



Richmond Municipality

Final Integrated Development Plan

2017/18 to 2021/22





**RICHMOND MUNICIPALITY
UMASIPALA WASE RICHMOND**

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Abbreviations used in this document:

IDP	Integrated Development Plan
UMDM	uMgungundlovu District Municipality
KZN	KwaZulu-Natal (Province)
PMS	Performance Management System
SDBIP	Service Delivery and Budget Implementation Plan
AsgiSA	Accelerated and Shared Growth Initiative
BEE	Black Economic Empowerment
CBPWP	Community Based Public Works Programme
CDW	Community Development Worker
DBSA	Development Bank of South Africa
DEAT	Department of Environment, Agriculture and Tourism
DME	Department of Minerals and Energy
DED	Department of Economic Development
DLGTA	Department of Local Government and Traditional Affairs
EPWP	Extended Public Works Programme
PSEDS	Provincial Spatial Economic Development Strategy
PGDA	Provincial Growth and Development Strategy
MTEF	Medium Term Expenditure Framework
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
IGR	Intergovernmental Relations Framework

INTRODUCTION

The Local Government: Municipal Systems Act 32 of 2000 mandates the Municipal Council to adopt a single, inclusive and strategic plan for the development of the municipality. This Integrated Development Plan (IDP) was developed in terms Section 25 (1) of the Local Government: Municipal Systems Act 32 of 2000.

The South African Government has a planning document called Medium Term Strategic Framework (MTSF) which outlines the five year horizon development priorities for the country. The MTSF base document is meant to guide planning and allocation of resources across all spheres of government. The municipalities are anticipated to align their IDPs with MTSF development priorities. The National Government has adopted its MTSF for 2014 to 2019. The IDPs and allocation of resources by the municipality needs to embrace the priorities embedded in this national government planning document.

The Municipal Council is required to prepare its IDP annually in terms of section 34 (a) and (b) of the Local Government: Municipal Systems Act 32 of 2000. This Integrated Development Plan co-ordination is undertaken in compliance with the above mentioned legislation.

The Integrated Development Plan is further reviewed annually in order to ensure that it is able to inform other components of the Municipal business processes including institutional, financial planning, budgeting and further to add value to an improved Intergovernmental Relations Framework (IGR) the reference document being the MTSF.

The Integrated Development Plan co-ordination is also the culmination of relevant workshops and meetings with various stakeholders and the input received during the public participation process in terms of Ward Committee input, the Mayoral Budget Integrated Development Plan Izimbizo, pertinent Integrated Development Plan Committee and Forum meetings.

In order for the Integrated Development Plan to remain significant to the circumstances prevalent, the Richmond Municipality must assess its performance in attaining its strategic objectives and targets in ensuring that delivery has increased, is financially viable and is sustainable. The Integrated development Plan should therefore be reflective of progress and must also reflect corrective measures to be implemented to address challenges faced in terms of internal and external circumstances that impact on the integrated planning process inclusive of priority issues, objectives, strategies, programmes and projects.

In formulating the Integrated Development Plan cognisance has been taken that the Integrated Development Plan must inform municipal decision-making as well as all business

processes of the Municipality inclusive of the financial and institutional planning and most importantly the drafting of the annual budget.

In adhering to the above the adoption of the Integrated Development Plan Process Plan and Budget Process Plan has been done, although they are two distinctive documents but are integrally linked in terms of processes which must be co-ordinated to make certain that the integrated development Plan and budget processes are aligned and which therefore results in their creditability.

Ward Councillors were tasked with the convening of Ward Committee meetings in each of the Wards in order to solicit from their constituents, the projects and programmes which they would like included in the Integrated Development Plan Review. In doing this the Municipality is able to move away from officials identifying what they think are suitable projects instead of delivering on the needs of the community.

As outlined in the Richmond Municipality Integrated Development Plan Process Plan for 2017/18 to 2021/22, the Municipality undertook to engage with all relevant role-players and citizens of the Municipality in order to solicit their needs in terms of priority projects for the respective financial year, the Medium Term Expenditure Framework (MTEF) as well as for the next five years horizon. Together with the projects identified, the Management Structure of the Municipality, taking into account the development goals, national and provincial key prioritized projects in accordance with funding available, identified projects and programmes for inclusion in the Integrated Development Plan. Community comments and inputs into the draft Integrated Development Plan 2017/18 was solicited by means of a public notice in the media circulated in the Municipality's area of jurisdiction, as well as by way of Mayoral Izimbizo.

VISION:

“Richmond Municipality will be a competitive friendly and safe environment to work, do business and live in, offering a better life and access to quality service delivery to its employees, people and stakeholders by 2021”

MISSION

Richmond Municipality will improve the livelihood of its clients by continuously improving the delivery of Municipal services through innovation, stakeholders relations, Good Governance and ensuring operational excellence

SECTION A: EXECUTIVE SUMMARY

2 MUNICIPAL PROFILE

Richmond Municipality (KZ227) is one of the category B municipalities and comprises of seven (7) wards. It is located on the southern part of the uMgungundlovu District Municipality (DC22) and is approximately 38 kilometres south of Pietermaritzburg which is the capital of the KwaZulu-Natal Province. It is bordered by Umsunduzi Municipality to the north, Ingwe Municipality to the west, Mkhambathini Municipality to the east and Ubuhlebezwe and Vulamehlo Municipalities to the south. It is approximately 1232 square kilometres in extent with an estimated population of 71 547 and 17 624 households; it is the fourth smallest Municipality within the uMgungundlovu District Municipality family of Municipalities.

Map 1. District Locality Map

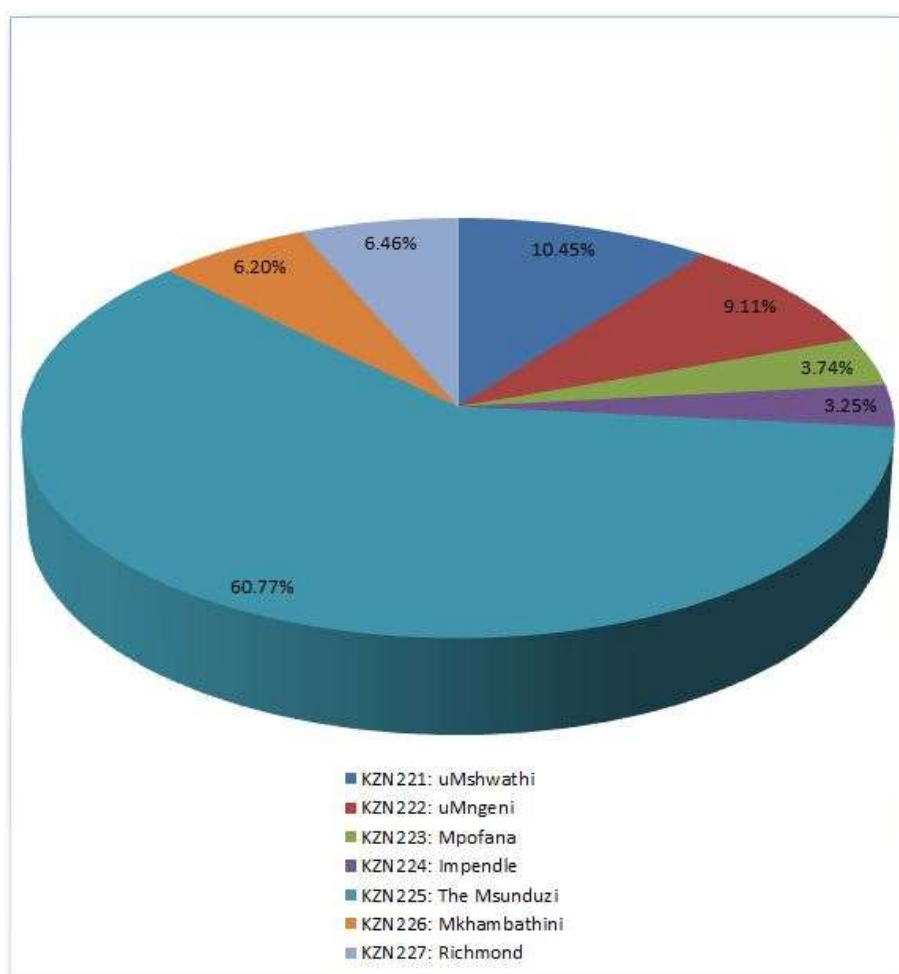


The majority of the population resides in areas which are predominantly rural and which are characterized by low levels of basic services and facilities and substantial unemployment. The village of Richmond – Ward 1 – is the only urban centre which is recognized as the main

economic node due to the services provided and nature of activities which exist in association with the legal services, primary health care, pension pay point, education and welfare office and similar state services. Land uses within this area are typically urban mixed uses with high levels of limited infrastructural and services development and an adequate provision of social facilities and services to support the resident populations.

Richmond is located on the southern part of the UMgungundlovu District Municipality (DC22) and is approximately 38 kilometres south of Pietermaritzburg which is the capital of the KwaZulu-Natal Province.

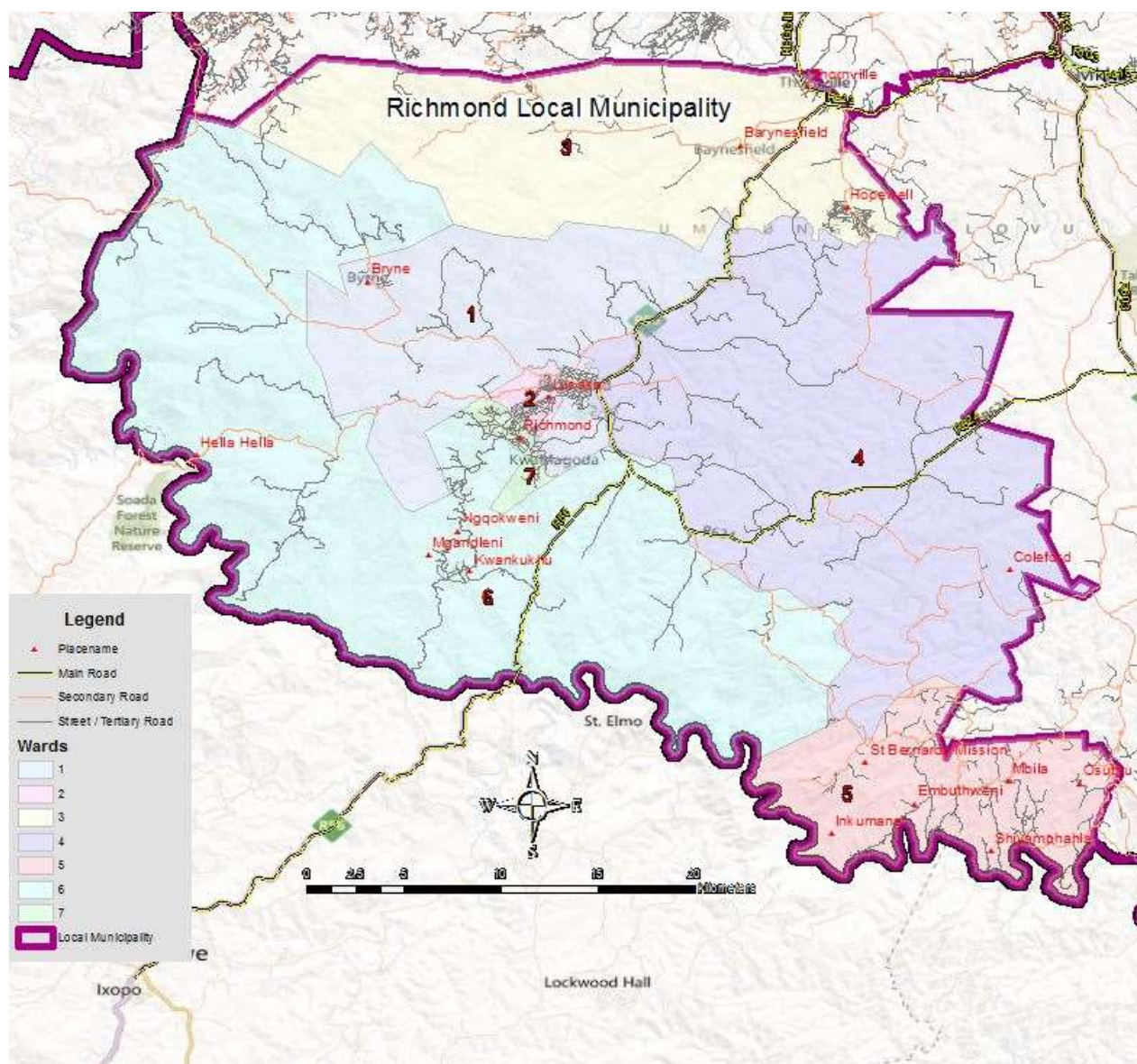
Figure 1. District Population



Source: (Census 2011)

The figure above indicates that Msunduzi is the most populated local municipality and that Richmond Municipality has the fourth largest population within the District.

