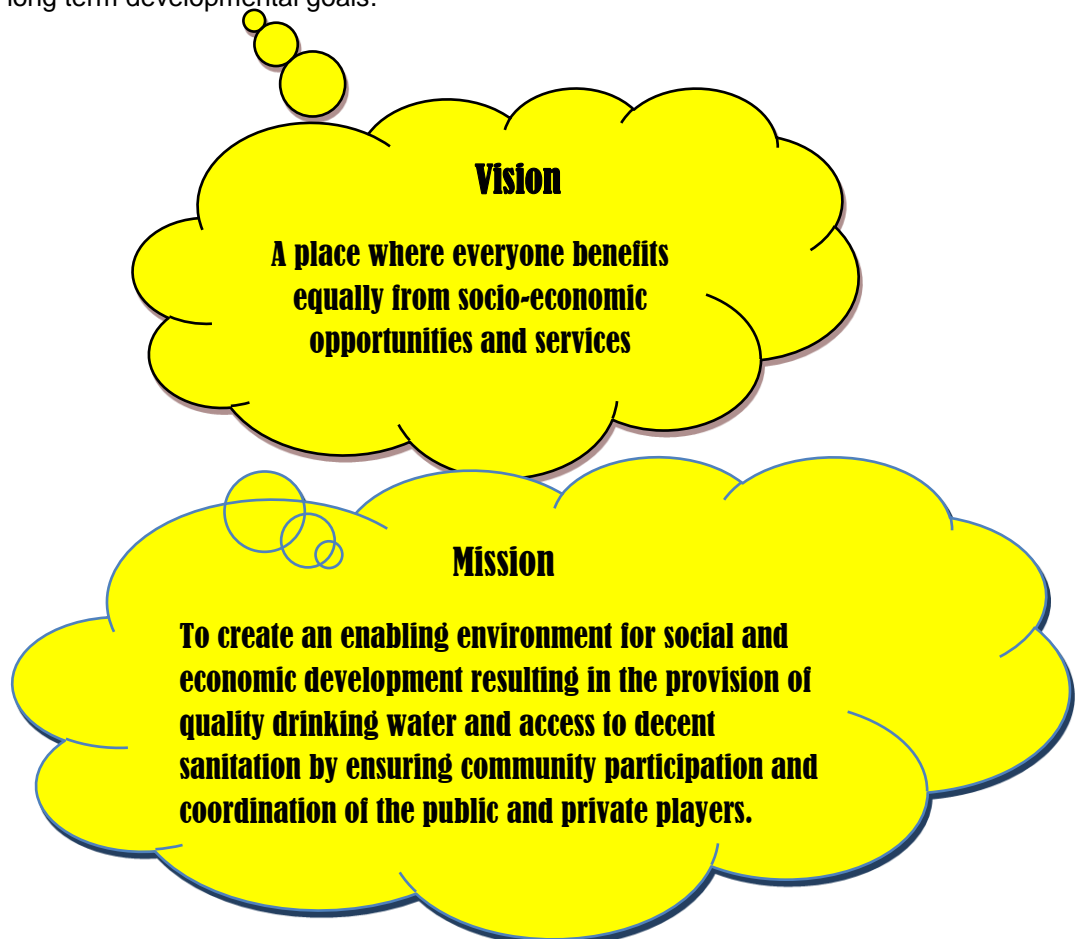
In the strategic session that was held in March 2012 at the Ugu Sport & Leisure Centre for the development of the 2012/13 to 2016/17 Ugu Integrated Development Plan, the vision, mission, nine (9) priorities and six (6) strategic objectives of the Ugu District Municipality were set. This five-year strategic plan was then reviewed in a strategic planning session that was held in March 2013 at the Ugu Sport & Leisure Centre. The Municipality re-aligned its activities and programmes with the vision, mission, priorities and strategic objectives of the municipality.

The second review of the five-year 2012/13 – 2016/17 Ugu IDP Review was held in February 2014 at the Margate Hotel. The session produced a Strategic Action Plan – **The Margate Accord** the blockages that have been experienced in the past two financial years of implementing the 2012/13 – 2016/17 IDP are addressed. The challenges that have been persistent in the previous two financial years were assessed and underlying causes sought together with strategies to address them.

The Margate Accord must not be seen as a strategy that replaces the strategy that was adopted in March 2012 but rather as a reinforcement strategy.

4.1 Vision and Mission

Ugu's vision and mission statement gives directives to what the municipality wants to achieve in terms of its medium and long term developmental goals.





4.2 Strategic Development Matrix

The Ugu District Strategic Development Matrix is informed by and aligned to the National, Provincial and District priorities. It is structured in three pillars which are the, nine (9) Priorities; six (6) Strategic Objectives; and the six (6) Point Action Plan as elaborated in the sub sections below and further shown in figure 4.2.1



Fig 4.2.1: Ugu District Development Matrix
Source: Ugu DM, 2015



4.2.1. Development Priorities

The Nine (9) Development Priorities as listed in figure 4.2.1 were derived directly from the Municipal Vision and Mission and guides the municipality's development strategy and decision making on the direction of the municipality.

4.2.2. Strategic Objectives

From the Vision, Mission and Development Priorities, the Six (6) Strategic Objectives as listed in figure 4.2.1 were derived from the departments in line with the KPAs. The Strategic Objectives act as a key link / alignment between the IDP and the PMS Framework Scorecards.

4.2.3. Six (6) Point Action Plan – Margate Accord

The Six (6) Point Action Plan came about during the 2nd annual review of the current IDP and is aimed at speeding up service delivery by dealing with the persistent challenges that have been identified during the implementation of the IDP. These six points of action as listed in figure 4.2.1 are the challenges which indicate what needs to change. The attached Margate Accord then takes it further as to detail what it needs to change to and how to effect the change.

4.2.4. Alignment of the Strategic Development Matrix with National, Provincial, District Priorities

Attempts were made to ensure that the Ugu 2012/2013 to 2016/2017 IDP priorities are aligned to the National, Provincial and District family's priorities. Table 4.2.4.1 reflects the alignment of all the priorities.

Table 4.2.4.1: Ugu District Family IDP Priorities Alignment

Source: Development Planning Unit, 2015

9 Priorities	6 Strategic Objectives	Prioritised PGDS Goals (10.03.15)	Confirmed/ Emerging Priorities/
1. Infrastructure Investment (Roads, Water, Sanitation, Electricity, Housing)	To provide access to sustainable quality drinking water and sanitation services	2. Strategic Infrastructure	Identified areas of need for water and sanitation
2. Economic and Sectoral Development (Job Creation, Employment, LED Projects, Tourism, Agriculture, Rural development)	To create a conducive environment for economic growth and job opportunities	1. Job Creation	<ul style="list-style-type: none"> Catalytic projects Boosting of investor confidence
3. Financial Viability (Clean Audit, Corruption)	To develop and maintain a financially viable and sustainable organization that achieves full compliance with legislation		Revenue Collection Water Losses Clean Audit
4. Education and Skills Development (Skills Development, Education)		4. Community & Human Development	Skills Development (internal and external)
5. Institutional Integration and Coordination (Institutional Development, review of Organogram, Workforce, Principles development)	To build and strengthen the administrative and institutional capability of the municipality	3. Governance & Policy	Maximize returns on personnel costs , Outcomes based planning and Monitoring & Evaluation



9 Priorities	6 Strategic Objectives	Prioritised PGDS Goals (10.03.15)	Confirmed/ Emerging Priorities/
6. Collaborative planning		5. Spatial Equity	IGR; Joint prioritization between LMs and District, LAP- peri-urban areas
7. Reduce HIV & Aids		4. Community & Human Development	
8. Clean Environment	To develop and promote an integrated sustainable environment		
9. Peace and Stability	To create a conducive environment for participatory development	3. Governance & Policy	People centeredness- public participation

4.3 Implementation Strategies

The following implementation strategies represent the high level implementation of the Ugu District Strategy. A more detailed plan on the implementation of the Ugu District IDP is captured in the OPMS in Chapter 7 of the document and the annual operational implementation strategies are captured in the SDBIP in Chapter 7 of the document. This section should therefore be read concurrently with the said Chapters.



4.3.1 Basic Service Delivery

Table 4.3.1.1: Ugu District Implementation Strategies – Basic Service Delivery

Source: Ugu District Municipality, 2015

Strategic Objective	IDP No.	Programme	Key Performance Indicator	Target	Timeframe	Responsibility
PRIORITY 1 : INFRASTRUCTURE INVESTMENT (ROADS, WATER, SANITATION, ELECTRICITY, HOUSING)						
5. To provide access to sustainable quality drinking water and sanitation services	BSD 1	Provision of households with Water Services	Number of households with Access Basic Water Services	3 000	2012 – 2017	Water Services Department
	BSD 2	Upgrade and Repair of Aging Infrastructure	Kilometres of Pipeline replaced	50	2013 - 2017	
	BSD 3	Provision of Households with Sanitation Services	Number of Household with Access Waterborne Sanitation Services	2 000		
			Number of Household Provided with Access VIP Sanitation	2 500		
			Percentage Eradication of buckets system in households	15		
	BSD 4	Non Revenue Water Reduction	Percentage Non Revenue Water Loss	21		
			No. Of Water Meters Replaced	2 000		
	BSD 5	Treat and Provide Compliant Drinking water in terms of Blue Drop Requirements	Percentage Drinking Water Quality Compliance in line with SANS 241: 2015	93		
			Number of Water Safety Plans reviewed annually	17		
			Percentage Compliance to water Management Accountability and Local Regulation Requirements in line with Blue Water Services Audits	80		
			Number of Water Asset Management Plans reviewed annually	4		
	BSD 6	Treat and Discharge Compliant Waste Water in terms of Green Drop Requirements	Percentage Effluent Quality Compliance in line with General Authorisation Standards	75		
			Number of Registered and Licensed Waste Water Treatment Works in line with Green Drop Requirements	4		
			Number of Sanitation Asset Management Plans reviewed annually	4		
			Number of of Waste Water Risk Abatement Plans reviewed annually	21		
Percentage Compliance to Waste Water Management Accountability and Local Regulation requirements in line with Green Water Services Audits			80			
BSD 7	Alternative Water Supply	Number of Springs Protected	30			
		Percentage Compliance with the Water Tankering Program	75			
BSD 8	Free basic water and indigent support	Percentage Households registered on the indigent register receiving support	100	2014 - 2017	Finance	



4.3.2 Municipal Transformation & Institutional Development

Table 4.3.2.1: Ugu District Implementation Strategies –Municipal Transformation & Institutional Development Source: Ugu District Municipality, 2015

Strategic Objective	IDP No.	Project / Programme	Key Performance Indicator	Target	Timeframe	Responsibility
PRIORITY 5 : INSTITUTIONAL INTEGRATION AND COORDINATION (INSTITUTIONAL DEVELOPMENT, REVIEW OF ORGANAGRAM, WORKFORCE, PRINCIPLES DEVELOPMENT)						
2. To build and strengthen the administrative and institutional capability of the municipality	MTID 1	Organisational Performance Management System	Date 2012/13 – 2016/17 OPMS Developed and adopted by Council	30 July 2012	2012 / 2013	OMM
			Number of OPMS Reviews	4	2013 - 2017	
			Adoption of Annual Report	Annually		
	MTID 2	Employee Health and Wellness	Percentage Individual Performance Management Systems implemented for All employees	60	2016 / 2017	Corporate Services
			Number of EHW programmes implemented	4	2016 / 2017	
			Number of incapacity hearings in the cases of ill health concluded	4		
	Number of Ad-hoc Health Assessments done	4				
	MTID 3	Training and Development	Percentage Implementation of WSP based on No. of programmes	100	2016 / 2017	
			Number of Internal Career Exhibitions held relating to Municipality Key Focus Areas	1		
			Number of Employees with Disabilities benefitted on Training program's	8		
	MTID 4	Sourcing and Placement	Number of Sourcing and Placement Inductions done	2	2016 / 2017	
	MTID 5	Labour Relations	Number of education/awareness programmes on labour related issues	4		
			Number of Departmental Management / Union meetings co-ordinated	6		
	MTID 6	Occupational Health And Safety	Number of OHS awareness Road shows done	4	2016 / 2017	
			Number of Fire Management and other emergency risks plans completed	1		
			Percentage compliance with Fire Equipment serviced	100		
			Percentage compliance with the OHS Act	100		
	MTID 7	Human Resources Administration	Frequency of reporting on analysis of leave and sick leave management	Quarterly	2016 / 2017	
			Number of compliance checklists and reports on leave management	2		
			Percentage compliance with overtime management	100		
	MTID 8	Fleet Management	Percentage expenditure of budget spent for the replacement of vehicles	100	2016 / 2017	
			Frequency of vehicles disposal	Annually		
			Percentage maintenance done to vehicles based on the fleet plan.	100		
			Percentage vehicle licenses renewed	100		
			Number of fleet management committee meetings held	10		
			Percentage Verification of drivers licenses & PDP's	100		
			Percentage availability of service delivery vehicles	80		
						Corporate Services