Map 2. Richmond Municipality by Ward



Source :uMgungundlovu GIS

A large portion of the municipal area is used for agricultural activities, which is also the largest employer of the municipal population. In this way agriculture is the backbone of the Municipality's economy. This suggests that preservation of high quality agricultural land is very important and development should therefore be responsive to the need of preservation.

Richmond's location can be disadvantageous in that the booming economy of the Capital City which has resulted in an exit of skilled and learned persons as well as the relocation of Industry from Richmond to other areas and coupled with various other factors. Richmond has seen an increase in unemployment, an increase in poverty and a decrease in investment. Added to this is the unmistakable absence of municipal resources needed to

meet the demand of the ever increasing need for service delivery to the poor, excluded and vulnerable.

In order to achieve success from its advantageous and to counteract its disadvantageous characteristics, Richmond must focus on its strengths and on the opportunities provided in terms of National and Provincial Government in terms of their development goals, apex priorities – reference is, amongst other programmes and projects made to the Medium Term Strategic Framework (MTSF), Provincial Growth and Development Strategy (PGDS), Accelerated and Shared Growth Initiative of South Africa (ASGISA), Joint Initiative on Priority Skills Acquisition (JIPSA), National Spatial Development Framework (NSDF) & Provincial Spatial Economic Development Framework (PSEDF), National Framework for Local Economic Development (NFLED), etc.

The Municipality must also continually strive towards a positive change of mindset and gear towards marketing the constructive attributes in terms of spatial assets (industrial nodes, location in terms of identified corridor development, proximity to N3 and R56), agriculture and agro processing, nature based tourism, specialized manufacturing and farming.

3 KEY CHALLENGES

The main challenges faced by the Richmond Municipality in this Integrated Development Plan co-ordination relate to economic, infrastructure, socio-economic, spatial and housing issues as well as issues relative to socio facilities and services and sustainable infrastructure. The key issues most likely to have a fundamental effect on the long-term economic viability of the Municipality are:

- Taking advantage of the opportunities presented by Richmond’s location along the R56, its close proximity to the N3, Durban (one of the most important harbours in Africa and the location of the DubeTradePort) and the close proximity to Pietermaritzburg – the capital of KZN
- Optimizing on the opportunities presented by the N3 corridor development from eThekweni – Msunduzi – uMngeni Corridor
- In ensuring that the backlog in the provision of basic services such as water, sanitation, electricity and housing, especially in the rural areas is addressed
- Attracting economic and investment opportunities to the urban area and to extend it to other areas of the Municipality to ensure economic sustainability
- Management of various risks, inclusive of investor, environment, agricultural, etc

- Limited availability of bulk electricity and water
- Unequal distribution of social facilities
- HIV-Aids and its impact on the demographics
- Dilapidated infrastructure that requires upgrading

Although limited progress has been made in terms of economic growth, infrastructure development and basic service provision, the impact on job creation and poverty alleviation has been minimal.

4 OPPORTUNITIES

The Richmond Municipality is bordered by and is located in close proximity to economically viable municipalities such as the Msunduzi Municipality and eThekweni Municipality. Further to this, the following aspects can be tapped into to create its own niche market:

- Close proximity to development corridor's such as Provincial Corridor 2 N3 Corridor (eThekweni – Msunduzi – uMngeni) and the secondary corridor of Kokstad – UMzimkhulu – Msunduzi
- Potential to capitalize on targeted spill over from initiatives planned for Msunduzi Municipality and Durban such as the Dube Trade Port
- Tourism potential in terms of the Bhambatha Trail, Umkomaas River, Byrne (Byrne Settlers), etc
- Agricultural attributes in terms of soil types, climate diversity and rainfall

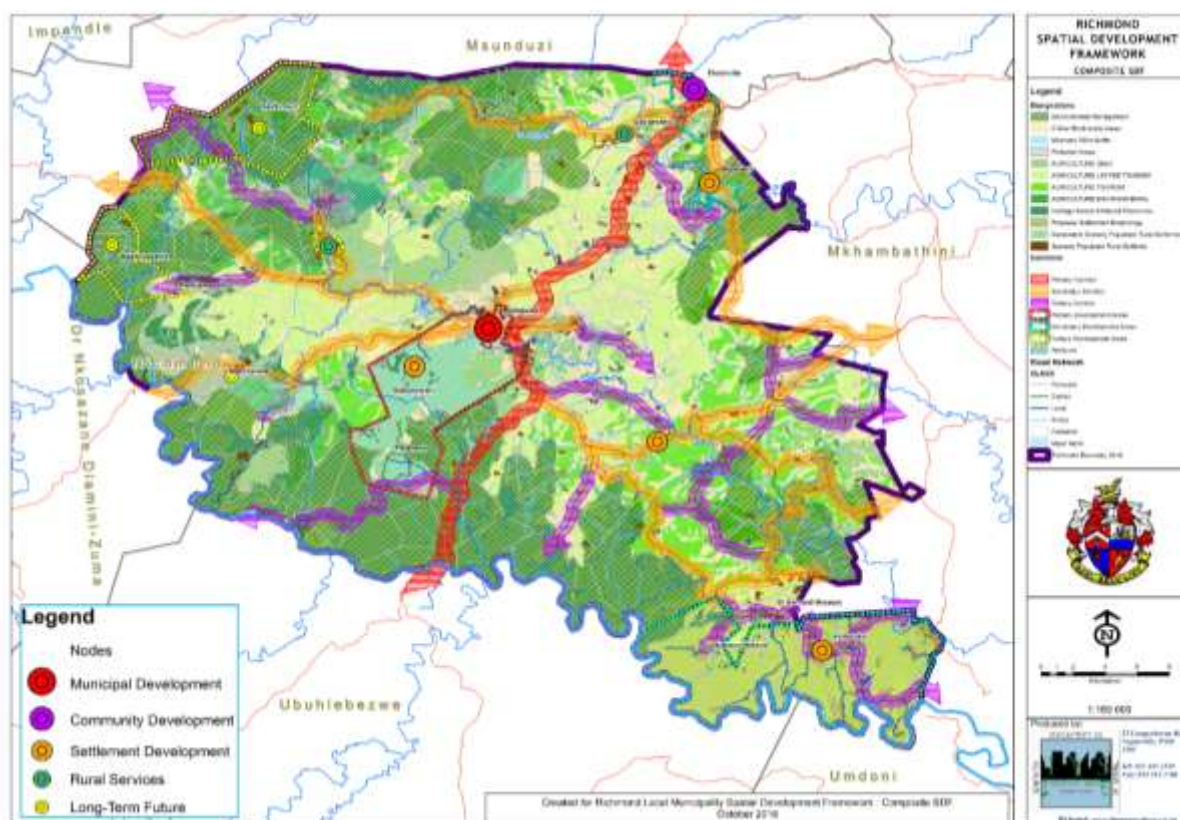
5 STRATEGIES FOR IMPROVEMENT

The Richmond Municipality seeks to improve the lives of its residents by developing strategic plans (Strategies) to address the challenges faced and to maximize output on the opportunities to create positive spin offs. The strategies will be developed in line with the National Development Plan (NDP), National Government MTSF and Provincial PGDS objectives. The following strategic local economic development thrusts and development initiatives must be taken into consideration in development of the strategies:

- Promoting development and investment that contributes to the regeneration of the economic hub as well as the development of the identified precinct (Thornville area)
- Provide for sufficient, affordable, reliable infrastructure services as well as the creation of an environment for the successful provision of basic services

- Introducing incentives that attract development initiatives as well as the successful introduction of the Municipal Property Rates Act coupled with appropriate and applicable rebates
- Developing a skills database of the Municipality and procurement procedures in accordance with EPWP and AsgiSa principles
- Establishing and promoting SMME's and establishing co-operatives to maximize economic opportunities in the agricultural sector (timber and cane)
- Ensuring the regular maintenance and upgrade of existing infrastructure
- Promoting cultural community and integrated tourism development

Map 3. Richmond SDF



6 PERFORMANCE MANAGEMENT

A Performance Management Policy has been adopted by council and incorporates an Organisational Score Card and is being implemented across all levels of human capital for the municipality. Performance Contracts and Agreements for Section 57 employees, Work Plans for all other employees as well as a Performance Plan/Scorecard in terms of a Service Delivery and Budget Implementation Plan (SDBIP) are signed.

The Organisational Scorecard is in place and the following accomplishments can be recorded:

- A developed SDBIP catering for the inclusion of activities and deliverables with associated milestones and as close as possible realistic targets
- The formulation, extension and review of Municipal Policies and Procedures
- Municipal Bylaws have been reviewed, translated and promulgated in the Provincial Government Gazette.

7 RICHMOND IDP : PROCESS PLAN

The document represents the Integrated Development Plan Processes for co-ordinating the 2017/2018 to 2021/22 IDP and also informs the 2017/2018 budget processes as prepared by the Richmond Municipality (KwaZulu-Natal) after following the processes as contained in its adopted Integrated Development Plan Process Plan for 2017/18 to 2021/22. In developing the Integrated Development Plan 2017/18 to 2021/22, the Richmond Municipality was obliged to take cognizance of and was responsive to the various pieces of legislation, its Environment, Sector Department Plans, the State of the Nation Address, State of the Province Address, Development Goals as contained in various programmes and strategies of National and Provincial Government, the needs of the community, the current Socio and Economic trends

The Richmond Municipality – in co-ordinating its Integrated Development Plan – has also taken cognizance of the fact that a truly successful Integrated Development Plan is a plan which is owned by its citizens who hold some responsibility for the information, programmes and projects as contained in the Integrated Development Plan document and further that the Integrated Development Plan, although reviewed annually needs to be implemented daily with long term development strategies and goals always remaining in the fore to ensure that constant growth is enhanced and strengthened thereby continually ensuring a social and economically viable and sustainable municipality.

The Richmond Municipality council adopted the final IDP process plan for the financial year 2017/18 to 2021/22 on October 2016. Section 34 of the Municipal Systems Act (Act 32 of 2000) requires a municipality to review its Integrated Development Plan annually, taking into account the following: Comments received from the MEC for Co-operative Government and Traditional Affairs (CoGTA), and the Multi-sectoral Provincial IDP Forum. New Provincial IDP Guidelines released in 23 December 2016 by CoGTA Issues identified through self-assessment. Integration of new information, including changes in priorities, key issues and development patterns. Integration of sectoral plans. This process plan is a guide for the

compilation of the Integrated Development Plan (IDP), it involves workshops, forum meetings and public participation meetings.