Strategic Objective	IDP No.	Project / Programme	Key Performance Indicator	Target	Timeframe	Responsibility
2. To build and strengthen the administrative and institutional capability of the municipality	MTID 9	Secretariat Services	Date of the Review of the Standing Rules and Orders of Council	30 September 2016	2016 / 2017	Corporate Services
			Date by when the Review of the Delegations Framework is done	31 December 2016		
			Frequency of Analysis of Exco and Council Resolutions	Quarterly		
			Frequency of Council Minutes Published to the Website	Quarterly		
			Frequency of Updates of the Confirmed Minutes for Portfolio Committees, Exco and Council uploaded to the Intranet	Quarterly		
			Percentage of Completed ad-hoc translation services	100		
			Number of Awareness Workshops for PA's and Admin Assistants in Minute Taking and Editing done	2 Workshops		
			Percentage compliance with the rules and orders of Council in respect of the Delivery of Agendas for Council, EXCO and Portfolio Committees	100		
	MTID 10	Security Services	Frequency of Security Awareness Sessions held	Quarterly		
			Date by when surveillance Cameras at entrances and exits of 5 sites will be installed	30 June 2017		
			Date by when Security Policy is Reviewed	31 March 2017		
			Number of Security Policy awareness road shows/sessions held	3		
	MTID 11	Records Management	Number of file plan compliance monitoring statistics done	12		
			Number of file plan amendments submitted to KZN Provincial Archives	1		
			Date by when application for destruction authorities to KZN Archives is done	31 December 2016		
			Percentage Departmental Compliance with EDMS system usage	80		
			Percentage compliance iro time taken to respond to PAIA requests received (within 30 days)	100		
			Date by which Section 32 PAIA report is submitted to Human Rights Commission	30 April 2017		
			Percentage documentation in respect of tenders filed	85		
			Number of Records Management Awareness sessions held with Departments	5		
	MTID 12	Exit Management	Percentage Compliance with Exit Management for resignations	60		
MTID 13	Talent Management	Date by when the Talent Management Policy is adopted and implemented	30 June 2017			
MTID 14	Organisational Culture	Number of awareness sessions held iro Organisational Culture and Values	2			
		Number of organisational culture surveys conducted	1			
MTID 15	Facilities Management	Percentage expenditure of 2016/17 budget for the development of offices for Water Services/Tourism/SCDA at Oslo Beach site	80% expenditure			



Strategic Objective	IDP No.	Project / Programme	Key Performance Indicator	Target	Timeframe	Responsibility
2. To build and strengthen the administrative and institutional capability of the municipality	MTID 15	Facilities Management	Date by when the Long term Building Maintenance Plan is completed	30 September 2016	2016 / 2017	Corporate Services
			Frequency of reporting on the Implementation of the annual building maintenance plan	Quarterly		
			Percentage expenditure of 2016/17 budget for the development of Park Rynie Standby quarters	90		
			Percentage expenditure of 2016/17 budget for the development of offices for Corporate Services and Council chambers	80		
			Frequency of Review of Facilities Management Policy	Annually		
	MTID 16	Legal Compliance	Number of awareness workshop on Legislative environment	8		
			Review Organisational Compliance Checklist	1		
			Turnaround Time on Contract Drafting & Vetting	Within 30 days of award		
			Percentage Implementation of Litigation Risk Strategy Action Plan	100		
			Development of Standard Contracts for Goods and Services	3		
	MTID 17	Business Continuity	Establishment of Estate Unit	30 April 2017		
			Development of Business Continuity Plan	Annually	2013 - 2017	Office of the Municipal manager



4.3.3 Good Governance and Public Participation

Table 4.3.3.1: Ugu District Implementation Strategies – Good Governance & Public Participation

Source: Ugu District Municipality, 2015

Strategic Objective	IDP No.	Project / Programme	Key Performance Indicator	Target	Timeframe	Responsibility
PRIORITY 7: REDUCE HIV & AIDS						
PRIORITY 9: PEACE & STABILITY						
1. To create a conducive environment for participatory development	GGPP 1	2012/2013 – 2016/2017 Integrated Development Plan (IDP)	Date IDP Developed and adopted by Council	30 June 2012	2012	Office of the Municipal manager
			Number of Copies of 2015/2016 IDP printed	100 per annum	2013 - 2017	
	GGPP 2	District Wide Intergovernmental Relations	Functional IGR Structures	Adoption of District wide IGR Strategy	2013	
				Implementation of District Wide IGR Strategy	2013 - 2017	
			Number of Functional IGR Structures in Place	6	2013 - 2017	
	GGPP 3	Enhancement of Public Participation	Reviewed Public Participation Strategy and Action Plan Adopted	Annually	2013 - 2017	
			Percentage Public Participation Action Plan Implemented	60	2016 / 2017	
	GGPP 4	Sport Development	Coordination of SALGA Games	Annually	2013 - 2016	
	GGPP 5	Effective Communication	Review communication strategy and Plan	31 December 2016	2016 / 2017	
			Percentage Implementation of Communication Plan	100		
	GGPP 6	Enhance Corporate Image	Development of Municipal Memorabilia	Annually	2016 / 2017	
			Number of Flagship Social Cohesion Events	1 per annum		
			Website Updates	monthly		
GGPP 7	Organisational Risk Reduction	Review Risk Management and Fraud Policies	Annually	2016 / 2017		
		Develop and Approve Risk Register for Ugu and Entities				
		Monitor the Implementation of Risk Mitigation Plans				
		Conduct Fraud Prevention Awareness Campaigns				
GGPP 8	Internal Auditing	Develop and Implement Risk Based Internal Audit Plan	Annually	2016 / 2017		
		Review Internal Audit Charters and Methodology				
		Monitoring Implementation of AG (SA) Management Corrective Action Plan				
GGPP 9	Batho Pele Strategy	Percentage Implementation Batho Pele Strategy Action Plan	75			
GGPP 10	Customer Relations Management	Monitoring the Efficiency of Citicall System	Monthly			
GGPP 11	Rural Community engagement	Number of Water Awareness Campaigns covering all LMs	18	2016 / 2017	Water Services	
		Number of Focus Groups held	12	2015 - 2017		
GGPP 13	Back to Basics	Percentage implementation of Back to Basics Programme	75	2016 / 2017	ALL	



Strategic Objective	IDP No.	Project / Programme	Key Performance Indicator	Target	Timeframe	Responsibility
1. To create a conducive environment for participatory development	GGPP 14	ICT Facilities and Infrastructure Resources	Number of new network sites (WS) connected to the Ugu WAN	5	2016 / 2017	Corporate Services
			Date by when the PBX will be upgraded	30 June 2017		
			Date by when the Intranet is migrated to MS SharePoint	30 June 2017		
	GGPP 15	ICT Equipment	Date by when the ICT Server room equipment schedule will be developed	30 September 2016		
	GGPP 16	ICT Service Continuity and Availability Assurance	Date by which the ICT Disaster Recovery simulation is done for Core Systems	31 May 2017		
			Number of successful system restores (Core Systems)	12		
			Number of backups stored off site (Core Systems)	12		
	GGPP 17	ICT Governance	Percentage CS Compliance with ICT Governance Phase 1 – Enabling environment	100		
			Percentage CS Compliance with ICT Governance Phase 2 – Implementation	90		
	GGPP 18	ICT Security Management	Number of Digitisation/simulation of a Security Awareness session is done	1		
			Percentage new employees, requiring ICT Services, orientated through digitised ICT Security Awareness sessions	100		
	GGPP 19	ICT Incident Management	Frequency of submission of analysed ICT Service desk logs	Quarterly		
			Number of ad-hoc user reviews conducted	120		
	GGPP 20	ICT Service Availability	Percentage of Network availability	95		
			Number of WS sites with VOIP Phones implemented	5		
			Percentage Service and Licence Agreements Management to core systems	100		
			Date by which the audit of Microsoft software is done	31 May 2017		
			Frequency of submission of software usage vs. licencing reports	Quarterly		
Percentage compliance with the Website legislative requirements			80			
Frequency of submission of website activity reports			Quarterly			



4.3.4 Local Economic Development

Table 4.3.4.1: Ugu District Implementation Strategies – Local Economic Development

Source: Ugu District Municipality, 2015

Strategic Objective	IDP No.	Project / Programme	Key Performance Indicator	Target	Timeframe	Responsibility
PRIORITY 5 : ECONOMIC AND SECTORAL DEVELOPMENT (JOB CREATION, EMPLOYMENT, LED PROJECTS, TOURISM, AGRICULTURE, RURAL DEVELOPMENT)						
PRIORITY 4: EDUCATION AND SKILLS DEVELOPMENT (SKILLS DEVELOPMENT, EDUCATION)						
4. To create a conducive environment for economic growth and job opportunities	LED 1	Renewable Energy	Number of Gel Stoves Distributed to Informal Traders	180	2016 / 2017	Infrastructure and Economic Development
			Number of Informal Traders Benefited from Wonder Cookers	180		
	LED 2	Non-Functional LED Projects Revitalisation	Number Agricultural Projects	6		
			Number Manufacturing Projects	6		
	LED 3	Creative Industry	Number of upcoming Film Makers Trained	10		
			Date Local Artists Celebration Festival held	30 June 2017		
	LED 4	SMME Sector	Number of Recording Artists Supported	6		
			Number of Co-Operatives Trained	6		
			Number of SMMEs Workshopped on Fundig Accessibility	6		
	LED 5	Agricultural Support and Development	Number of Rural Agricultural Production Projects Supported	12		
			Litres of Tea Tree Oil Produced	3000		
	LED 6	Manufacturing Sector	Number of Rural Emerging Clothing Manufacturers supported	2		
			Number of Ugu Fashion Exhibitions held	1		
			Number of Emerging Furniture Manufacturers supported	1		
			Number of Emerging Metal Based Manufacturers supported	1		
	LED 6	Manufacturing Sector	Number of block-making Projects Supported	2		
			Date Training of Emerging miners held	30 June 2017		
	LED 8	Job Creation	Number of Employment Opportunities Created	200		
	LED 9	Research and Development	Date Database of Emerging Miners Compiled	1		
			Number of Sector Databases Completed	4		
Number of socio-economic indicators booklets updated			1			
LED 10	Review of LED Sector Plans	Number of community LED Road Shows				
		Number of LED workshops conducted				
LED 11	Sourcing of LED funding	Number of LED funding business plans submitted to potential funders	1			
LED 12	Tourism Development	Percentage increase in number of tourists visiting Ugu District	20%			
		Number of new tourism products in the hinterland	6			
		Date Feasibility Study on Alternative Energy Projects	30 June 2017			
		Number of Harbours Developed	30 June 2017			
		Number of Music Cities Developed	30 June 2017			
LED 14	Coordination of programmes for vulnerable groups	Number of Functional Vulnerable Groups Programmes	6 per annum	2013 - 2017	OMM	
		Review Special Programmes Strategy Adopted	30 June 2017	2016 / 2017		
LED 15	Operation Sukhuma Sakhe	Percentage Functionality of District Task Team	100	2016 / 17		