Table 1. IDP Process Plan

ALIGNED PROCESS	ACTIVITIES AND MILESTONES	TARGET DATES	RESPONSIBILITY	OUTPUTS
Critical milestone (below is working forward to achieve it)	Milestone 1 (IDP Preparation phase): Submission of 2016 /2017 IDP Framework and Process Plans to CoGTA and Treasury	29 July 2016	All Municipalities to CoGTA and Treasury	Submitted Framework and Process plans
IDP	Meeting with Local Municipalities/ Extended Planning sub cluster on IDP-Budget-OPMS	08 July 2016	All municipality	Attendance register-
IDP- BUDGET- OPMS	Prepare 2017 /2018 IDP / Budget /OPMS Process Plans	4 – 25 July 2016	All municipalities	Drafts FP-PPs completed
IDP	Circulate the draft Process or framework plan internally for preliminary comments and inputs	09 – 22 July 2016	District municipality-IDP office, All municipalities	Circulated draft
IDP	Submit Draft Framework/Process Plans to COGTA	29 July 2016	All municipalities	Letter of acknowledge
IDP	Final Process Plans	September / (final to CoGTA 28 October 2016)	All Municipalities	Letter of acknowledgement
OPMS	Signed S54 and 56 Manager's Performance Agreements – S53 MFMA and S57 MSA	29 July 2016	All Municipalities	Signed performance agreements and place on website within 14 days

ALIGNED PROCESS	ACTIVITIES AND MILESTONES	TARGET DATES	RESPONSIBILITY	OUTPUTS
Critical milestone (below is working backwards to achieve it)	Milestone 2 : IDP Phase 1 Analysis /Status Quo analysis	26 September – end October 2016	All municipalities	Status quo analysis reports
IDP	<ul style="list-style-type: none"> ➤ MEC Panel assesses submitted 2016/2017 IDPs ➤ Draft Process Plan comments 	18 July - 23 September 2016 By 30 September 2016	MEC Panel	Results of the assessment and response
IDP	<ul style="list-style-type: none"> ➤ Sustainable Living Exhibition 	19-21 August 2016	MEC COGTA, Sector Departments, Municipal representatives	
IDP	<ul style="list-style-type: none"> ➤ Planning Indaba/MEC Panel feedback 	23 September 2016	COGTA, Sector Departments, Municipal representatives	Final IDP assessment results
IDP	Meeting with Local Municipalities/Planning sub cluster on IDP	16 September 2016	All municipalities and Department of Social Development-Population Unit, KZN Treasury and StatsSA.	Draft status quo reports and data alignment
IDP	Collect data to review Status Quo of the Municipality	03 August 2016	All municipalities	Verified data
IDP-INCORPORATING BUDGET AND OPMS	Assess the status of sector plans and policies	1 – 12 August 2016	All municipalities	Updated table indicating status of reviewed strategies, sector plans and policies

ALIGNED PROCESS	ACTIVITIES AND MILESTONES	TARGET DATES	RESPONSIBILITY	OUTPUTS
OPMS	Draft 2015 / 2016 Annual Performance Report – S46 MSA	26 August 2016	MM / PMS Manager	Draft 2015 / 2016 Annual Performance Report – S46 MSA
IDP- INCORPORATING BUDGET AND OPMS	Submission and adoption of final Draft Process Plan /FP to all relevant Council Committees	1-31 August 2016 (election year!)	All municipalities	Final drafts submitted and adopted
BUDGET	2016 / 2017 First Quarter Budget Review	20 October 2016– Internal 13 October 2016- Treasury (3 rd wk. after end of Quarter)	Finance	Budget review report
OPMS	Internal Audit Reports on performance information must be submitted to the MM and Performance Audit Committee – S45 MSA and Reg 14 PPMR	Quarterly	MM / Internal Audit / PAC	Quarterly performance reports
IDP	Advertise Process Plans	01– 23 September 2016 or before	District municipality/all municipalities	Copies of adverts
IDP	Consult Private Sector, Sector Departments, Parastatals, NGOs etc. on status quo of the district-one-on-one and Ward-based engagements	August – September 2016	All municipalities	Schedule of consultations

ALIGNED PROCESS	ACTIVITIES AND MILESTONES	TARGET DATES	RESPONSIBILITY	OUTPUTS
IDP	Update Report on alignment for this Phase to MMs Forum	September 2016	District Municipality	Phase Update reports
IDP	Update Report on alignment for this Phase to Mayors Forum	September 2016	District Municipality	Phase Update reports
IDP	Status Quo Report to Exco – to Full Council as from next month	23 September 2016	District Municipality/all municipalities	Status Quo Report to Exco /Council
IDP	➤ IDP Indaba (OoP on PGDP, MEC Panel Feedback, Adoption of IDP Man Plan, review of assessment process and template)	23 September 2016	CoGTA	Feedback
IDP	➤ Rep Forum meeting	End of October 2016	Local Municipality	
Critical milestone (below is working backwards to achieve it)	Milestone 3 Phase 2 & 3 of the IDP: Review Strategies & projects	25 November 2016	All municipalities	Reviewed strategies report
IDP	Review municipal strategies	3– 18 November 2016	All municipalities	Report on reviewed strategies
IDP-BUDGET	First community consultative process (Imbizos)	November-December 2016	Municipality (Mayor)	
World Planning Day Event	Attend the event	07 or 08 November 2016	CoGTA, stakeholders and municipalities	Attendance
IDP-OPMS-BUDGET	Develop the measurable objectives	21 November	Internal Departments	Reports /inputs in required

ALIGNED PROCESS	ACTIVITIES AND MILESTONES	TARGET DATES	RESPONSIBILITY	OUTPUTS
	for the next financial year and include the required budget for achieving those objectives	2016		format
OPMS	Internal Audit Reports on performance information must be submitted to the MM and Performance Audit Committee – S45 MSA and Reg 14 PPMR	Quarterly	MM / Internal Audit / PAC	Quarterly performance reports
IDP	Meeting with local municipalities to discuss strategies reports /sub cluster	18 November 2016	All municipalities	Alignment of strategies report
IDP	Consult Private Sector, Sector Departments, Parastatals, NGOs etc. on strategies and priorities of the district- IDP Representative Forum	25 November 2016	District municipality (joint engagement of all municipalities, registered stakeholders and service providers)	Aligned Programmes reports
IDP	Update Report on alignment for this Phase to MMs Forum	October 2016 (per Calendar)	District Municipality	Phase Update reports
IDP	Update Report on alignment for this Phase to Mayors Forum	26 October 2016(per Calendar)	District Municipality	Phase Update reports
IDP	Strategies Report to Exco/Full Council	By 15 December 2016	District / All Municipalities per Council calendars	Item: reviewed strategies report for approval
IDP	Feedback and Sector – Municipal Alignment sessions under the auspices of COGTA-	Between 1- 22 November 2016	COGTA, Municipal Representatives- all managers,	Alignment of MTSFs, MTEFs, programmes and

ALIGNED PROCESS	ACTIVITIES AND MILESTONES	TARGET DATES	RESPONSIBILITY	OUTPUTS
	uMgungundlovu District		Sector Departments and State-Owned Enterprises (SOEs)	budgets
IDP	Prioritization of IDP projects	01– 12 December 2016	All municipalities	Projects prioritization lists integrated into the IDP
BUDGET	2016/17 Budget Performance Assessment –S72 MFMA	25 January 2017	Finance	Budget Performance report
IDP	Rep Forum meeting	31 January 2017	Municipality	
BUDGET-IDP	2017/18 Interdepartmental Budget Inputs	25 January– 05 February 2017	Council Internal Departments	Completed templates aligned to IDP format
IDP	Meeting of COGTA, Sector Departments and Municipalities on IDP drafting and assessment process for 2017/18	10 February 2017	COGTA, Sector Departments and Municipalities	Attendance
IDP- BUDGET- SDBIP	Alignment of IDP and Budget towards SDBIP	By 15 March 2017	All Municipalities / Departments	Completed templates aligned to IDP format
OPMS- BUDGET	Mid-year budget review/adjustment and performance assessment	25 January 2017	MM / CFO / S57 Managers / PMS Manager	Budget adjustment and managers performance report
OPMS	Schedule Performance Audit Committee meetings at least twice	30 January and 31 July 2017	MM / Internal Audit / PAC	Minutes of Committee meetings

ALIGNED PROCESS	ACTIVITIES AND MILESTONES	TARGET DATES	RESPONSIBILITY	OUTPUTS
	a year – Reg 14 PPMR			
Critical milestone (below is working backwards to achieve it)	Milestone 4 Phase 4 &5 of the IDP: Integration and approval/ Adoption and submission of Draft 2016/ 2017 IDPs to COGTA and Budget to Treasury	31 March 2017	All municipalities DCOGTA AND TREASURY	
BUDGET	2017/2018 First Draft Budget	10 March 2017 15 March 2017 18 March 2017	Finance Committee Exco Full Council	First Draft Budget report
IDP	Meeting of COGTA and Municipalities of IDP Assessments process	10 February 2017	COGTA, Municipal Representatives, Sector Departments and State-Owned Enterprises (SOEs)	Adopted assessment criteria
IDP	Municipalities submit draft 2017/2018-2021/2122 IDPs to COGTA	31 March 2017	COGTA and all municipalities	Proof of submission of draft reviewed IDP
SDBIP	Municipalities submit draft 2017/18 SDBIP to Treasury and CoGTA	31 March 2017	Treasury and all municipalities	Proof of submission of draft reviewed SDBIP
IDP	Update Report on alignment for this Phase to MMs Forum	March 2017 (per Calendar)	District Municipality	Phase Update reports
IDP	Update Report on alignment for this	March 2017 (per	District Municipality	Phase Update reports

ALIGNED PROCESS	ACTIVITIES AND MILESTONES	TARGET DATES	RESPONSIBILITY	OUTPUTS
	Phase to Mayors Forum	Calendar)		
BUDGET	Grants Notification to Local Municipalities	11 March 2017	District Municipality	Grants Notification report circulated
IDP	Adoption of Draft IDP by Council	Before end March 2017	All Municipalities	Council Resolution
IDP	Submission of Draft IDPs to COGTA	31 March 2017	All Municipalities DCOGTA	Proof of submitting the draft IDP on time to CoGTA
IDP & BUDGET	Advertise Draft IDPs and draft Budget for Public Comments	22 March – 17 April 2017	All Municipalities	Copies of adverts and directions
OPMS	Review OPMS Policy and prepare draft OPMS scorecard for inclusion into draft IDP (Ensure draft scorecard indicators are aligned to IDP objectives)	28 April 2017	S56 Managers / IDP Manager / PMS Manager	Aligned process
Critical milestone (below is working backwards to achieve it)	Milestone 5: Assessment of Draft 2017/2018 IDPs and self-assessment	29 April 2017	All Municipalities DCOGTA Sector Depts.	
IDP	Meeting with local municipalities – planning sub-cluster on IDP for self-assessment and planning for joint izimbizo. Also prepare for assessments	04 April 2017	All Municipalities	Circulated self-assessment tool and draft izimbizo contents. Finalize allocated roles for assessments presentations

ALIGNED PROCESS	ACTIVITIES AND MILESTONES	TARGET DATES	RESPONSIBILITY	OUTPUTS
IDP	Convening of decentralised IDP Assessment Forums	April 2017	COGTA, Municipal Representatives, Sector Departments and State-Owned Enterprises (SOEs)	Attendance and reports
IDP	IDP Assessment Feedback Session based on IDP Assessment Frameworks	May 2017	COGTA: IDP Coordination Business Unit, COGTA Sector Departments Municipal representatives and SOEs.	Attendance and reports
IDP & BUDGET	Present Draft IDP and Budget to the community (Izimbizo) and all stakeholders	April 2017 (actual dates to be published) (LMs in January 2017-DM to attend)	All Municipalities jointly-(Speakers Forum)	Approved and published schedule of dates for Izimbizo
Critical milestone (below is working backwards to achieve it)	Milestone 6: Adoption and Submission of final 2017/ 2018-2021/2122 IDPs to CoGTA	30 June 2017	All Municipalities CoGTA AND ALL	
IDP & BUDGET	Incorporate public comments on Draft IDP and Budget	03 -12 May 2017	All Municipalities	Incorporated comments
IDP	Incorporate comments from the Assessment panel from COGTA	15 May 2017	All Municipalities	Response-table

ALIGNED PROCESS	ACTIVITIES AND MILESTONES	TARGET DATES	RESPONSIBILITY	OUTPUTS
BUDGET	Table Final Draft Budget Approve Final Budget 2017 /2018	13 May 2017 20 May 2017 27 May 2017	Finance Committee Executive Committee Full Council	Minutes Council Resolution
IDP-BUDGET-OPMS	Address comments from the Auditor General on the Annual Report of the previous Financial Year	30 March 2017	All Municipalities	Response-table
IDP	Update Report on alignment for this Phase to MMs Forum	March 2017 (per Calendar)	District Municipality	Phase Update reports
IDP	Update Report on alignment for this Phase to Mayors Forum	March 2017(per Calendar)	District Municipality	Phase Update reports
IDP	Present Final Draft IDP to Exco	May 2017	District Municipality	Item: final draft IDP
IDP-OPMS	Adoption of 2017/18 IDP and performance targets by Council	June 2017	District Municipality	Council Resolution
OPMS	Approved Departmental SDBIPs / Scorecards – S53 MFMA	26 June 2017	Mayor /MM (PMS Manager)	Report
OPMS-IDP	Approved Municipal / Organisational Scorecard – S44 MSA	26 June 2017	PMS Manager &MM	Report
OPMS	Performance Reports twice a year – Reg 13 PPMR	25 January and 11 August 2017	Mayor / MM / PMS Manager / S56	Reports
IDP-BUDGET	Submit and publish adopted IDP/Budget to COGTA and Public	10 days after adoption date or latest 08 July 2017	All Municipalities COGTA	Copies of adverts and directions

ALIGNED PROCESS	ACTIVITIES AND MILESTONES	TARGET DATES	RESPONSIBILITY	OUTPUTS
OPMS	Complete Datasheet and submit to CoGTA – S47 MSA	25 August 2017	MM / CFO / S56 Managers / PMS Manager	Portfolio of evidence on submission
OPMS	Draft 2015 / 2016 Annual Performance Report – S46 MSA	25 August 2017	MM / PMS Manager	Report
OPMS	Prepare 2016 / 2017 Performance Working Paper File and submit to AG after necessary approvals	31 August 2017	MM / PMS Manager / Internal Audit	Report
IDP	MEC Panel assesses Reviewed IDPs	25 July - 30 September 2017(per CoGTA)	COGTA-led panel	Results

SECTION B: PLANNING AND DEVELOPMENT PRINCIPLES GOVERNMENT POLICIES AND IMPERATIVES

8 GOVERNMENT POLICIES AND PLANNING AND DEVELOPMENT PRINCIPLES

8.1 PLANNING AND DEVELOPMENT PRINCIPLES

The following planning and development principles underpin development in Richmond municipality.