4.3.5 Municipal Financial Viability and Management

Table 4.3.5.1: Ugu District Implementation Strategies – Municipal Financial Viability & Management

Source: Ugu District Municipality, 2016

Strategic Objective	IDP No.	Project / Programme	Key Performance Indicator	Target	Timeframe	Responsibility
PRIORITY 3: FINANCIAL VIABILITY (CLEAN AUDIT, CORRUPTION)						
3. To develop and maintain a financially viable and sustainable organization that achieves full compliance with legislation.	MFVM1	Clean Audit	Attainment of a Clean Audit Opinion	Clean Audit Report	2016	ALL
	MFVM 2	Asset Management	Updated and GRAP Compliant Asset Register	Physical Asset Verification	2016 / 2017	Financial Services
			Reconciliation of the Asset Register to the GL Accounts	12		
			Disposal of redundant and obsolete assets	Annually		
			Percentage insurance cover for municipal assets	100%		
	MFVM 3	Cash Management	Improved Liquidity ratio	1.5:1		
			Improve cash coverage ratio	3months		
			Percentage Cash backed Reserves	100		
			Percentage Total Debt to Operating Revenue	45		
	MFVM 4	Liability Management	Management of Banking Services	Monthly		
			Percentage Capital Costs to Operating Expenditure	6		
	MFVM 5	Supply Chain Management	Management of Loans and Investments	Quarterly		
			Limit Irregular expenditure to a Percentage of the Total actual expenditure	1.5 %		
			Inventory Management	Quarterly		
			Contract Management	Monthly		
	MFVM 6	Budget Management and Reporting	Demand Management	Annually		
			Vendor Management	Monthly		
			Limit Unauthorised expenditure to a percentage of total expenditure	0.5%		
			Ensure Budget Report Compliance	Monthly		
	MFVM 7	Revenue Management & Enhancement	Adoption of Annual Budget	Annually		
			Ensure Financial Reporting Compliance	Annually		
			Collection Ratio as a Percentage of Billing	95		
	MFVM 8	Expenditure Management	Percentage Reduction in Overdue Debt	20		
			Billing Management	Monthly		
Expenditure Management			Monthly			
Limit Fruitless and Wasteful Expenditure to a percentage of Total Actual Expenditure			0.5%			
MFVM 9	Systems Management	Grants Management	Monthly			
		System Implementation Management	31 December 2016			
		Data Migration Management	Monthly			
			Ensure mSCOA Compliance	30 June 2017		



4.3.6 Cross Cutting Interventions

Table 4.3.6.1: Ugu District Implementation Strategies – Cross Cutting Interventions

Source: Ugu District Municipality, 2015

Strategic Objective	IDP No.	Programme	Key Performance Indicator	Target	Timeframe	Responsibility
PRIORITY 6: CENTRALISED PLANNING PRIORITY 8: CLEAN ENVIRONMENT						
6. To develop and promote an integrated sustainable environment	CCI1	Ensuring legal compliance and fulfilment of constitutional obligation Spatial Equity	Date Reviewed Spatial Development Framework Adopted	30 May 2017	2015 / 2017	OMM
	CCI 2	Water Quality Monitoring	Number of Water Samples per Annum	1200	2016 / 2017	Infrastructure & Economic Development
	CCI 3	Environmental Health Education	Number of Public Health Education & Awareness Workshops	164	2015/2016	
			Date Health and Hygiene Education Strategy Adopted	30 June 2016		
			Date final Public Health By-Laws Adopted	31 December 2016		
	CCI 4	Food Control	Number of microbial samples	100	2016 / 2017	
		Number of inspections and actions taken	700			
	CCI 5	Disposal of the dead	Percentage of qualifying paupers buried	100		
	CCI 6	Premises surveillance	Percentage of plans and premises inspected	100		
		Number Premises Inspected	320			
	CCI 7	Communicable Disease Control (CDC)	Percentage of reports on CDs investigated	100		
	CCI 8	Air Quality Management Plan Implementation	Date Environmental Management Plan Adopted	31 December 2014	2014 / 2015	
			Date Air Quality Management Plan Adopted	30 June 2013	2013 / 2014	
			Number AE Licenses Monitored	10 per annum	2016 / 2017	
Percentage AE Licenses Issued			100			
	Number of Air pollution monitoring network	1 mobile station	2016 / 2017			
CCI 9	Integrated Waste management Plan implementation	Number of IWMP programmes supported	4	2012 - 2016		
		Number of Audits for IWMP implementation	6	2015/2016		
CCI 10	Climate Response	Date strategy adopted	30 December 2016	2017 - 2021		
		Community Based Adaptation (CBA) pilot project	1			
CCI 11	Integrated Environmental Management (IEM)	Number of current environmental tools implemented	4	2016 / 2017		
		Number of environmental tools/strategies reviewed	3	2016 - 2021		
		Number of environmental tools/strategies developed	3	2016 / 2017		
		Number of Water Services & other projects compliant with environmental regulations	80	2016 - 2021		
CCI 12	Integrated Coastal Management	Date by-laws developed and adopted	30 June 2018	2017-2018		
CSI 13	Environmental Education and Awareness	Number of Awareness Campaigns and Education Programmes	5	2016 / 2017		
CSI 14	Stakeholder engagement/Community participation	Air quality Management	3	2016 - 2021		



Strategic Objective	IDP No.	Programme	Key Performance Indicator	Target	Timeframe	Responsibility				
6. To develop and promote an integrated sustainable environment	CSI 14	Stakeholder engagement/Community participation	Integrated Coastal Management	3	2016 / 2017	Corporate Services				
			Biodiversity and conservation management	4						
	CSI 15	Integrated Institutional Capacity For Disaster Risk Management	Number of Co-ordinated Forums for Disaster Risk Management DDMAF	4	2016 / 2017					
			Number of Co-ordinated Forums for Disaster Risk Management District Practitioners	6						
			Number of Ward Based disaster management Structures/ Committee established	16						
			Number of coordinated Fire Protection Association meetings held	4						
	CSI 16	Disaster Risk Assessment	Number of Disaster Risk Assessments conducted	4			2016 / 2017			
			Number of Risk Mapping to (GIS) - maps	4						
	CSI 17	Disaster Risk Reduction plans	Disaster Risk Reduction Plans	8				2016 / 2017		
			Number of Co-ordinated DM Plans and Framework in line with IDP	4						
	CSI 18	Response and Recovery	Percentage of Implementation of Disaster Risk Management response, recovery, relief and rehabilitation strategy	100					2016 / 2017	
			Number of Review of District wide Fire and Rescue services Strategy (Date?)	1						
			Date by when fire fighting vehicle purchased to assist Local Municipalities	30 June 2017						
			Number of Awareness campaigns on Enforcement of Bylaws conducted	12						
			Number of Field Operations Guidelines Developed	2						
			Percentage allocation of Emergency Relief Stock to Local Municipalities	60						
			Frequency of Post Disaster Committee meetings held	Quarterly						
	CSI 19	Education, Training, Public Awareness on Disaster Risk Management	Number of Disaster Management Workshops conducted	6						2016 / 2017
			Number of trainings conducted on Disaster Management	4						
			Number of community awareness campaigns conducted to mitigate the Risk fatalities	24						
CSI 20	Disaster Management Information Management and Communication	Number of Disaster Management and Fire Rescue Services Newsletters compiled	3	2016 / 2017						
		Percentage resolution of incidents logged on the District Disaster Management Control Centre System	90							



CHAPTER 5: STRATEGIC MAPPING AND IMPLEMENTATION PLAN

The purpose of this section is to outline the implementation plans of the sector involvement in the identified programmes and projects that support Ugu District Municipality to achieve its development goals as stated in the Integrated Development Plan. The involvement is represented in the programmes and projects and responsible departments / institutions as outlined in the Table 5.1. The programs and projects by Government Departments and stakeholders are expressed in the three to five-year financial plan. This list is not detailed but a highlight of the key issues to be addressed by these entities at programme and project level. The information has been provided by the relevant institution. The section further indicates the desired growth and development (addressing issues and trends highlighted in the analysis) of the municipal area.

5.1 Strategic Mapping

This section incorporates the Spatial Development Framework into the IDP. The SDF provides a visual representation of the desired spatial form of the municipality and clearly and explicitly indicates desired or undesired utilisation of space across the District in broad terms. For the purposes of strategic mapping, sieve mapping was applied which was then transformed into the SDF. Through this process mutually reinforcing areas were conflated, e.g. areas not suitable for development – slope, environment, etc; spatial structure – nodes, road system, settlement pattern; and existing and future land-use allocation.

A simple matrix, as indicated in Table 5.1.1, identifies the particular type of "Planning Intervention" by a three-way planning treatment for each land use type. With regards to residential there is formal and informal settlements where the settlements that are > 2 du/ha are considered relatively dense; 0.66 – 2 du/ha relatively less dense; and < 0.66 du/ha scattered - within Traditional Settlement areas. Furthermore the, upgraded areas assume availability of infrastructure.

Table 5.1.1: Ugu District Municipality SDF Matrix

Source: Ugu District Municipality SDF, 2012

Type of activity	Existing	Improvement	New /Future
Treatment	Maintain Existing; Limited Improvement	Consolidate; Re-align; Formalise; and Upgrade	Infill "Greenfields"

When it comes to agriculture there is commercial agriculture and traditional practice and settlement area. The conservation includes reserves which are formally identified and managed protection areas and general conservation which is a combination of flood line areas, steep slope areas and environmental.

The industry is concerned with conventional identification. Nodes include urban nodes where the application of retail hierarchy structure is used where the most remain as existing, some improved / upgraded to higher order, rural centre nodes (assumes that infrastructure can be provided), hub RSCs only applied in large and denser settlement areas, satellite RSCs in largish settlement areas and



previously identified nodes without apparent catchments were considered as not being shown. Lastly there has not been any major proposals for roads as most existing roads remain as is and certain gravel roads to be improved when associated with larger settlements and nodes.

The spatial reconstruction of the municipality had to consider the issues in order to determine the desired spatial form and land use, spatial outcome, strategic guidance in respect of the location and nature of development within the district, spatial alignment with neighbouring municipalities, indication of where public and private land development and infrastructure investment should take place, areas where strategic intervention is required and areas where priority spending is required.

5.1.1 Desired Spatial Outcomes, Form and Land Use

The desired outcomes of form and land use of the Ugu District Municipality is articulated in the SDF of the municipality and is briefly outlined in this section. The SDF map is also included for spatial reference as Map 1.

To meet the land use needs, the SDF considered residential looking at the low income housing areas, affordable housing areas and leisure accommodation. The urban areas that are along the coast will be subject to infill” and “greenfields” development which will be orientated towards leisure accommodation. Densification is to be encouraged around all nodes and along the sea facing areas, primarily in the form of medium density low rise (duplex and walkup flats) developments. No high rise development will be supported as this will impact on development behind it. Given the proximity of the majority of informal settlement and pockets of formal development in the traditional areas, these areas will be integrated and linked to appropriate coastal towns to create composite clusters of urban development. The linking of development will occur in the form of mini-corridors along the lateral E-W roads within walking distance parameters. The majority of these areas will be orientated to low and moderate income housing. Appropriate levels of supporting services and facilities will be part of these planned extensions of the existing development.

In terms of industrial use, new manufacturing, processing and assembly type industrial areas will be encouraged in relation to the Margate Airport. Smaller industrial clusters should be considered in relation to the linking roads. Service industrial areas need to be considered near or adjacent to all major nodes and or at locations near to intersections along the N2.