- Development / investment will only happen in locations that are sustainable (NSDP)
- There should be a balance between urban and rural land development in support of each other (DFA Principles)
- Our IDP will discourage urban sprawl by encouraging settlement at existing and proposed nodes and settlement corridors, whilst also promoting densification. Future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or that link the main growth centres (DFA Principles)
- The direction of new development will be towards logical infill areas (DFA Principles)
- Compact urban form is desirable (DFA Principles)
- Development should be within limited resources (financial, institutional and physical). Development must optimise the use of existing resources and infrastructure in a sustainable manner (DFA Principles, CRDP, National Strategy on Sustainable Development)
- Stimulating and reinforce cross boundary linkages.
- Basic services (water, sanitation, access and energy) to all households (NSDP)
- Development / investment should be focused on localities of economic growth and/or economic potential (NSDP)
- In localities with low demonstrated economic potential, development / investment must concentrate primarily on human capital development by

providing education and training, social transfers such as grants and poverty-relief programmes (NSDP)

- Land development procedures must include provisions that accommodate access to secure tenure (CRDP)
- Prime and unique agricultural land, the environment and other protected lands must be protected and land must be safely utilised
- Engagement with stakeholder representatives on policy, planning and implementation at national, sectoral and local levels is central to achieving coherent and effective planning and development.
- If there is a need to low-income housing, it must be provided in close proximity to areas of opportunity (“Breaking New Ground”: from Housing to Sustainable Human Settlements)
- During planning processes and subsequent development, the reduction of resource use, as well as the carbon intensity of the economy, must be promoted (National Strategy on Sustainable Development)
- Environmentally responsible behavior must be promoted through incentives and disincentives (National Strategy on Sustainable Development, KZN PGDS).
- The principle of self-sufficiency must be promoted. Development must be located in a way that reduces the need to travel, especially by car and enables people as far as possible to meet their needs locally. Furthermore, the principle is underpinned by an assessment of each areas unique competencies towards its own self-reliance and need to consider the environment, human skills, infrastructure and capital available to a specific area and how it could contribute to increase its self-sufficiency (KZN PGDS)
- Planning and subsequent development must strive to provide the highest level of accessibility to resources, services and opportunities (KZN PGDS)

The table below demonstrate how Richmond Municipality is applying the planning and Development principles in its area:

POLICY/PLAN	PLANNING AND DEVELOPMENT PRINCIPLES	APPLICATION OF PRINCIPLES
<i>NDP</i> <i>SPLUMA</i>	Development / investment must only happen in locations that are	The capital investment plan directs where massive expansion of transport,

	sustainable	energy, water, communications capacity and housing should be
<i>NDP</i>	Basic services (water, sanitation, access and energy) must be provided to all households	The SDF will investigate issues of water resources in the municipality
<i>CRDP</i>	<p>Development should be within limited resources (financial, institutional and physical)</p> <p>Development must optimize the use of existing resources and infrastructure in a sustainable manner</p> <p>Stimulate and reinforce cross boundary linkage</p>	The SDF will identify areas with potential for development
<i>NDP</i>	In localities with low demonstrated economic potential, development / investment must concentrate primarily on human capital development by providing education and training, social transfers such as grants and poverty-relief programmes	The SDF will highlight areas of poverty and directs investment at key nodes in order to improve quality of life through service delivery. It also directs spending at improving human capital through access to health, education and social welfare programmes
<i>CRDP</i>	<p>Land development procedures must include provisions that accommodate access to secure tenure</p> <p>Prime and unique agricultural land, the environment and other protected lands must be protected and land must be safely utilized</p>	The SDF will identify environmentally sensitive areas for preservation and conservation

<i>NDP</i>	Development / investment should be focused on localities of economic growth and/or economic potential	The municipal LED department promotes access of all local enterprise to internal and external business support resources
<i>HOUSING POLICY BREAKING NEW GROUND</i>	If there is a need to low-income housing, it must be provided in close proximity to areas of opportunity	The Richmond Municipality Housing Sector Plan makes provision of low cost housing projects
<i>NATIONAL STRATEGY ON SUSTAINABLE DEVELOPMENT</i>	During planning processes and subsequent development, the reduction of resource use, as well as the carbon intensity of the economy, must be promoted	The municipality should have environmental awareness campaigns to give information on global warming and how development affects the environmental resources
<i>KZN PGDS NATIONAL STRATEGY ON SUSTAINABLE DEVELOPMENT</i>	Environmentally responsible behavior must be promoted through incentives	The SDF will identify environmentally sensitive areas for preservation and conservation
<i>KZN PGDS</i>	The principle of self-sufficiency must be promoted Development must be located in a way that reduces the need to travel, especially by car and enables people as far as possible to meet their need locally. Furthermore, the principle is underpinned by an assessment of each area's unique competencies towards its own self-reliance and need to consider the environment, human skills, infrastructure and capital available to a specific area and how it could contribute to increase its self-sufficiency	Richmond Municipality SDF and LED Strategy

KZN PDGS	Planning and subsequent development must strive to provide the highest level of accessibility to resources, services and opportunities	New developments should be in support of agriculture as Richmond is an agricultural economy municipality
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9 GOVERNMENT POLICIES AND IMPERATIVES

National policies and imperatives provides a framework within which development should take place. Richmond municipality acknowledges these and strive toward the effective implementation thereof.

9.1 NATIONAL DEVELOPMENT PLAN

The National Development Plan (NDP) introduces the long-term vision for the future development of South Africa. As such, the National Planning Commission (NPC) has formulated a National Development Plan (NDP) - 'vision 2030' as a strategic plan to guide development at a national level over the short to medium term. The plan is based on a detailed diagnosis of issues facing the country and strategic engagement with all key sectors. It identifies unemployment, poverty and inequality as some of the key challenges facing South Africa, and outlines a number of strategic interventions to address these issues. Among these are the following:

- Economic development and job creation.
- Improving infrastructure.
- Transitioning to a low carbon economy.
- Building an inclusive and integrated rural economy.
- Reversing the spatial effects of apartheid.
- Improving education, innovation and training.
- Quality health care for all.
- Social protection
- Reforming the public service
- Fighting corruption
- Transforming society and uniting the country

- Positioning South Africa to seize opportunities of globalisation.

The 5 national priorities include Job creation (Decent work and Economic growth); Education; Health; Rural development, food security and land reform; Fighting crime and corruption; Nation-Building and Good Governance (State of the Province of KZN Address February 2010). Richmond strives to attain these priorities within a local context.

9.2 MILLENIUM DEVELOPMENT GOALS

South Africa as a country is committed to the Millennium development agenda and the Millennium Declaration of 2000. There are eight MDG's and all are embraced in all spheres of government and are reflected in Key Priorities Areas.

- Eradication of extreme poverty and hunger.
- Promote primary education.
- Promote gender equality and empower women.
- Reduce child mortality
- Improve maternal health.
- Combat HIV/AIDS, malaria and other diseases.
- Ensure environmental sustainability.
- Develop a global partnership for development.

9.3 THE 14 NATIONAL OUTCOMES

Government introduced the outcome based approach and adopted 14 outcome areas. The objective is to improve service delivery across all spheres of government and to introduce a systematic planning, monitoring and evaluation process.

The 14 outcomes are as follows and how there are applied in Richmond municipality

Outcome	How the outcome is addressed or applied by Richmond Municipality
1. Improve the quality of education	Municipal employees are going under training and skills development (e.g MFMA training)
2. Improve health and life expectancy	Residents in the rural settlements have requested clinics during IDP community engagement and the municipality will liaise with the department of health, so that primary health care can be easily

	assesible to all Richmond municipality residents
3. All people in South Africa are protected and feel free	Community police Forums have been established in some areas
4. Decent employment through inclusive economic growth	The LED department offers support to small business and cooperatives,Expanded Public Works programme is implemented
5. A skilled and capable workforce to support inclusive growth	The first FET to be build in Richmond Municipality(Ndaleneni Skills Development centre) will provide increase in erolment of fet cooleges and provide training to the students.more skills will be developed through Funding to further studies
6. An efficient,competative and responsives economic infrusture network	The Municipality with assistance of Eskom will provide electrification and the UMDM will provide assistance with water and sanitation
7. Vibrant,equitable and sustainable rural communities and food security	The municipality will improve acces to basic ervices to rural settlements and Department of Rural Development and Land Reform will redistribute land through land restitution claims
8. sustainable human settlements & improved quality of household life	Housing projects have been initiated such as Siyathuthukha Phase 2 , St Bernard housing Project(all projects are included in the IDP
9. A responsive, accountable, effective and efficient local government system	Cutting down on fruitless expenditure,improced financial reporting and budgeting
10. Protection and enhancement of environmental assets and natural resources	Streets are cleaned in town,there is provision of skip bins and waste removal in some areas once a week,illegal dumping is discouraged.
11. A better South Africa, a better and safer Africa and world	Agriculture produce from the municipality area is distributed to other plcase and this enhance trade and investement between South Africa and partners
12. A development orientated	The municipal department of community services has

public service and inclusive citizenship	initiated a number of programs that promote culture and diversity(e.g participation in SALGA games)
13. An inclusive and responsive social protection system	The municipal department of community services has initiated a number of programs that promote social development
14. Nation building and social cohesion	Disability sports games are initiated as part of the mayoral 100 day programme

Outcome nine specifically relates to local government and calls for **“Responsive, accountable, effective and efficient local government system”**. Richmond Local Municipality has to respond to the outputs set out in Outcome 9 and deal with issues facing the municipal area and providing efficient and effective services to its communities. The municipality is committed to implement the respective outputs through focussing on improved service delivery, economic, environmental and social development.

The seven outputs of outcome 9, are indicated below:

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

9.4 MEDIUM TERM STRATEGIC FRAMEWORK

the 2014-2019 MTSF focuses on the following principles

- Radical economic transformation, rapid economic growth and job creation;
- Rural development, land and agrarian reform and food security;
- Ensuring access to adequate human settlements and quality basic services;
- Improving the quality of and expanding access to education and training;
- Ensuring quality health care and social security for all citizens;
- Fighting corruption and crime;

- Contributing to a better Africa and a better world;
- Social cohesion and nation building

9.5 BACK TO BASIC POLICY

This policy identified the following key performance areas that each local municipality should gear towards achieving:

- **Basic Services:** Creating decent living conditions, Ensure the provision of free Basic Services and the maintenance of Indigent register.(Indigent policy has been adopted by council,housing projects initiated by the municipality with the support of Department of Human Settlements make provision for low cost housing which is a basic service)
- **Good Governance:** Good governance is at the heart of the effective functioning of municipalities.
- **Public Participation:** Measures should be taken to ensure that municipalities engage with their communities.Municipalities must develop affordable and efficient communication systems to communicate regularly with communities and disseminate urgent information (IDP community engagement meetings held in November in all the 7 wards).Ward based plans were formulated for each ward during the meetings.
- **Financial Management:** Sound financial management is integral to the success of local government.
- **Institutional Capacity:** There has to be a focus on building strong municipal administrative systems and processes. It includes ensuring that administrative positions are filled with competent and committed people whose performance is closely monitored. Targeted and measurable training and capacity building should be provided for councillors and municipal officials so that they are able to deal with the challenges of local governance as well as ensuring that scarce skills are addressed through bursary and training programmes.(The municipality does offer bursary to its employees).