Tourism is one of the key economic generators in the Ugu District Municipality area of jurisdiction and although tourism is not a land use as such, tourism development impact substantially on land use in the District as a whole. In broad terms the following guidelines relating to the spatial development of tourism should be considered:

New resort developments: Resort type developments should be integrated with existing urban structure and should not be allowed to “leapfrog”. These types of developments should contribute to the sustainable use of existing tourism facilities and infrastructure, where appropriate new seaside resort development should be linked to existing or future Blue Flag Beaches.



A tourism based corridor, with several side connections is recommended through the Ezinqoleni municipality around the Oribi Gorge Nature Reserve. This route will seek to benefit existing and potential opportunities in this area. This will be detailed in the Ezinqoleni LM SDF.

The District is also committed to ensuring the provision of recreational facilities and the protection of high potential agricultural areas for food security purposes. Furthermore, given the unique character of the area it is important that this character is retained and this requires promoting the maintenance, rehabilitation, protection and management of the natural environment and guiding development such as to integrate the natural character into the built environment and to provide appropriate development densities.

The Spatial Management will include Integration, Compaction, Urban Densification, and Urban Growth Boundary. The structuring of the District will be concerned with the creation of a series of linear towns, walking distance limits, integrating the city, redressing imbalances, avoiding sprawl “leapfrogging”, and reinforcement of existing Nodes. Furthermore, there will be a continuous identification of areas with economic development potentials which will consider sustainability (Environmentally, Economically, and Land use arrangement) and creation of a quality urban environment.

5.1.2 Spatial Reconstruction of the Municipality

In the quest of addressing the spatial challenges and inequalities of the past, the Ugu District SDF is explicitly addressing the following principles:-

- Explicit objectives and principles reflecting the recommended spatial form of the District as a whole.
- Promotion of the integration of the social, economic, institutional and physical aspects of development.
- Promotion of integrated development in rural and urban areas in support of each other.
- Promotion of the availability of residential and employment opportunities in close proximity to or integrated with each other.
- Optimisation the use of existing resources.
- Discouragement of “urban sprawl” and “leap-frogging” and contribution to the development of a series of more compact towns and villages.
- Correcting the historically distorted spatial patterns of settlement.
- Encouraging environmentally sustainable land development practices and processes.
- Promoting sustained protection of the environment.
- Promotes the establishment of viable communities.
- Identification of an approach which indicates the intended pattern of land use across the District Municipality.

The SDF principles and plan contain approaches that address the spatial reconstruction of the District with its clear integration of a system of settlements. At a broad and indicative level, the SDF provides strategic guidance in respect of the location and nature of development across the District. The spatial reconstruction of the municipality is reflected in Map 1 through the new and improved legends.



5.1.3 Spatial Alignment with Neighbouring Municipalities

For the purposes of crossborder alignment the SDFs of the district and local municipalities that share a border with the Ugu District Municipality were analysed and areas of alignment are highlighted as briefly discussed in subsections 5.1.3.1 to 5.1.3.4 below.

5.1.3.1. Ugu DM and eThekwini Metro

The Ugu District is sharing the border with the eThekwini Metro through Vulamehlo and Umdoni municipalities.

eThekwini Metropolitan and Vulamehlo LM

In terms of the SDFs there is strong alignment of environmentally sensitive areas; the border between eThekwini and Vulamehlo also indicates an alignment potential of areas considered to be traditionally agricultural (Vulamehlo) and future residential (eThekwini). There is also alignment with Mkhambathini municipality in terms of the linkages; whilst the Vulamehlo SDF provides minimal information regarding the characteristics of these linkages; however the Mkhambathini SDF proposes an Eco adventure tourism route linking eThekwini, Vulamehlo and Mkhambathini. There is also a strong nodal alignment through the linkages via the secondary corridor from Dududu, the secondary node (Vulamehlo) into Craigieburn urban investment node (eThekwini)

In terms of the PGDS there's a priority conservation area that traverses Mkhambathini, Vulamehlo and eThekwini. This conservation area has been indicated within the Vulamehlo SDF, however it is not continued through eThekwini as it is depicted in the PGDS, thus further investigations are advised in terms of continuing this conservation area into eThekwini considering the commonalities along the border between eThekwini and Vulamehlo.

The overlap/alignment of agricultural investment areas (PGDS) as they are identified in the Vulamehlo SDF as traditional agriculture and as agriculture in the eThekwini SDF is noted. It is also noteworthy that the PGDS identified the potential for mandated services and social investment areas within areas that are predominantly rural along both sides of the common border.

eThekwini Metro and Umdoni LM

eThekwini Metropolitan and Umdoni Local Municipality have considered the traditional settlements and environmentally significant areas on both sides of the common boundary. On the eThekwini side of the border Craigieburn has been identified as an urban investment node and in terms of the Umdoni consolidated SDF report; Amandawe has been identified as a secondary node (earmarked for short term development) which is depicted linking into Craigieburn (earmarked for industry and residential development) via the primary road.

However the linkage between Craigieburn and Amandawe is not acknowledged in the eThekwini SDF. Areas of tourism potential in Umdoni and their linkage with eThekwini have been acknowledged in the Umdoni SDF however; these are not acknowledged in the eThekwini SDF. eThekwini Municipality has an



area earmarked for agriculture consisting of environmentally sensitive areas within its boundary. However, within the Umdoni boundary there is an area adjoining eThekweni that has been earmarked for short term development. Further investigations are advised in relation to the possible linkages/commonalities in order to align the SDF of Umdoni and eThekweni Metropolitan.

In terms of the PGDS there is potential for alignment in relation to the agricultural investment areas. Currently this is not possible as the municipal SDFs are not aligned.

5.1.3.2. Ugu DM and Umgungundlovu DM

The Ugu District Municipality share its border with the Umgungundlovu District Municipality through Vulamehlo municipality which shares its border with Mkhambathini and Richmond municipalities.

Mkhambathini LM and Vulamehlo LM

It is noteworthy that Mkhambathini local municipality has earmarked a large area within its boundary for nature and culture based Tourism. The Vulamehlo SDF indicates significant areas earmarked for conservation coupled with traditional agriculture. This indicates that there is a potential for tourism based conservation along the boundary. However; currently there is no alignment along the common boundary between these two municipalities thus this alignment potential has not been fully captured.

In terms of the PGDS there is potential for agricultural investment areas across the borders of these two municipalities.

Richmond LM and Vulamehlo LM

Richmond has indicated a significant area as possessing moderate agricultural potential. Notably within the Vulamehlo boundary traditional agriculture has been earmarked; however there is a presence of areas with conservational significance bordering the agricultural potential areas within Vulamehlo municipality. To an extent these municipalities are aligned in terms of the agricultural aspects. However; it is suggested that discussions occur between the municipalities in relation to the conservation areas within the Vulamehlo, to ensure that agricultural activities within Richmond at the common boundary take into consideration the environmentally sensitive areas within Vulamehlo.

In terms of the PGDS there is potential for alignment in relation to the priority conservation areas, social investment areas and the agricultural investment areas. Any review of the SDF should ensure alignment to the PGDS as per PGDS requirements.

5.1.3.3. Ugu DM and Harry Gwala DM

The Ugu District Municipality shares a border with the Harry Gwala District Municipality through Vulamehlo LM which borders Ubuhlebezwe LM; Umzumbe which borders Ubuhlebezwe and Umzimkhulu LMs; Umuziwabantu which borders Umzimkhulu and Greater Kokstad LMs. The Harry Gwala District Municipality SDF identifies the priority areas for alignment with the Ugu District Municipality as illustrated in Map 4.



Ubuhlebezwe and Vulamehlo LM

It is noteworthy that Ubuhlebezwe has earmarked the area along the common border with Vulamehlo as an area of minor limitations to agriculture. It should be considered that adjoining this on the Vulamehlo side are areas earmarked for conservation. Accordingly any agricultural activities must take heed of environmental influences on the Vulamehlo side. It is thus suggested that discussion between municipalities occur to remedy any cross border conflicts.

The PGDS indicates potential for overlap in terms of the diversity priority area which traverses across the neighbouring municipalities. The municipalities should take note of this biodiversity area within their SDF.

Ubuhlebezwe LM and Umzumbe LM

The Umzumbe SDF indicates a significant area along the common boundary as having low agricultural potential coupled with moderate agriculture areas. On the Ubuhlebezwe side the area adjoining the two municipalities is indicated as having minor limitations to agriculture coupled with severe limitations to agriculture and non-arable land. There are elements of alignment between the two municipalities in terms of the agricultural aspects.

In terms of the PGDS there is potential for overlap of the social investment areas coupled with mandated service delivery and agricultural investment areas. Currently there is an alignment with the PGDS in relation to the agricultural.

Umzimkhulu LM and Umzumbe LM

It is noteworthy that along the common boundary the Umzimkhulu LM has earmarked a significant area as nature conservation and within Umzumbe the adjoining area is earmarked for restricted agricultural potential. There is no alignment between the municipalities.

In terms of the PGDS there is potential for the overlap of mandated service delivery and priority conservation areas between the two municipalities. It is thus suggested that the discussions between the municipalities should be highly considerate of the commonalities.

Umzimkhulu LM and Umuziwabantu LM

In terms of the PGDS there is potential alignment with the biodiversity priority area between municipalities. The municipalities should take note of the possible biodiversity alignment between them.

Greater Kokstad LM and Umuziwabantu LM

Due to the unavailability of the latest Umuziwabantu municipal SDF, the cross border SDF alignment has been excluded. However; in terms of the PGDS there is potential for mandated service delivery and priority conservation areas as the priority conservation area is indicated as traversing Umuziwabantu.

5.1.3.4. Ugu DM and Alfred Nzo DM

The Ugu District Municipality shares its border with the Alfred Nzo District Municipality through the Hibiscus Coast, Ezinqoleni and Umuziwabantu municipalities which borders Mbizana municipality. The Alfred Nzo



District Municipality is currently reviewing its SDF and has had an interface with the Ugu District municipality to discuss the issues of possible alignment.

In the Alfred Nzo draft SDF the identified primary corridor for the district is the N2 as illustrated in Map 4. The N2 is the main link of the Ugu District Municipality with the Eastern Cape and offers great opportunities for the district. Furthermore, there is an opportunity of alignment with the economic nodes with close proximity to Ugu District for economic development purposes.

5.1.4 Areas in Need of Strategic Intervention

The areas requiring strategic intervention are illustrated in Map 2. The areas requiring strategic intervention in terms of water provision grouped into five categories of challenges that need to be addressed which are as follows:

- Lack of infrastructure;
- Ageing infrastructure;
- Water supply interruptions; and
- Infill needed.

The areas requiring strategic intervention in terms of sanitation provision grouped into five categories of challenges that need to be addressed, are as follows:

- Bucket system and below RDP standard sanitation eradication;
- Lack of bulk sewer infrastructure; and
- Ageing sewer infrastructure.

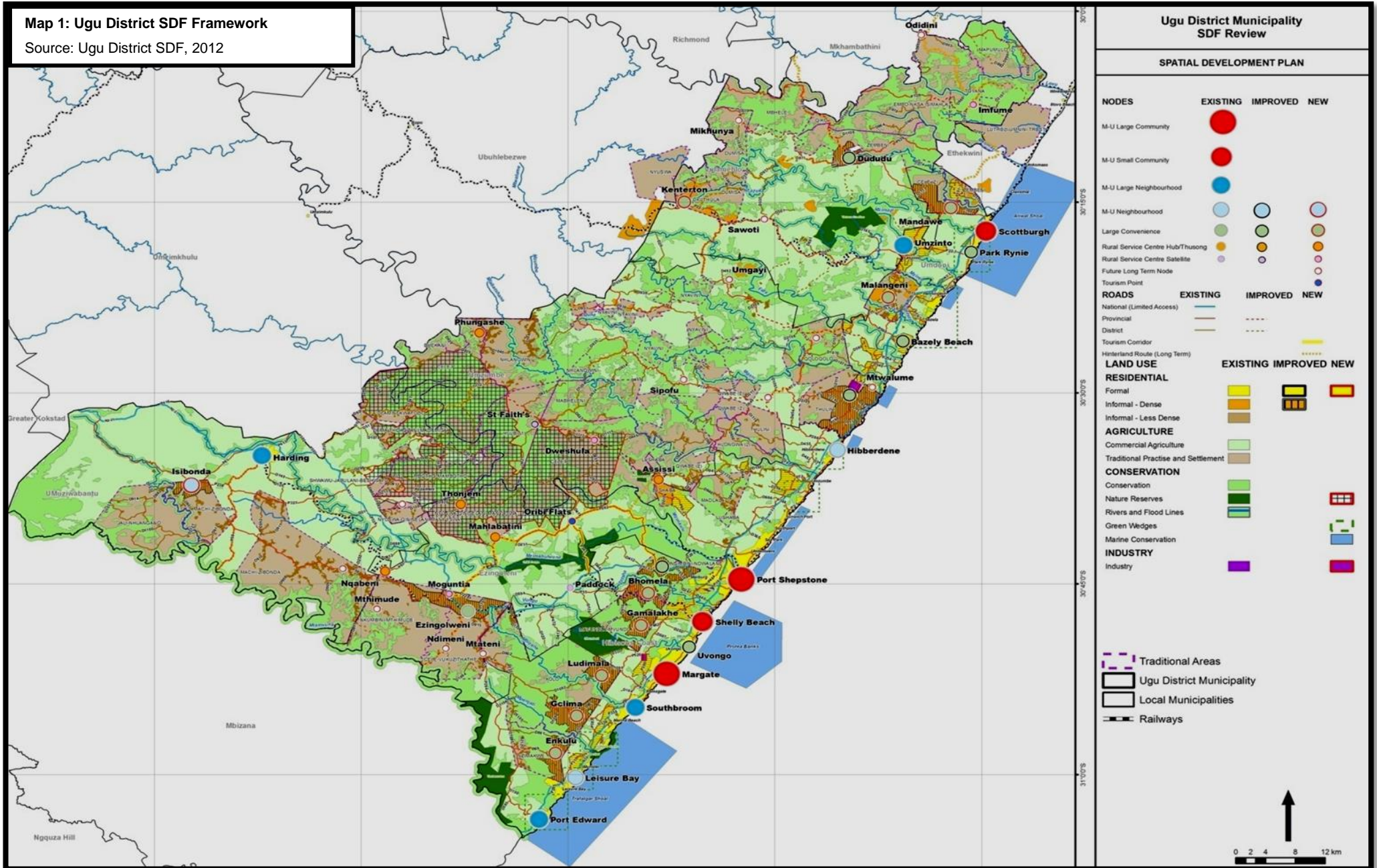
5.1.5 Areas Requiring Priority Spending

The catalytic projects were identified to address the challenges raised and speed up service delivery in the Ugu District area of jurisdiction. This would be done through prioritising areas where the District needs to focus service delivery and its spending in relation to SWOT, SONA and current state of the district. These catalytic projects depict areas that require priority spending and are illustrated in Map 2.



Map 1: Ugu District SDF Framework

Source: Ugu District SDF, 2012



**Ugu District Municipality
SDF Review**

SPATIAL DEVELOPMENT PLAN

NODES	EXISTING	IMPROVED	NEW
	M-U Large Community	Large red circle	Medium red circle
M-U Small Community	Large blue circle	Medium blue circle	Small blue circle
M-U Large Neighbourhood	Large light blue circle	Medium light blue circle	Small light blue circle
M-U Neighbourhood	Large green circle	Medium green circle	Small green circle
Large Convenience	Large orange circle	Medium orange circle	Small orange circle
Rural Service Centre Hub/Thusong	Large purple circle	Medium purple circle	Small purple circle
Rural Service Centre Satellite	Large yellow circle	Medium yellow circle	Small yellow circle
Future Long Term Node	Large pink circle	Medium pink circle	Small pink circle
Tourism Point	Large blue circle	Medium blue circle	Small blue circle
ROADS			
	EXISTING	IMPROVED	NEW
National (Limited Access)	Thick solid blue line	Thick dashed blue line	Thick dotted blue line
Provincial	Medium solid blue line	Medium dashed blue line	Medium dotted blue line
District	Thin solid blue line	Thin dashed blue line	Thin dotted blue line
Tourism Corridor	Yellow line with green dashes		
Hinterland Route (Long Term)	Yellow line with green dashes		
LAND USE			
	EXISTING	IMPROVED	NEW
RESIDENTIAL			
Formal	Yellow square	Yellow square with black border	Yellow square with red border
Informal - Dense	Orange square	Orange square with black border	Orange square with red border
Informal - Less Dense	Brown square		
AGRICULTURE			
Commercial Agriculture	Light green square		
Traditional Practise and Settlement	Brown square		
CONSERVATION			
Conservation	Light green square		
Nature Reserves	Dark green square		Dark green square with white border
Rivers and Flood Lines	Blue square		
Green Wedges	Light green square		
Marine Conservation	Blue square		Blue square with white border
INDUSTRY			
Industry	Purple square		Purple square with red border

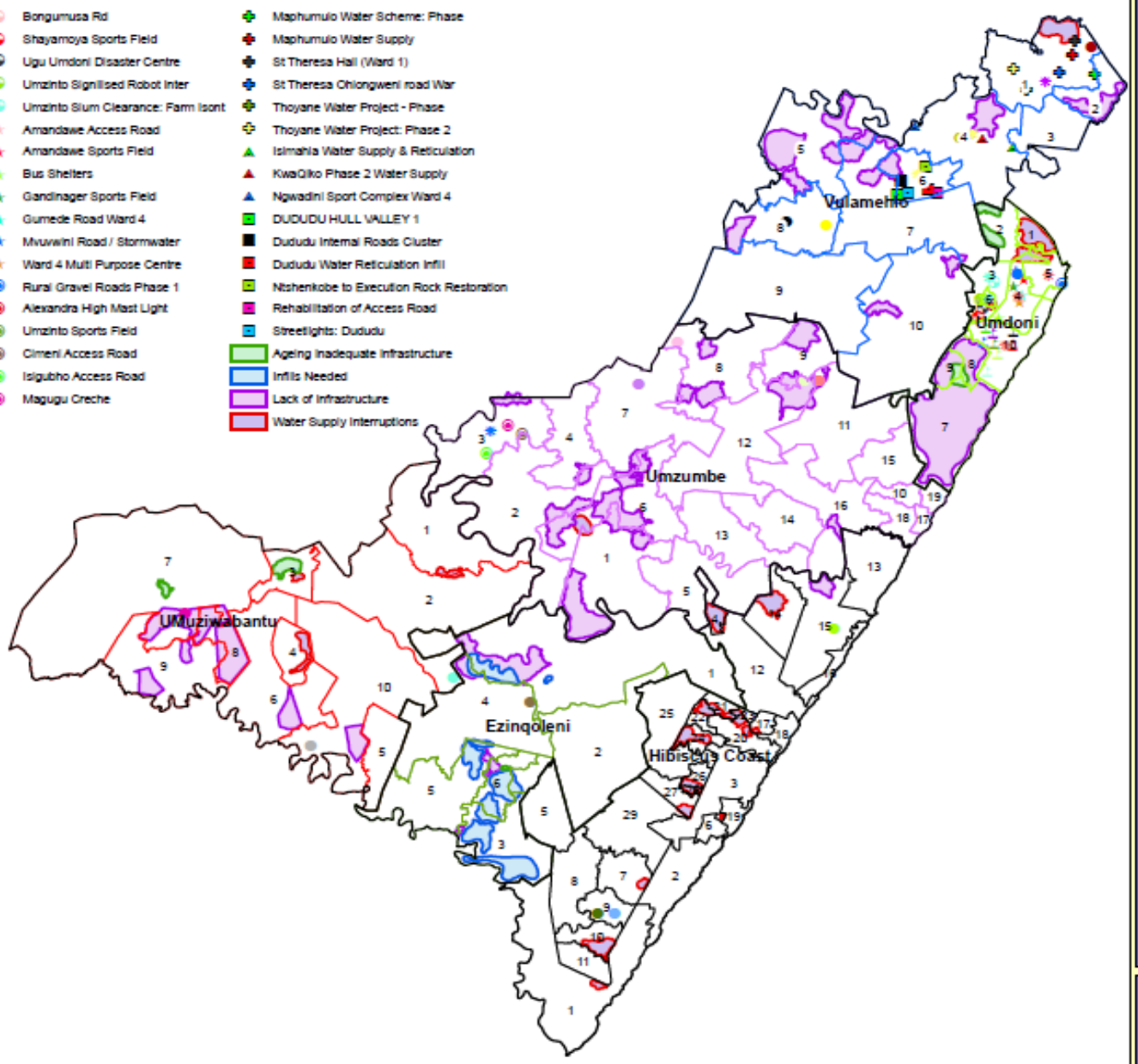
- Traditional Areas
- Ugu District Municipality
- Local Municipalities
- Railways





Legend

- UGU Local Municipalities
- Umdoni_wards
- Umzambe_wards
- Vulamehlo Wards
- Eziqoleni_wards
- Hibiscus_wards
- Umuziwabantu_wards
- Hlokozi
- Ndaya
- Ndaya Irrigation
- Abakhethinkosi
- Horse Shoe
- Kwa Xolo Chicken Project
- Malangenl
- Mgayl
- Nhlakoyenkomo
- Nsasenl Mkhoba Cluster
- Nyavini
- Riverside
- Shayamoya
- Shinga Irrigation Scheme
- Sinekhono Broiler Project
- Sikhathi
- Udumo Kuye
- Ellingham Link Pipeline
- Lower Mkomazi Bulk Water Supply Scheme
- Mhlabatshane Bulk Water Supply Scheme (Phase 1)
- Nungwane Raw Water Aqueduct
- Raw Water Augmentation to the Umzinto Supply System from the Mpambanyoni River Emergency Scheme
- Gqolwenl Road
- Humbardale Cemetery Phase 3
- Humbardale Cemetery Phase 2
- Malangenl Low Cost Housing Project
- Malangenl sports field
- Mistake Farm Supply Scheme
- Swebe Road
- Umdoni High Mast Lights
- Umzinto Community Hall
- Bongumusa Rd
- Shayamoya Sports Field
- Ugu Umdoni Disaster Centre
- Umzinto Signlised Robot Inter
- Umzinto Slum Clearance: Farm Isont
- Amandawe Access Road
- Amandawe Sports Field
- Bus Shelters
- Gandinager Sports Field
- Gumede Road Ward 4
- Mvuvini Road / Stormwater
- Ward 4 Multi Purpose Centre
- Rural Gravel Roads Phase 1
- Alexandra High Mast Light
- Umzinto Sports Field
- Cimenl Access Road
- Isigubho Access Road
- Magugu Creche
- Maphumulo Water Scheme: Phase
- Maphumulo Water Supply
- St Theresa Hall (Ward 1)
- St Theresa Ohlongwenl road War
- Thoyane Water Project - Phase
- Thoyane Water Project: Phase 2
- Isimahlia Water Supply & Reticulation
- KwaDiko Phase 2 Water Supply
- Ngwadini Sport Complex Ward 4
- DUDUDU HULL VALLEY 1
- Dududu Internal Roads Cluster
- Dududu Water Reticulation Infill
- Ntshenkobe to Execution Rock Restoration
- Rehabilitation of Access Road
- Streetlights: Dududu
- Ageing inadequate infrastructure
- Infills Needed
- Lack of Infrastructure
- Water Supply Interruptions