9.6 THE PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY(PGDS)/KZN GDS

The KwaZulu-Natal Province development vision is outlined in the recently introduced Provincial Growth and Development Strategy (PGDS 2011). The PGDS is a primary strategy

for KwaZulu-Natal that drives growth and development in the Province to 2030. It provides the province with a strategic framework for accelerated and shared 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 (PGDS, 2011). Concomitant attention is also given to the provision of infrastructure and services, restoring the natural resources, public sector leadership, delivery and accountability, ensuring that these changes are responded to with resilience, innovation and adaptability. The seven strategic goals are outlined below:

- Human Resource Development
- Human and Community Development
- Strategic Infrastructure
- Response to climate change
- Government and Policy
- Spatial Equity
- Job creation

It is reported that the Province will respond to the above-mentioned challenges by exploring opportunities available through integrated Government investment, infrastructural development and targeted policy choices. Richmond Municipality as an implementing agent will strive to address or achieve these goals.

9.7 STATE OF THE NATION ADDRESS

On the 09 February 2017, The President of South Africa, Jacob G. Zuma delivered The State of The Nations Address at the joint sitting of Parliament in Cape Town. The address reported on progress made with the implementation of the National Plan and importantly highlighted priorities that still need to be addressed. These priorities are those that form part of the 2013 National Plan (the 12 National priorities). The focus areas/ priorities included the following:

- Creating Decent Work;
- Infrastructure Development
- Education;
- Fight against crime;
- Health; and

- Youth development.

9.8 STATE OF THE PROVINCE ADDRESS

The Honourable Premier of the Kwa-Zulu Natal Province, Mr Willies Mchunu delivered the State of the Kwa-Zulu Natal Province Address on the 01 March 2017 at the Royal Show Grounds in Pietermaritzburg. The Premier aligns this address with the strategic direction provided by the country's State of the Nation Address. The KZN address highlights challenges of unemployment, poverty and inequality and further highlights priority areas that need urgent attention such as job creation and economic growth.

The future development trajectory was encapsulated in the following Provincial vision:

“By 2030 the Province of KwaZulu-Natal will be a prosperous Province, with healthy, skilled and secure people, acting as a gateway to Africa and the world”.

More focus areas that the province highlights are as follows:

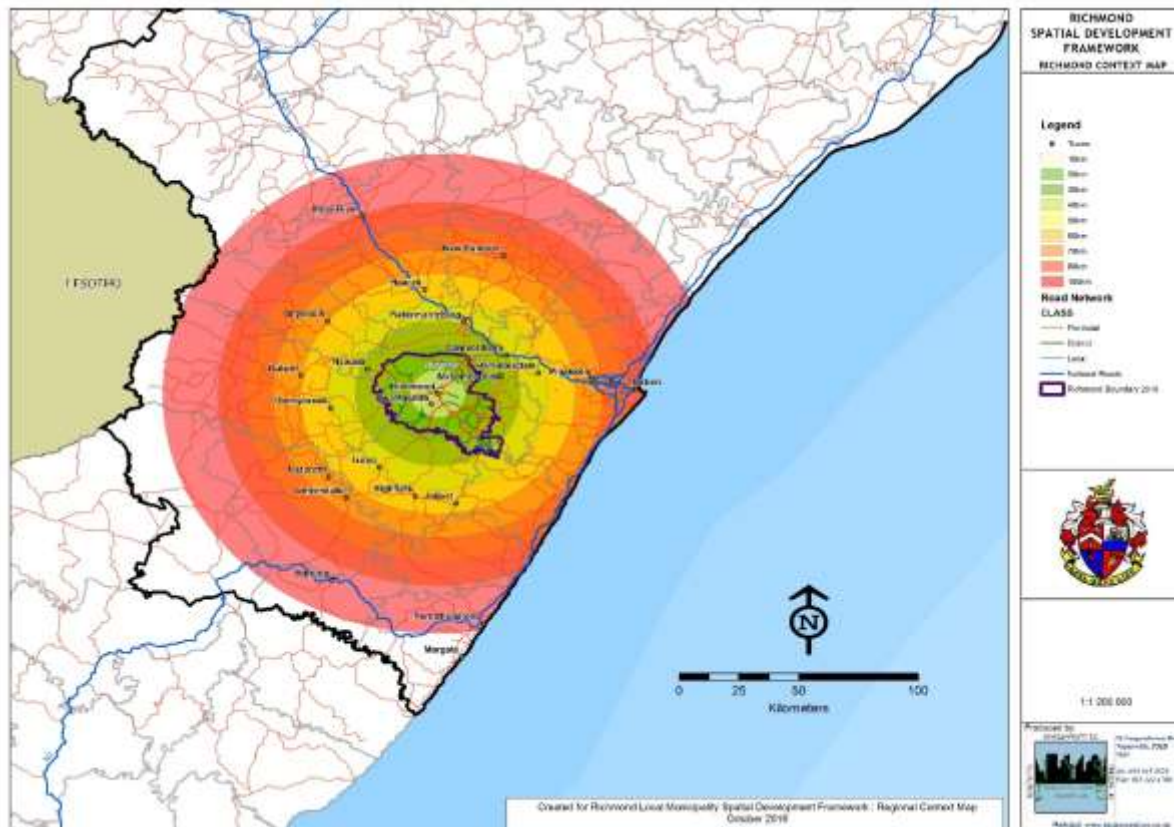
- Health, schools and road infrastructure;
- Sustainable Human settlements-access to housing;
- Access to water and decent sanitation;
- Access to energy sources;
- Tourism;
- Building a culture of entrepreneurship;
- Centres of growth and development corridors-economic zones;
- Agriculture and food security;
- Nature conservation;
- Rural development;
- Education;
- Social development;
- Health matter particularly HIV/AIDS;
- Climate change

SECTION C: SITUATIONAL ANALYSIS

10 SPATIAL ANALYSIS

10.1 REGIONAL CONTEXT

Map 4. Regional Context



Richmond is geographically located at the centre of KwaZulu Natal province and UMgungundlovu District Municipality. The map insert indicates the following:

- It is located within 35km from Pietermaritzburg. This is the main urban centre of UMgungundlovu District and Capital City of KwaZulu-Natal Province.
- It is located within 45km to Ixopo towns which is one of the main service centres of Sisonke District.
- It is 40km away from Eston in UMkhambathini Municipality.
- Camperdown is located within 65km from Richmond.
- Umzimkhulu town is 78km away from the town of Richmond.
- Highflats is located 67km away from Richmond while it is 72km away from Bulwer.

This location is advantageous to the trading opportunities for the area especially if the area capitalizes on being an agricultural hub within the regional context. The Municipality's boundary borders along, Dr Nkosazana Dlamini Zuma, Mkhambathini Municipality and its southern boundary along the Ubuhlebezwe and Vulamehlo Local Municipalities. The majority of the population resides in the predominantly rural areas. The main economic activity is located in the Richmond Village. This has led to the development of the informal settlement of Bhongoza. It is assumed that persons have taken up residence due to the close proximity to the economic hub. Commercial agricultural practises dominate the land use.

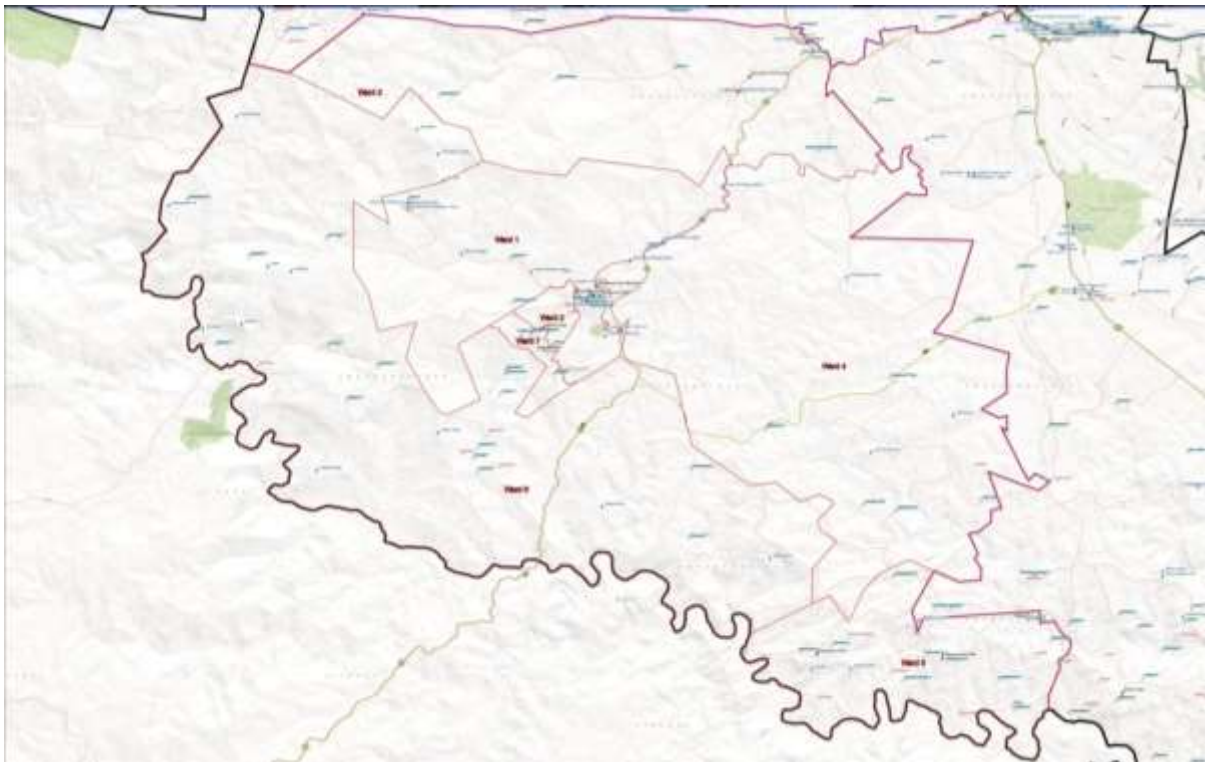
Dense settlements exist around the Richmond Village, Greater Ndaleni and Hopewell. Settlements in other parts of the municipal area are sparsely scattered. The main road linkages in the Municipality is the R56 forming a north south corridor and links Pietermaritzburg, Richmond and Ixopo. The R624 links Richmond to the south coast and the R603 to the N3 corridor. In terms of Public Transport there are eleven routes which transport passengers within and outside of Richmond. Richmond's location in terms of major transport routes and corridor development serves as a link between eThekweni and Gauteng and its location therefore creates numerous benefits and should work towards strengthening the economy of the area.

With the development of Land Use Management System and the Spatial Development Framework, it is envisaged that a clearly defined approach to development will now be enforced with land use zones identified and clearly targeted in terms of development.

The most significant areas of relative need are the traditional areas, which are characterized by few employment opportunities, inadequate services and poor agricultural potential. There are some exceptions, as well as wide disparities between the service levels and degree of accessibility of different rural settlements in these areas.

10.2 ADMINISTRATIVE ENTITIES

Map 5. Administrative Entities



Richmond Municipality (KZ227) is one of the category B municipalities and comprises of seven (7) wards. It is located on the southern part of the uMgungundlovu District Municipality (DC22) and is approximately 38 kilometres south of Pietermaritzburg which is the capital of the KwaZulu-Natal Province. It is bordered by Umsunduzi Municipality to the north, Dr Nkosazana Dlamini Zuma Municipality to the west, Mkhambathini Municipality to the east and Ubuhlebezwe and Vulamehlo Municipalities to the south. It is approximately 1232 square kilometres in extent with an estimated population of 56 772 and 12679 households; it is the fourth smallest Municipality within the uMgungundlovu District Municipality family of Municipalities.