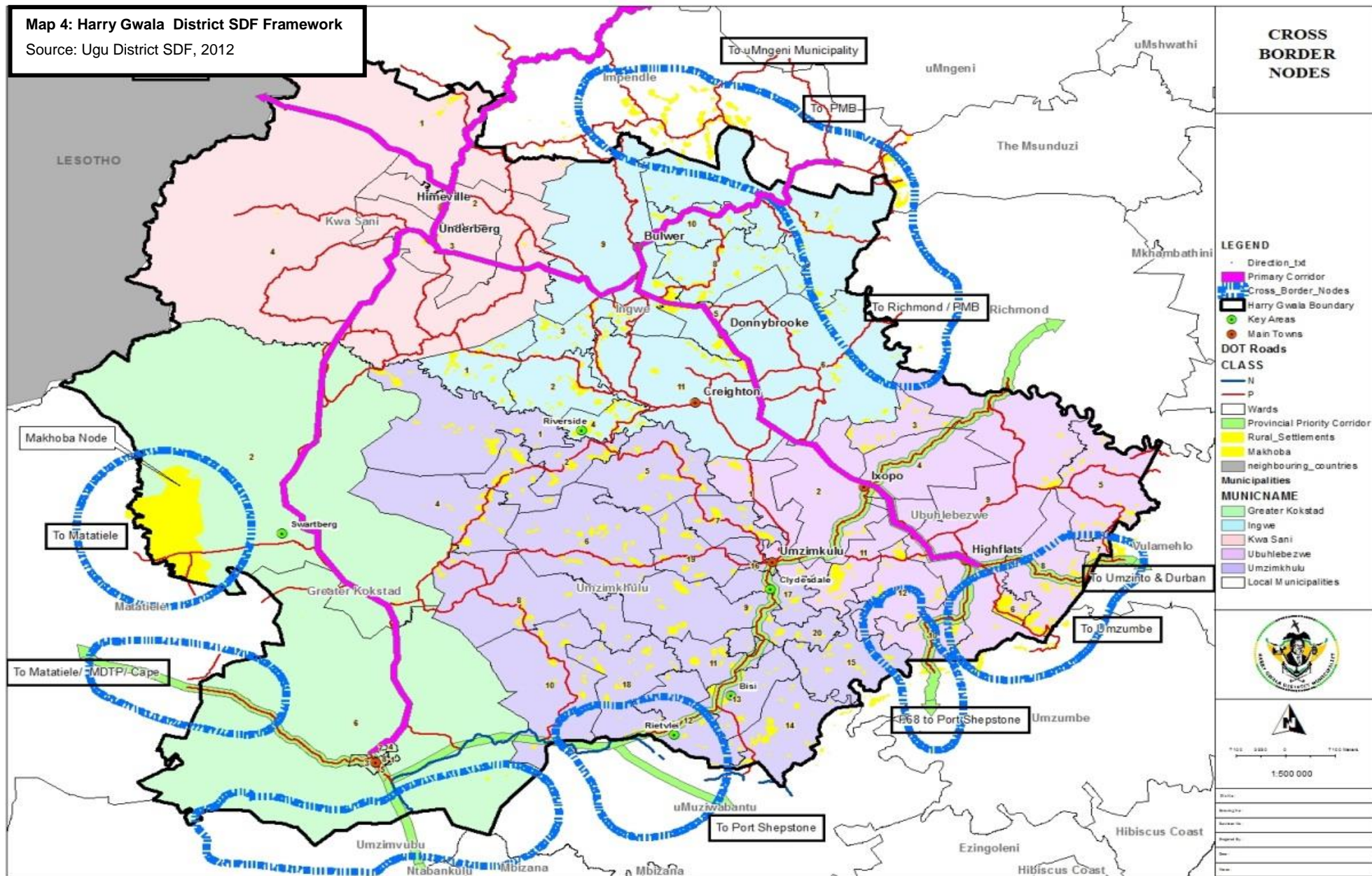


Map 2: Ugu District Service Delivery Blockage Map
Source: Ugu GIS, 2015



Map 4: Harry Gwala District SDF Framework

Source: Ugu District SDF, 2012





5.2 Five-Year Implementation Plan

The purpose of this section is to outline how the rest of the state is geared to support Ugu District Municipality to achieve its development goals as stated in the Integrated Development Plan. The implementation plan shows the alignment of service delivery implementation in the Ugu District area of jurisdiction. This is an attempt to ensure that the sector departments, state owned enterprises, NGOs and local municipalities are mobilised towards the implementation of the NDP, PGDS and DGDS. A significant amount of financial resources for the implementation of projects lies with sector departments. The availability of the IDP therefore, provides guidance to the departments as to where their services are required and hence where to allocate their resources.

The alignment of implementation of projects within the Ugu District area of jurisdiction have been aligned to the PGDS giving full details of each project in the Service Delivery / Implementation Plan as attached in **Annexure 10** of which the summary is given in this section. The projects that are in the Service Delivery / Implementation Plan are also spatially represented in **Map 2** above.

Table 5.2.1 gives a summary of the Service Delivery / Implementation Plan. A total estimated sum of **R 57 235 544 339.74** is estimated to be spent towards the implementation of the nine IDP priorities, seven DGDS Drivers and seven PDGS Goals. The major bulk of the estimated budget is towards Economic And Sectoral Development (Job Creation, Employment, LED Projects, Tourism, Agriculture, Rural Development) IDP Priority mainly due to the catalytic Music City project of an estimated R 38 billion. This is followed by Infrastructure Investment (Roads, Water, Sanitation, Electricity, Housing) IDP Priority mostly the bulk water systems and roads projects.

Table 5.2.1: Ugu District Service Delivery / Implementation Plan Summary

Source: Ugu DM Corporate Strategy & Shared Services, 2015

PGDS Strategic Goal	GDS Strategic Driver	IDP Priority	KZN PGDS Strategic Objectives	UGU GDS Strategic Objectives	Budget Summary
1. Job Creation	1. Sectoral Development And Support	Economic And Sectoral Development (Job Creation, Employment, Led Projects, Tourism, Agriculture, Rural Development)	1. Unleashing the Agricultural Sector	1.1. Expand the Key Productive Sectors	R 59 695 188.00
			2. Enhance Industrial Development through Trade, Investment & Exports		R 761 380 000.00
			3. Expansion of Government-led job creation programmes		R 33 806 500 000.00
			4. Promoting SMME, Entrepreneurial and Youth Development	1.2. Enhance the Business and Investment Environment throughout the District	R 1 765 496.00
			5. Enhance the Knowledge Economy		R 529 000.00
Total					R 34 629 869 684.00



PGDS Strategic Goal	GDS Strategic Driver	IDP Priority	KZN PGDS Strategic Objectives	UGU GDS Strategic Objectives	Budget Summary
2. Human Resource Development	2. Education & Skills Development	Institutional Integration & Coordination (Institutional Development, Review Of Organogram, Workforce, Principles Development)	6. Early Childhood Development, Primary and Secondary Education	2.1. Ensure Early Childhood Development and Primary and Secondary Education	R 175 581 369.77
			7. Skills alignment to Economic Growth	2.2. Encourage Demand Driven Skills Development and training linked to Industry	R 77 908 916.00
			8. Youth Skills Development & Life-Long Learning		
Total					R 253 490 285.77
3. Human & Community Development	3. Safety Nets & Civic Empowerment	Education And Skills Development (Skills Development, Education)	9. Poverty Alleviation & Social Welfare	3,1 Ensure Poverty Alleviation through Social Development and Food Security	R 0.00
			10. Enhancing Health of Communities and Citizens	3,2 Provide Support to Create Healthy Communities & Citizens	R 744 000 000.00
			11. Sustainable Livelihoods & Food Security	3,1 Ensure Poverty Alleviation through Social Development and Food Security	R 0.00
			12. Sustainable Human Settlements	3,3 Ensure the Establishment of Sustainable Human Settlements	R 388 573 335.00
			13. Safety & Security	3,4 Guarantee the Safety and Security of Communities	R 235 310 000.00
			14. Social Cohesion		R 37 420 778.69
			15. Youth, Gender and Disability Advocacy & The Advancement of Women		R 1 830 000.00
Total					R 1 404 134 113.69
4. STRATEGIC INFRASTRUCTURE	4. Strategic Infrastructure Development	Infrastructure Investment (Roads, Water, Sanitation, Electricity, Housing)	16. Development of Ports and Harbours	4.1. Development of Airports and Harbours	R 420 000 000.00
			17. Development of Road & Rail Networks	4.2. Develop an Integrated Road & Rail Network to support both Passenger and Cargo Transport	R 775 818 703.00
			18. Development of ICT Infrastructure	4.3 Develop ICT Infrastructure to Support the Knowledge Economy	R 1 201 200 000.00



PGDS Strategic Goal	GDS Strategic Driver	IDP Priority	KZN PGDS Strategic Objectives	UGU GDS Strategic Objectives	Budget Summary
			19. Improve Water Resource Management	4.5 Ensure Effective Water Resource Management and Awareness	R 1 215 601 120.00
			20. Develop Energy Production Capacity	4.4 Strengthening of Energy Infrastructure Capacity and Efficiency	R 39 725 133.82
Total					R 5 312 969 356.28
5. Response To Climate Change	5. Environmental Sustainability	Clean Environment	21. Increase Productive Use of Land		R 0.00
			22. Advance Alternative Energy Generation	6.1 Advance Alternative Energy Generation Capacity	R 30 000.00
			23. Manage pressures on Biodiversity	6.2 Manage the Pressures on Biodiversity and Environmental Quality	R 0.00
			24. Disaster Management	6.3 Ensure Efficient Environmental Monitoring, Regulation and Disaster Management	R 20 930 000.00
Total					R 20 960 000.00
6. Governance And Policy	6. Institutional Development	Peace And Stability	25. Strengthen Policy and Strategy Co-ordination & IGR	5.1 Enhancing Coordinated Planning and Implementation	R 0.00
				5.2 Strengthen Inter-Governmental Relations & Private Sector Partnerships	R 0.00
			26. Building Government Capacity	5.3 Building Local Government Capacity	R 43 000.00
			27. Eradicating Fraud & Corruption	5.4 Eradicating Fraud & Corruption	R 189 000.00
			28. Promote Participative, Facilitative & Accountable Governance	5.5 Ensuring Participative, Facilitative, and Accountable Governance	R 0.00
Total					R 1 332 000.00
7. Spatial Equity	Integration And Facilitating Security Of	Collaborative Planning	29. Actively Promoting Spatial Concentration	7.1 Consolidation of Emerging Patterns of Rural Human Settlement to Improve Service Delivery to Communities and Unlock land for Economic Development	R 1 619 000.00



PGDS Strategic Goal	GDS Strategic Driver	IDP Priority	KZN PGDS Strategic Objectives	UGU GDS Strategic Objectives	Budget Summary
				7.2 Enhance linkages within and accessibility of the Rural Hinterland to Economic Opportunity	R 15 606 500 000.00
			30. Facilitate Integrated Land Management & Spatial Planning	7.3 Unlock Ingonyama Trust land for Development	R 1 700 000.00
				7.4 Address outstanding Land Claims within the Ugu DM	R 0.00
Total					R 15 609 819.00
Grand Total					R 57 235 544 339.74



CHAPTER 6: FINANCIAL PLAN

6.1 Municipal Budget Overview

The Ugu District Municipality has recognised that in order to be successful, the Budget and the IDP must be linked. The purpose of this section in the IDP document is to create a medium and long term strategic financial framework for allocation of resources and to ensure financial viability and sustainability of the Ugu District Municipality. The Municipal Budget is an integral component of the IDP as it addresses:

- Establishment of Financial management Systems
- Provision of resources over a 3-5 year planning period
- The balancing of the factor relating to income with objectives established during the IDP Process.

The Council adopted the 2015/ 2016 budget (**Annexure 9**), together with related policies for water and sanitation tariff calculation which are the budget, water services, credit control and debt collection, free basic water services, indigent support, virement, funding reserves, supply management, cash management and investment, and asset management policies on the **28th of May 2015**.

Table 6.1.1 provides consolidated overview of the 2015 / 2016 Medium Term Revenue and Expenditure Framework.