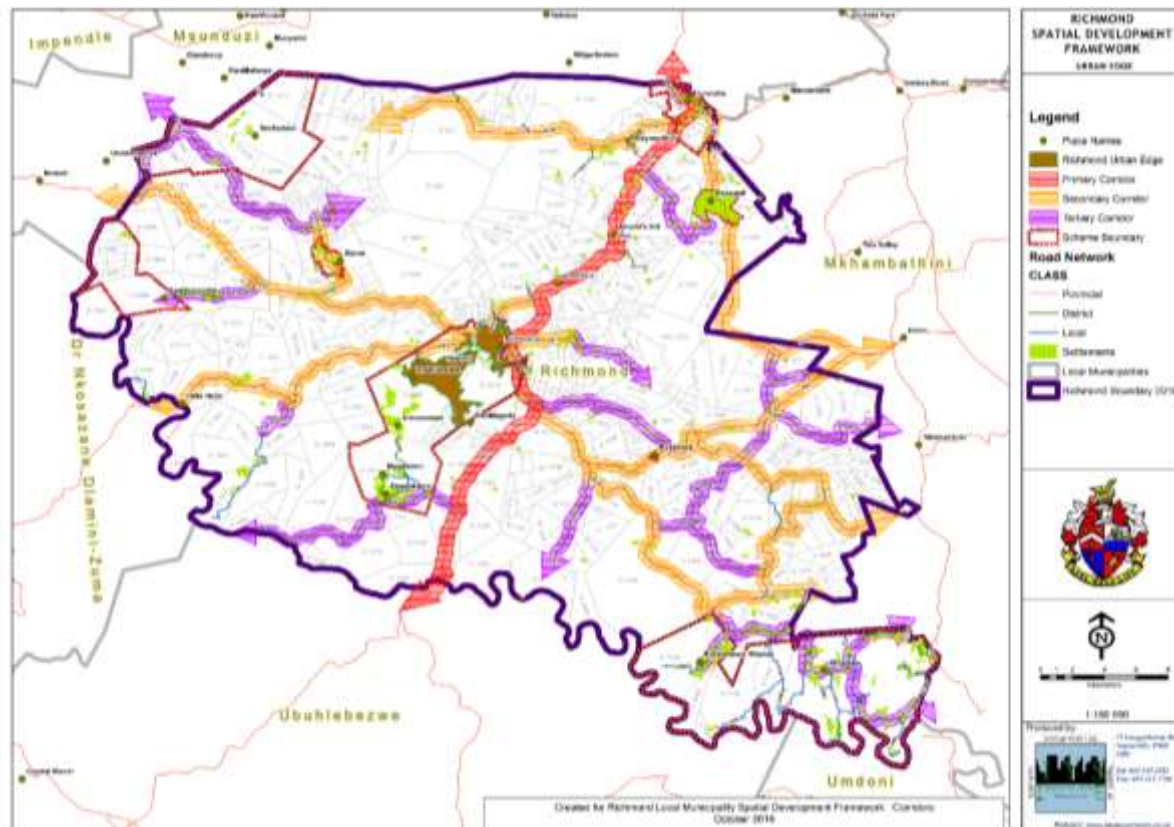
10.3 STRUCTURING ELEMENTS

R56 and R624 are the Provincial Routes which are the visible structuring elements of Richmond. R56 transerves the middle of municipal area in north-south direction. It links Richmond Municipal Area with Pietermaritzburg towards the north and other smaller towns towards the south. P121 is a very important adventure route from Richmond to Drakensberg via Bulwer. There are four routes that play a dual role which is agriculture and tourism, these are P115, P24 (R624), P117 and P116. There are five mobility routes which are at the level of the secondary corridors and these are P8-1, P334, P257, P471 and P202. Internal link and circulation roads provide linkages between settlements and access to

public facilities and services. These are D360, D1036, D1035, D1034, D61, D586, D329, D411, D248, D62, D274, D60, D59, D188, D684, D58, D63, D773, L50 and L674.

Mkomazi River which is located on the south-western boundary of the municipality. This is one of the major rivers within the province and the Municipal Demarcation Board used it to demarcate the southern boundary of Richmond Municipality.

Map 6. Structuring Elements



10.4 EXISTING NODES AND CORRIDORS

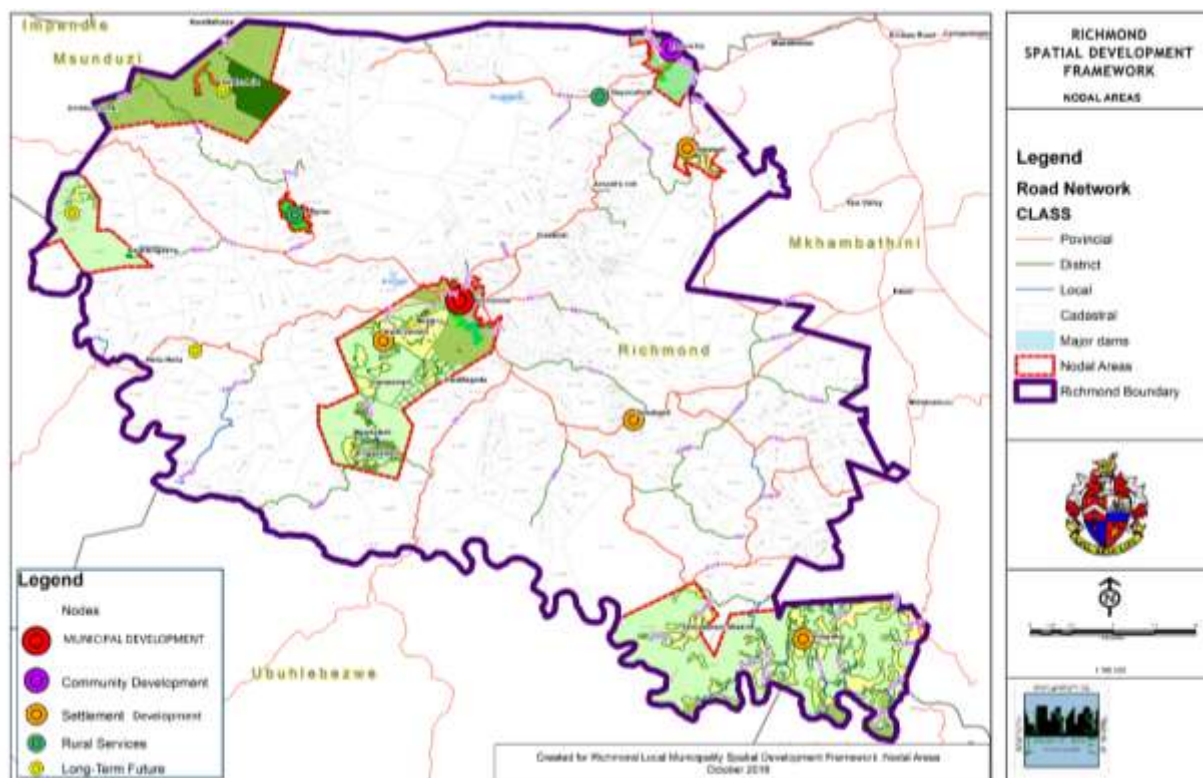
Nodal areas are defined in the latest SDF guidelines of July 2010 as areas where there is high intensity of land uses and where activities will be supported and promoted. The development of nodal points helps to improve efficiency since it provides easy access and creates thresholds for a variety of uses and public transport services. Richmond like any given municipality accommodates a hierarchy of nodes which shows the relative intensity of development anticipated for the various nodes, and the dominant nature and activity of the nodes.

- Municipal Development Node – Richmond Town is the main urban centre for the municipality. It is the most strategically located commercial and administrative centre which is centrally positioned to service the entire municipality.

- Community Development Node – Thornville has been identified as a Community Development Nodes. This is essential a small town that provide an area-wide exchange point household, common consumer products and farm inputs
- Settlement Development Node – Hopewell, Greater Ndaleni and Nhlazuka are the notable peri-urban and densely populated rural settlement within Richmond Municipality. The Settlement Development Nodes would locate a settlement or cluster of settlements. The services that these provide are limited to the surrounding settlements and include low order public, shopping and small business enterprise facilities. These serves as a link between the local communities and the major towns as such they should locate in accessible areas along or at the intersection of public transport routes.
- Rural Service Centre – These were identified in Baynesfield and Bryne. These areas have potential for the location of multi-purpose community centres (to include clinics, AIDS support services, library, adult education and skills training and computer facilities). Major capital investment is not required and by making use of alternative approaches, including mobile structures (containers or prefab construction) and providing only essential infrastructure, combined with periodic service delivery and markets, the potential of centres to fulfil a rural service function can be tested efficiently and at relatively low cost.
- Long-term future nodes – These nodes are proposed within Hella Hella, Sevfontein and Mazangazama. These areas currently exist with limited activities. The long-term future node is still more of a proposal than an activity investment point. This node need to be re-evaluated over time once the impetus of the Proposed Secondary Activity trade route takes off, as well as the numerous east/ west links have been achieved. The restructuring of the Municipality, overtime, might indicate the development of other areas which have not been identified through this process.
- Opportunity Points – A gateway model is proposed for the development of highest accessible entry points within Richmond Municipality. These are prioritized along the access points from R56 to main urban centres where strategic land parcels can be unlocked for investments. These interchanges are found in Richmond and Thornville. The provision of employment opportunities is to be encouraged at these points as well as commercial

development which may take place at a higher density than in other areas. Servicing is, however, to be thoroughly investigated and agreed to before any development is permitted.

Map 7. Development Nodes and Corridors



These words distinguish between the higher order and lower order cores or centres within the area of influence of the service centre. The Nodes have different buffers which are determined by the type of node. This buffer is an indication of the threshold served by each node.

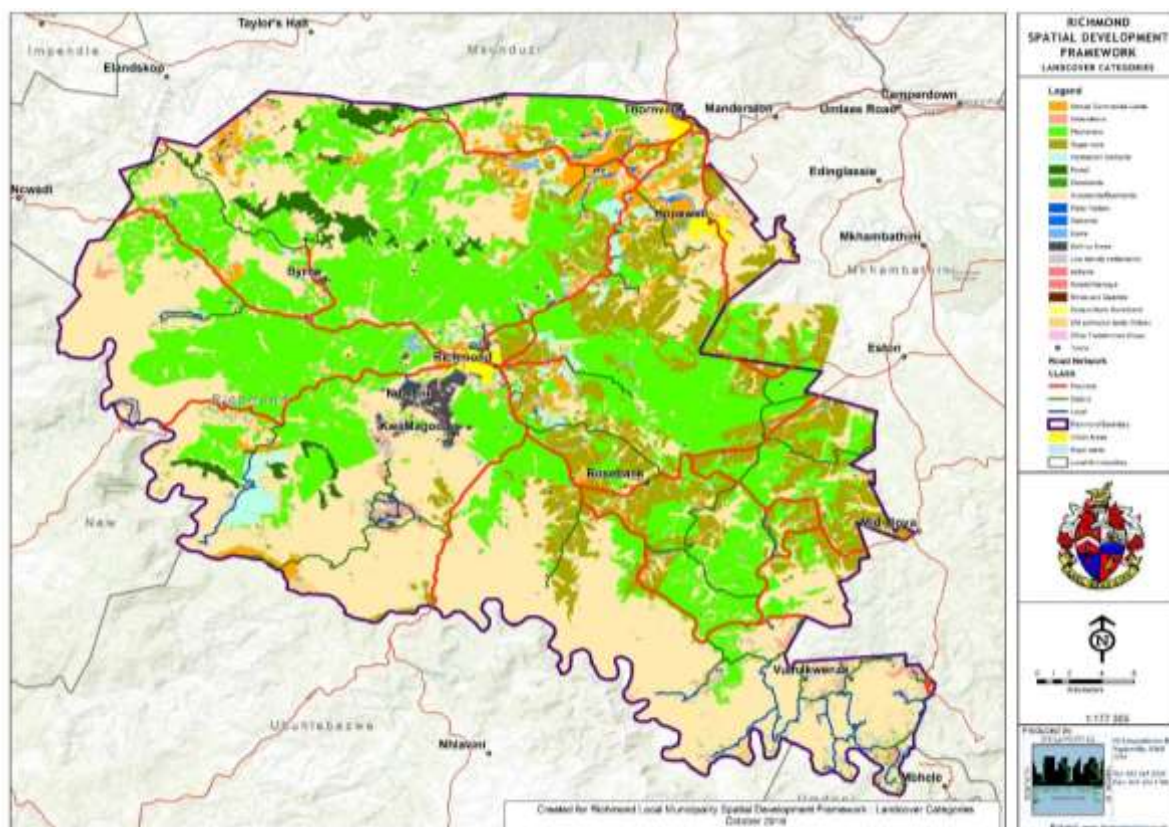
R56 is the primary corridors within the Municipality. It provides high linkages with surrounding municipalities and economic nodes. Along the R56 Route from Pietermaritzburg down to Kokstad there are many different types of agricultural activities / businesses taking place with a variety of vegetation and fruit activities, this route links Richmond Municipality with the Pietermaritzburg and Kokstad. This corridor centres on tourism and industry and links the primary nodes. This primary corridor facilitates stronger cross border economic flows and economic development. R56 corridor in the Mkhomazi Valley has natural attractions includes landscape and can attract both domestic and international tourist thereby promoting LED projects at some locations.