Table 6.1.1: Ugu District Consolidated Overview of 2015 / 2016 MTREF

Source: Ugu DM Budget, 2015

	Adj Budget 14/15	Budget 15/16	Budget 16/17	Budget 18/19
Total Operating Revenue	R 1 135 139 209	R 1 155 431 613	R 1 213 203 194	R 1 273 863 353
Total Operating Expenditure	R 746 643 464	R 797 126 636	R 836 982 968	R 878 832 116
Surplus (Deficit) of the year	R 388 495 745	R 358 304 977	R 376 220 226	R 395 031 237
Total Capital Expenditure	R 393 204 663	R 393 152 920	R 412 810 566	R 433 451 094

6.1.1 Total Budget 2015 / 2016

The total budget for the Ugu District Municipality for the 2015 / 2016 financial year is **R 1 194 342 721** as illustrated in Table 6.1.1.1. The capital budget are grants, subsidies and capital replacement reserves. In terms of operating budget the main source of income is the tariff charges on water and sanitation and operating grants and subsidies. In the 2015 / 2016 financial year both the water and sanitation tariff charge will be increased by 6.5% across the board.

Table 6.1.1.1: Ugu District Total Budget 2015 / 2016

Source: Ugu DM Budget, 2015

Budget	2015 / 2016 Budget	2 nd Adjusted Budget 14 / 15	Variance
Capital	R 395 972 920.00	R 421 176 664.00	- R 25 203 744.00
Operational	R 798 369 801.00	R 744 128 900.00	R 54 240 901.00
Total	R 1 194 342 721.00	R 1 165 305 584.00	R 29 037 157.00



6.1.2 Operating Budget

The operating budget for operating income is summarised in Table 6.1.2.1 below. There are strategies in place to enhance the municipality's own revenue to ensure sustainability of the municipality.

Table 6.1.2.1: Source of Funding – Operating Budget

Source: Ugu DM Budget, 2015

Income	Budget 2015/2016	2 nd Adjusted Budget 14 / 15	Variance
User Charges For Services	R 407 861 123.00	R 393 800 964.00	R 14 060 159.00
Rent Of Facilities And Equipment	R 1 484 607.00	R 2 371 594.00	-R 886 987.00
Interest Earned - External Investments	R 5 000 000.00	R 7 000 000.00	-R 2 000 000.00
Interest Earned-Debtors	R 3 596 587.00	R 3 425 321.00	R 171 266.00
Operating Grants & Subsidies	R 731 458 000.00	R 747 374 836.00	-R 15 916 836.00
Other Income	R 5 840 804.00	R 5 265 072.00	R 575 732.00
Total Operating Income	R 1 155 241 121.00	R 1 159 237 768.00	R 3 996 647.00

In terms of operating budget expenditure the summary is captured in Table 6.1.2.2. One of the major expenditure areas is the salary cost which equates 35.31% of total operating expenditure. The total overtime allocation is R 21 064 591.00 which is 7,47% of the salary budget.

Table 6.1.2.2: Operational Budget - Expenditure

Source: Ugu DM Budget, 2015

Expenditure	Budget 2015/2016	Adjusted 2014/2015	Variance
Employee Related Costs - Wages & Salaries	R 281 889 366.00	R 259 221 060.00	R 22 668 306.00
Remuneration Of Councillors	R 9 417 120.00	R 10 893 476.00	-R 1 476 356.00
Depreciation	R 70 076 155.00	R 64 022 419.00	R 6 053 736.00
Repairs And Maintenance	R 58 336 974.00	R 39 628 249.00	R 18 708 725.00
Interest Expense - External Borrowings	R 18 950 359.00	R 18 950 359.00	R 0.00
Bulk Water Purchases	R 69 255 000.00	R 55 075 862.00	R 14 179 138.00
Contracted Services	R 22 299 580.00	R 24 287 930.00	R 1 988 350.00
Grants Expenditure	R 112 035 812.00	R 114 432 347.00	-R 2 396 535.00
Debt Provision	R 23 019 155.00	R 21 019 155.00	R 2 000 000.00
General Expenses - Other	R 133 090 28.00	R 136 598 042.00	R 3 507 761.00
Total Operating Expenditure	R 798 369 801.00	R 744 128 900.00	R 54 240 90.00



6.1.3 Capital Budget

Table 6.1.3.1 provides a summary source of funding for the capital budget of the municipality.

Table 6.1.3.1: Source of Funding – Capital Budget

Source: Ugu DM Budget, 2015

Capital Funding by Source	Budget 2015/2016	Adjusted Budget 2014/2015	Variance
Total Government Grants & Subsidies	R 354 998 420.00	R 409 084 664.00	-R 54 086 244.00
Capital Replacement Reserve (Own Funds)	R 40 974 500.00	R 12 092 000.00	R 28 882 500.00
Total Funding	R 395 972 920.00	R 421 176 664.00	-R 25 203 744.00

6.1.4 Division of Revenue Act Allocations

Table 6.1.4.1 provides the summary of Division of Revenue Act allocations (DORA) for the Ugu District Municipality for the 2015 / 2016 financial year.

Table 6.1.4.1: Division of Revenue Act Allocations

Source: Ugu DM Budget, 2015

Allocation	Budget 2015/2016	Adj Budget 14/15	Variance
Equitable Share	R 303 885 000.00	R 264 748 000.00	R 39 137 000.00
MIG	R 249 316 000.00	R 265 189 000.00	-R 15 873 000.00
FMG	R 1 325 000.00	R 1 250 000.00	R 75 000.00
MSIG	R 940 000.00	R 934 000.00	R 6 000.00
Levies Replacement	R 58 891 000.00	R 54 826 000.00	R 4 065 000.00
Regional Bulk Infrastructure Grant (Mhlabatshane)	R 8 834 000.00	R 65 200 000.00	-R 56 366 000.00
Epwp Intergrated Grant	R 1 826 000.00	R 1 368 000.00	R 458 000.00
Water Services Operating Subsidy Grant	R 3 650 000.00	R 300 000.00	R 3 350 000.00
Rural Roads Asset Management Grant	R 2 446 00.00	R 2 430 000.00	R 16 000.00
Municipal Water Infrastructure Grant	R 100 095 000	R 27 500 000.00	R 72 595 000.00
Municipal Disaster Recovery	R 0.00	R 4 999 000.00	-R 4 999 000.00

6.2 Five-Year Financial Plan

The five year financial plan is prepared in terms of Section 26 (h) of the Local Government: Municipal Systems Act and Planning and Performance Regulations 2001, which stipulates that a financial plan must be prepared as part of the Integrated Development Plan (IDP).

The financial plan includes an Operating Budget, a Capital Investment Programme, and the Sources of Funding for the Capital Investment Programme, financial strategies and programmes, various financial management policies adopted by Council, key financial targets, key performance indicators, and a budget according to the IDP priorities. The 2012/2013 to 2016/20117 Financial Plan is attached as **Annexure 9**.



CHAPTER 7: ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM AND ANNUAL OPERATIONAL PLAN (SDBIP)

The Ugu District municipality has an Organisational Performance Management System (OPMS) and the annual operational plan in place which is the Service Delivery and Budget Implementation Plan (SDBIP). The municipality has merged OPMS and SDBIP processes to ensure consistent alignment in the implementation. This is in line with the legislation as the Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP). The 2015 / 2016 Scorecards and SDBIP are attached as **Annexure 14**.

7.1 Ugu DM Organisational Performance Management System

The implementation of OPMS involved four main tasks which are namely:

- i. Creation of the Organisational Scorecard;
- ii. Preparation of Service Delivery Budget Implementation Plan;
- iii. Preparation of the Annual Performance Plans, Performance Agreements and Personal Development Plans for the Municipal Manager and the Managers that report to the Municipal Manager and
- iv. Compilation of Portfolios of Evidence.

The first step is concerned with the creation of the Organisational Scorecard which is the log-frame template that includes:

- A unique consecutive number for each Performance Measure/ Indicator.
- National Key Performance Areas (KPA).
- Strategic Objectives per KPA.
- Measurable Objective (s)/ Output (s) per Strategic Objective.
- Performance Measure (s)/ Indicator (s) per Measurable Objective/ Output.
- Demand data (Number of households requiring the service).
- Baseline data (The status quo at the start of the year).
- Backlog data (Demand minus baseline).
- Quarterly targets for the backlog that will be addressed in the year under review.
- The Department that is responsible for the output.
- The estimated financial implication.
- The Wards that will benefit from the services delivered.

This scorecard is used to monitor the performance of the Municipality and is used to cascade responsibility down to the Municipal Manager and Managers accountable to the Municipal Manager



who prepare more detailed implementation plans in the form of the SDBIP and Performance Plan which also informs their Performance Agreements.

Step three is concerned with the preparation of the SDBIP which is discussed in detail in section 7.2. Step four deals with the Preparation of S57 Managers' Performance Agreements, Annual Performance Plans & Personal Development Plans which involved three tasks which are:

- Step 1: Preparation of the Municipal Manager and Managers accountable to the Municipal Managers' Performance Agreements
- Step 2: Preparation of the Municipal Manager, Managers accountable to the Municipal Managers' Annual Performance Plans
- Step 3: Preparation of the Municipal Manager and Managers accountable to the Municipal Managers' Personal Development Plans

The fourth and last step is the compilation of Portfolio of Evidence which is concerned with the verification of all the information supplied. The time frames and summary of the tasks involved in the implementation of OPMS in the Ugu District Municipality is illustrated in Figure 7.1.1.

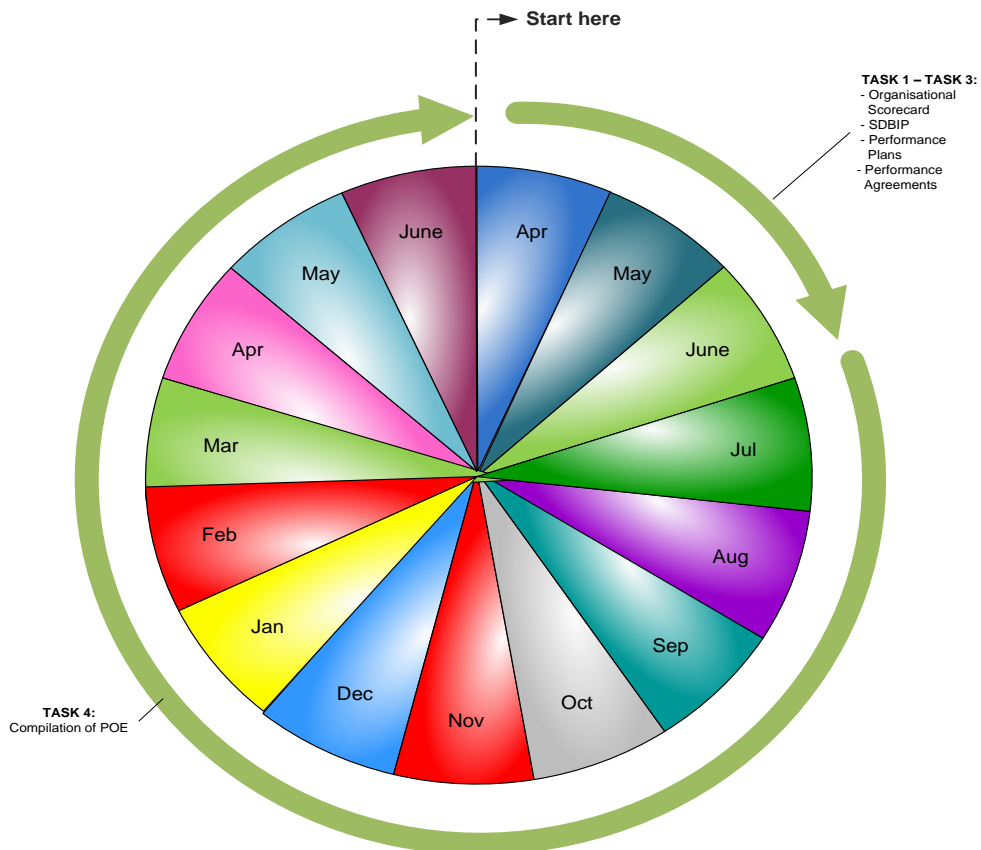


Figure 7.1.1: Ugu DM PMS Implementation Flowchart
Source: Ugu DM PMS, 2015

The reporting process commences from a departmental level from where it flows to the strategic level, political level and on to the community, the users of the services. The process followed is illustrated



in Figure 7.1.2., the entire process is driven by the PMS unit in the Office of the Municipal Manager and coordinated in co-operation with the PMS Champions in each Department.

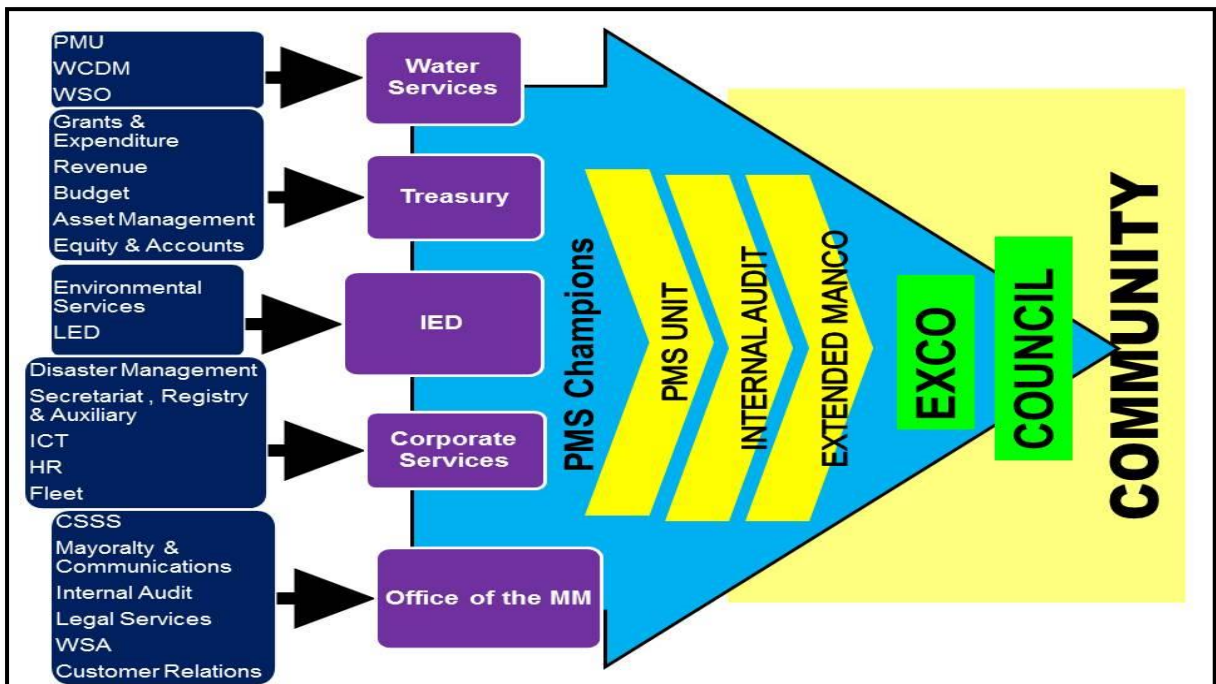


Figure 7.1.2: Ugu DM PMS Reporting Flowchart

Source: Ugu DM PMS, 2015

7.1.1 Departmental Level

The reporting initiated at the section / unit level and flows all the way to the organisational level as illustrated in Figure 7.1.2., above. Each month of the financial year a sectional meeting is held in all the departments where the supervisors / officers' report to their respective Managers who then submit a consolidated section report to their respective General Managers of departments. The Managers submit their reports and give monthly progress on the implementation of their set objectives on their performance contracts at departmental meetings which are also held on a monthly basis. The General Managers then consolidate the sections' reports into the Departmental Report. At this point, the General Managers work with the PMS champions at their department to coordinate the compilation of portfolio of evidence files.

The General Managers submit reports, which include recommendations, to the relevant portfolio committees on a monthly basis. On a quarterly basis the General Manager consolidates the monthly reports into a quarterly report and together with the PMS champions compiles the POE file and submits to the PMS unit by the 05th of the first month after the end of each quarter.

7.1.2 Strategic / Organisational Level

The PMS unit on receipt of departments' quarterly performance reports scrutinizes the reports and consolidates them into the organizational performance report accompanied by the POE files. The PMS unit then sends the reports together with the POE files to the internal audit unit for auditing no later than the 10th of the first month after the end of each quarter. Once the PMS receives feedback



from the internal audit unit it channels the comments to the right departments through the PMS Champion and once there is an agreement between the departments and the PMS unit regarding the report, it is then sent to the Accounting Officer for interrogation and scrutiny. The Accounting Officer uses the MANCO and Extended MANCO for this purpose which doubles up as a pre quarterly review session. Once the reports and POEs are audited vigorously, MANCO interrogates the quarterly organisational performance report. In the process members of the MANCO concentrate on monitoring progress towards the achievement of performance targets and KPIs. After this is done recommendations are formulated which are aimed at taking corrective action if necessary. Before the 30th of every month after the end of each quarter, the quarterly review session is then held which includes the Extended MANCO, the PMS champions and the EXCO. As can be seen in Figure 7.1.2., the PMS champions play a critical role in linking the PMS unit and the department.

7.1.3 Political Level

In the quarterly performance review sessions the quarterly performance reports are evaluated critically by the EXCO members. This evaluation is aimed at determining to what extent the performance targets and KPIs are positively impacting on the development objectives. Recommendations are then formulated around corrective actions in this regard if necessary. The quarterly municipal performance report, together with recommendations, is then forwarded to the council.

7.2 Service Delivery and Budget Implementation Plan (SDBIP)

The SDBIP facilitates the process of holding management accountable for their performance. It provides the basis for measuring performance in the delivery of services.

7.2.1 Legislative Mandates

The SDBIP is essentially the management and implementation tool which sets in-year information, such as quarterly service delivery targets, and links each service delivery output to the budget of the municipality, thus providing credible management information and a detailed plan for how the municipality will provide such services and the inputs and financial resources to be used (MFMA Circular 13).

The SDBIP therefore serves as a “contract” between the administration, Council and community expressing the goals and objectives set by the Council as quantifiable outcomes that can be implemented by the administration over the next twelve months. This provides the basis for measuring performance in service delivery against end of year targets and implementing the budget.

The SDBIP is a layered plan, with the top layer dealing with consolidated service delivery targets and linking these targets to management. The next layer will detail each output and activities for each output that are linked to middle and junior management. Much of this detail will be included in Performance Plans. The top layer cannot be revised without Council’s approval of an adjustments budget, however, the lower level can be continually revised.



The SDBIP is an implementation plan approved by the Mayor and not Council, after Council has approved the budget. The Ugu District used the five (5) components as proposed by National Treasury for the SDBIP, which are:

- Ward Information.
- Monthly projections of revenue to be collected by source.
- Quarterly projections of service delivery targets and performance indicators for each Vote.
- Monthly projections of operating and capital expenditure and revenue for each Vote.
- Detailed capital works plan broken down by Ward over three (3) years.

7.3 Monitoring Performance

In terms of monitoring performance the PMS engages in three main tasks which are:

- Measuring Performance;
- Compilation of Quarterly Performance Reports at a Departmental level;
- Compilation of Consolidated Quarterly, Half-Yearly and Annual Performance Reports at a Municipal level

Municipal Managers and Managers accountable to the Municipal Manager are responsible for Quarterly Performance Reports at a Departmental level. These reports are submitted to officials responsible for Organisational Performance Management Systems and Individual Performance Management Systems. The individual's performance is monitored throughout the financial year. The Departmental Performance Reports will be consolidated to represent the Municipal Performance Reports and monitoring will be performed against the targets set in the Organisational Scorecard.

In compiling the Municipal Performance Report, the departmental management and the Municipal MANCO team should evaluate the effectiveness of current programmes and strategies for delivery in order to determine whether they are on track for delivering the desired outcomes.

Key characteristics include:

- Keeps track, oversight, analyses and documents progress.
- Focuses on inputs, activities, outputs, implementation processes, continued relevance, likely results at outcome level.
- Answers what activities were implemented and results achieved.
- Alerts managers to problems and provides options for corrective actions.
- Self-assessment by programme Managers, Supervisors, community stakeholders, and donors.

7.4 Performance Evaluation

Performance evaluation involves three main tasks which are:

- Define Evaluation Objectives
- Review Information Collected during Monitoring
- Document Findings and Formulate Recommendations



Evaluation is a periodic, in-depth analysis of programme performance. It relies on data generated through monitoring activities as well as information obtained from other sources (e.g., studies, research, in-depth interviews, focus group discussions, surveys etc.). Evaluations are often (but not always) conducted with the assistance of external evaluators.

Section 47 of the Municipal Systems Act requires the MEC responsible for Local Government to submit an Annual Report on the performance of municipalities in the province to the Provincial Legislature, the Minister responsible for Local Government and the National Council for Provinces. In order to comply with this requirement, all municipalities are required to submit Annual Performance Reports to the MEC.

Key characteristics include:

- A Periodic assessment at important milestones such as the Half-Yearly and Annual Performance Reports or a Five Year Review.
- In-depth analysis compares planned to actual achievements.
- Focuses on outputs in relation to inputs, results in relation to cost, processes used to achieve results, overall relevance, impact, and sustainability.
- Answers why and how results were achieved. Contributes to building theories and models for change.
- Provides Managers with strategy and policy options.
- Internal and/or external analysis by programme Managers, Supervisors, community stakeholders, donors, and/or external evaluators.



CHAPTER 8: ANNEXURES

This section gives an outline on the status of all applicable Sector Plans. The summary of Sector Plans that are applicable to Ugu District Municipality are outlined in Table 8.1.

Table 8.1: Ugu District Status Quo of Sector Plans

Source: Ugu DM, 2015

No.	Sector Plan	Completed ? (Y/N)	Adopted (Y/N)	Adoption Date	Date of Next Review
1	IDP Process Plan/ IDP Framework Plan	Yes	Yes	August 2014	August 2015
2	Public Participation Report	Yes	Yes	June 2015	June 2016
3	Spatial Development Framework	Yes	Yes	June 2012	June 2016
4	Organizational Performance Management Plan	Yes	Yes	July 2014	July 2015
5	Service Delivery and Budget Implementation Plan	Yes	N/A	June 2015	June 2016
6	Local Economic Development Plan	Yes	Yes	June 2007	June 2016
7	Disaster Management Plan	Yes	Yes	2015	2016
8	Water Services Development Plan	Yes	No	2015	2016
9	District Growth and Development Strategy	Yes	No	May 2013	June 2016
10	Environmental Management Framework	No	N/A	Draft in place to be adopted in 2015 /2016	
11	Integrated Waste Management Plan	Yes	Yes	October 2012	October 2017
12	Capital Investment Plan	No	No	Draft in place	June 2016
13	Water Services and Sanitation Master Plan	Yes	Yes	June 2006	June 2016
14	Public Transport Plan (PTP) / Integrated Transport Plan (ITP)	Yes	Yes	June 2006	June 2017
15	Air Quality Management Plan	Yes	Yes	Sept 2013	Sept 2018
16	Land Use Management Framework (LUMF)	Yes	Yes	June 2012	June 2016
17	Coastal Zone Management Plan (CZMP)	Yes	Yes	2002	2016
18	Energy Master Plan (Electricity Master Plan)	No	No	N/A	N/A
19	Agricultural Plan	Yes	Yes	June 2007	June 2016
20	Five Year Financial Management Plan	Yes	Yes	May 2014	May 2016
21	Human Resource Development Strategy	Yes	Yes	December 2014	December 2015