P624 to Eston and D59 to Greater Indaleni both from R56, P315/P334 providing access to Baynesfield from R56, P121 to Bulwer via Ncwadi provide vital linkages to service nodal

points and communities within the municipality and ensure connectivity with service delivery in the communities.

P115 to D158 and D2106 provide access to the tertiary node of Inhlazuka. This corridor also links Richmond rural community to Mkhambathini rural community. The scenery in this route blends itself to unlimited nature and culture based tourism. Likewise P8-1 route to HellaHella passing Roselands Farms to Creighton same the some purpose as listed above.

10.5 LAND COVER AND BROAD LAND USES



Map 8. Broad Land Uses

Richmond Municipality is predominantly rural in nature and it is in these areas where the majority of the population resides. The only area which can be regarded as urban is the Richmond Town. It is the main growth centre within the municipality and acts as the central business district in that it offers a range of services to a large portion of the population. Commercial agriculture dominates the land use due to the medium to high agricultural potential of a large part of the municipal area. Forestry plantations occur throughout the area and sugarcane is grown in the eastern half of the municipal area. Smaller areas of land which are irrigated for commercial purposes are dispersed throughout the area.

Richmond Municipality has a total land area of 125575.33 hectares accounting for 13% of the district's total land area. 55% of the land is classified as transformed and 45% as untransformed. Urban areas account for 1% (1780.9 hectares) of the land area.

48% (60600.93 hectares) of the land in the Richmond Municipality is used for commercial agriculture. Of this timber plantations and sugarcane production account for most of the land cover, 32% and 11% respectively. Timber plantations exist throughout most of the municipality in both the Moist Midlands Mistbelt and the Coast Hinterland Thornveld BRGs with sugarcane production occurring almost exclusively at lower altitudes in the warmer Coastal Hinterland Thornveld BRG. Both irrigated and dryland agriculture take place throughout the municipality involving the production of maize, veggies, timber, sugar, citrus and pastures or dairy.

Natural vegetation covers 25% (31645.31 hectares) of the municipality. Dense bush and bushland together account for majority of the natural vegetation. Much of this is Valley Bushveld with little potential for agricultural production due to steep slopes. Untransformed grassland accounts for 15% of land cover. As is the case elsewhere in the district it is presumed that areas of untransformed grassland are likely to be used to graze cattle for commercial or traditional purposes. Table 43 shows the number of hectares and percentage of land covered by the dominant land cover types for 2005 and 2008. Additionally the table shows the percentage change in land cover types between 2005 and 2008.

10.5.1 Land Use Changes 2005 – 2008

Transformed areas in the municipality increased by 9% (5720 hectares) between 2005 and 2008. Urban settlement increased by 6% (109 hectares) and rural settlements by 7% (154 hectares). Subsistence agriculture increased by 127% (558 hectares). Plantations increased by 9% (3310 hectares) and the area under sugarcane declined by 665 hectares. Other commercial agriculture increased by 57% (2245 hectares).

There was a 15% (3330 hectares) decline in pristine grasslands between 2005 and 2008. During the same time there was a 47% (1287 hectares) increase in degraded grasslands in the municipality

The agricultural potential of an area is dependent on soils and climatic conditions. The central, northern and western areas are characterized by high potential land (accounts for approximately 60% of municipal area), areas in the northern, eastern and western have good potential agricultural land (approximately 21% of municipal area), 3% is considered to have moderate land potential, 5% has low land potential and 11% has restricted land potential.

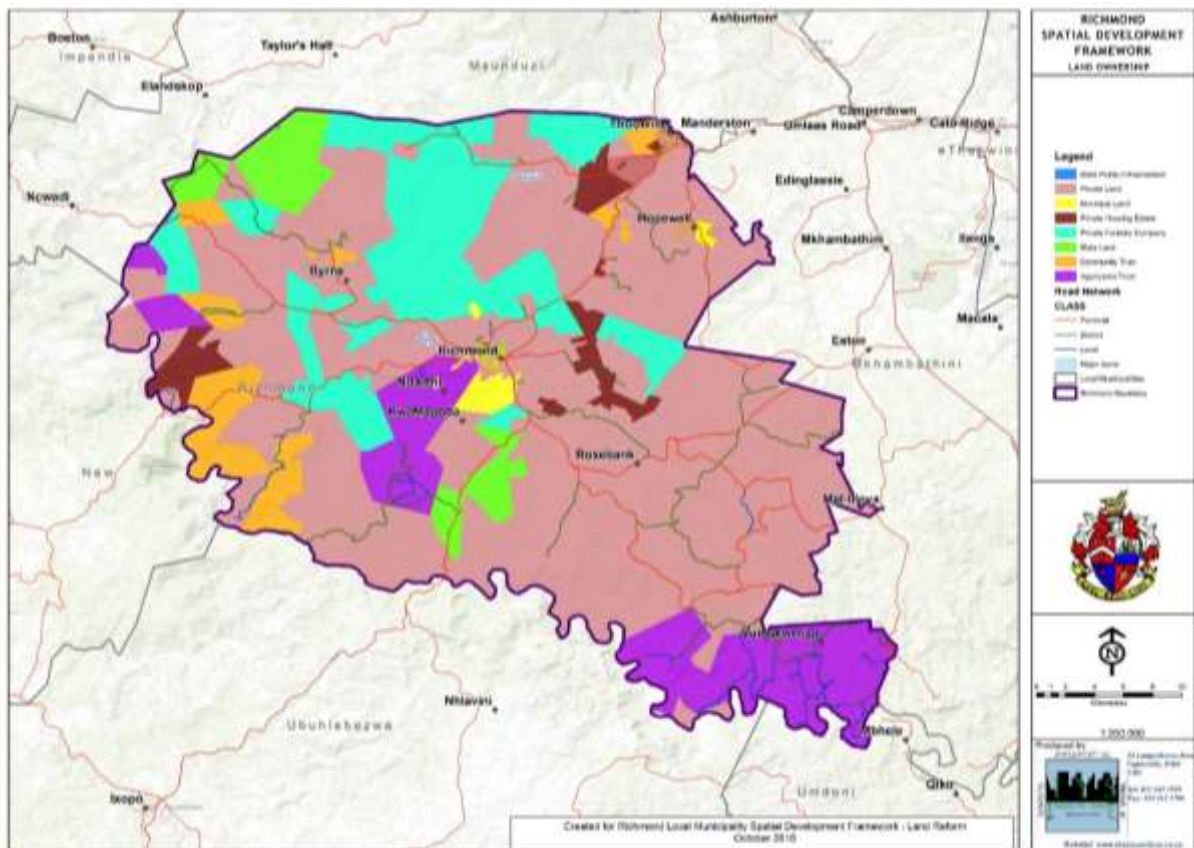
10.6 LAND OWNERSHIP

There are three Traditional Authorities in the Richmond Local Municipality viz. Vumindaba Traditional Authority, Vumakwenza Traditional Authority and Esiphahleni Traditional

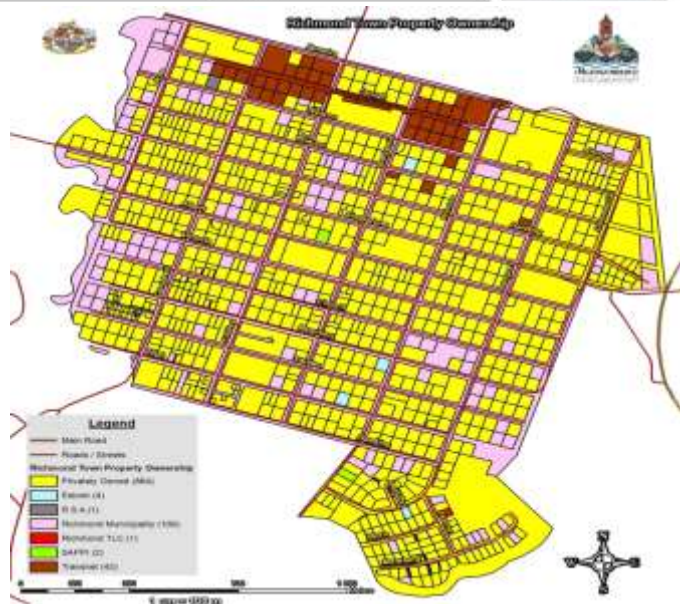
Authority. The traditional authorities are located in the central and south-eastern portion of the municipality. Residential areas of note exist around the Richmond Town Ndaleni and Hopewell and there are sparse, scattered residential settlements in other parts of the municipal area.

The following map indicates the land ownership in Richmond Municipality and Town.

Map 9. Ownership



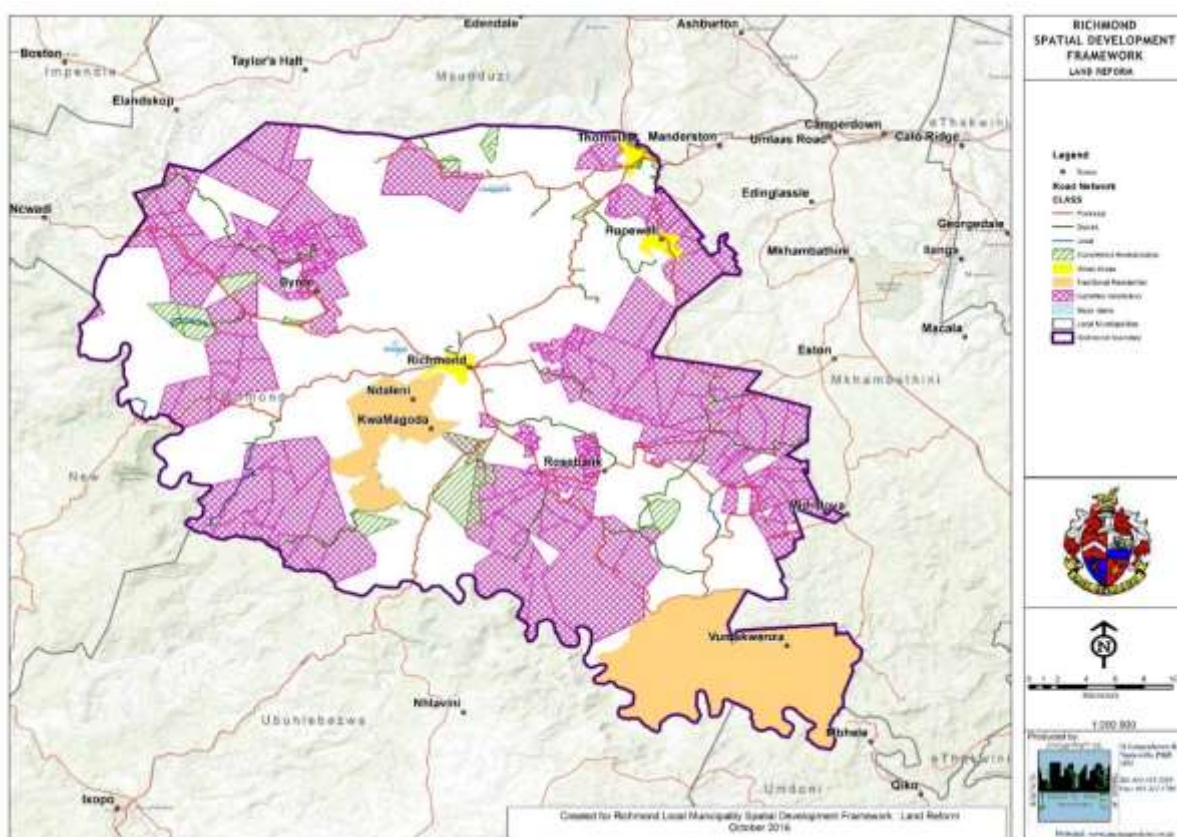
Ownership of land in the municipality occurs in three forms viz. private, state-owned and traditional authority. Most of the privately owned land is utilized for agricultural purposes and the traditional authority land is used for settlement. The remaining area consists of grasslands and on the south-western boundary the land cover consists of thicket and bushland.



10.7 LAND REFORM

Below is a spatial illustration of land reform projects within Richmond. These are managed through the development of area based plans. They aim to integrate and align land reform projects with the strategic priorities/plans of the municipality. This is done so to ensure sustainability of land reform projects and other sector development programmes such as human settlements developments etc. The SDF should address the land reform issue and should ensure that alignment with ABP is achieved. Further and most importantly areas based plans should reflect the spatial strategies outlined within the SDF and represent planning in an integrated manner.

Map 10. Spatial location of Land Reform Projects



In terms of land redistribution the table below depicts the projects initiated:

Table 2. Land Reform Projects

Project Name	Property Description	Size Ha	No of H/H	Program Type	Product Type
Beaulieu Estates/ Honeywood Farm	Ptn 376 (of 270) of Beaulieu Estates	6.7498	0	Redistribution	Crop & Livestock
KwaGengeshe	Ptn 1 of Rem of Farm Kangashes	602.6709	90	Redistribution	Settlement

Harcourt/ Mzinolovu	Ptn 25 (of 18) of Weltevreden	66.9825	35	ESTA	Settlement & Grazing
Naawupoort	Ptn 1 of Naauporort North	256.7950	23	ESTA	Settlement
Mawela/Buckan	Rem of Ptn 3 of Farm Bucken	21.9379	1	Redistribution	Pip production & vegetables
Synergold Investments	Rem of Farm Buckan	20.2667	4	Redistribution	AGRI
TshalaSovuna Farming Enterprise	Ptn 2 and 3 of Mybole	116.2628	3	Redistribution	Maize & Horticulture

In terms of labour tenants within the municipality a total of 22 labour tenant initiatives exist. These include the following areas viz. Craighead, Delectable Dale, Dunbar Estate, Fielden, Furth, Gunzenhausen, Hopewell, KruysFontein&Weltevreden, Kweletsheni, Little Harmony, Long, Lot 107, Lovo Dale, Mount Desire, Paarde Kraal, Resolis, Stertriemfontein, Strathfieldsaye, Strehla, Sunnybrae and Waterton.

In terms of land restitution a total of 66 claims were originally lodged with DRDLR. This was subsequently consolidated into 42 claims and 3 of the claims were non-compliant. To date 4 claims have been gazetted and 1 claim has been settled and finalized. The claim settled relates to the Emashosheni community. A total of 2073ha was restored to 76 households for farming purposes.

10.8 LAND CAPABILITY

The Richmond Municipality is well endowed with high agricultural potential land, which should be preserved and protected from the encroachment of settlement development. The local economy is largely dependant on agricultural activities with commercial agriculture and forestry dominating the land use. However, access to land as a resource should be broadened to include the previously disadvantaged using appropriate government programmes. Agricultural land provides an opportunity for local economic development and job creation in Richmond. Its value should be enhanced and local communities assisted to make optimal use of this land.

Map 11. Agricultural potential

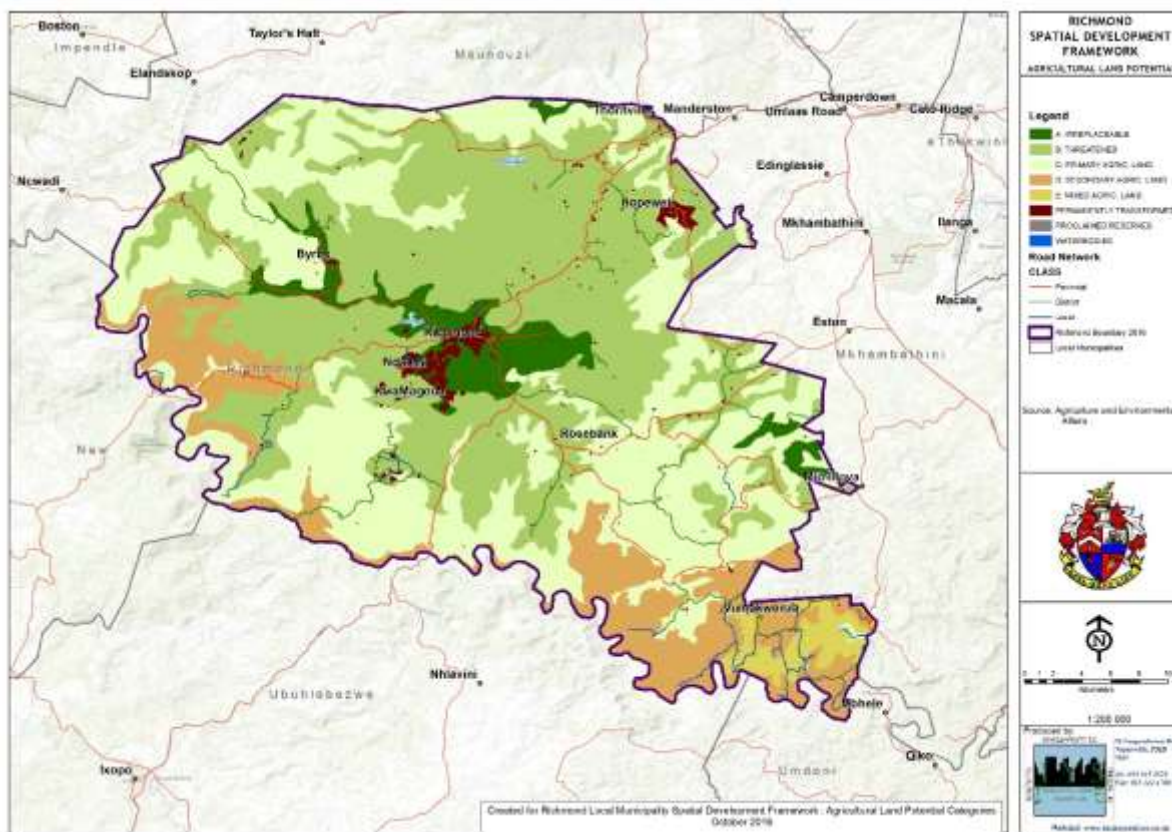


Table 5 indicates that 93% of the land in the Richmond municipality is included in the 14 selected BRUs. It may be used to further demonstrate that arable land in Richmond includes 43% of the area with a further 51% being non-arable. It should be further noted that within

Table 3. Agricultural Potential

Area Under Agriculture		
Land Use	Hectares	%
Forestry	40096	32
Grasslands	24495	20
Cultivation	21505	17
Total Area Under Agriculture	86096	69
Remaining Areas	39475	31
Total Area of Municipality	125575	100
% Under Grasslands		20
% Under Arable		49
% Eroded		0
% Remaining Areas		31

the area suited to arable, 11% is what is termed high value land meeting all conditions for optimum production. The nonarable is indicated in Table 70 as not being suitable for cultivation owing to rockiness and inclusion of wetland and drainage areas. The crops and associated yields (under defined management conditions) associated with these BRUs are contained in the BRU reports located in the BRU programme. The area of the

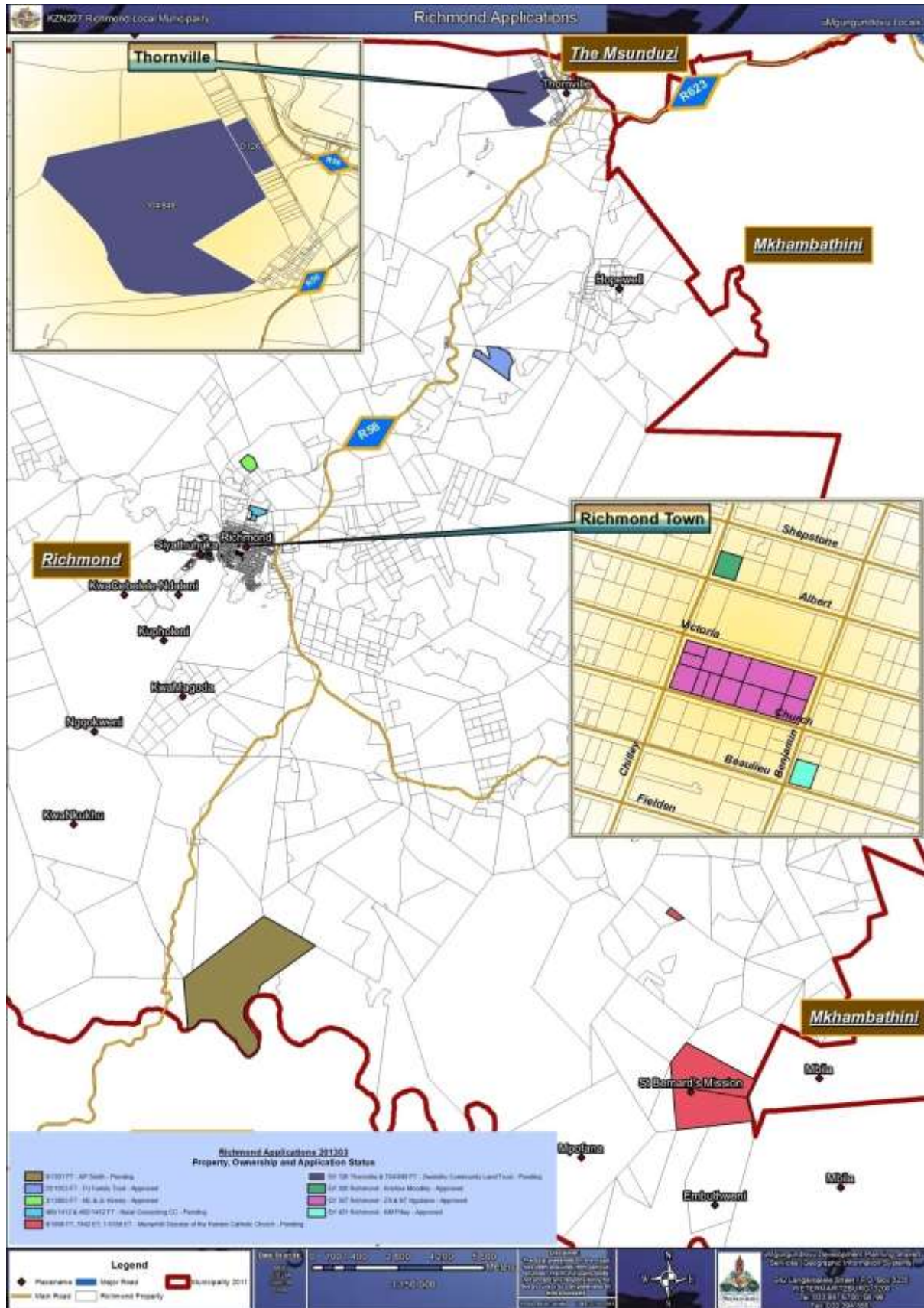
Municipality not dealt with in the BRUs amounts to 7% of the Municipality. As noted this includes BRUs with less than a 2% cover in the Municipality and hence they have not been included in this assessment.

An assessment of the actual land use versus the agricultural potential data would seem to indicate the following:

- The outcome of this assessment is illustrated in Figure 80 where 93% of the total area of the municipality is incorporated into BRUs which are in excess of 2% of the land area of the municipality. Map 18 further indicates that 43% of the land under BRUs in the municipality is arable with 51% of it being non-arable.
- Where the land cover data for Msunduzi is compared, on a proportional basis, with the bioresource unit data in Map 18, then it would seem that the available arable is fully and possibly over-utilised for agricultural production (commercial and subsistence) in the municipality (see Land Use report for maps).
- Regarding grasslands, comparative data (to land cover) is not readily available in the BRUs in that areas suitable for arable are also often well suited to grasses. Consequently it is noted that most if not all of the non-arable and certain of the arable (under BRUs) comprises the grasslands (under Land Cover) being used for grazing (Grasslands in Map 18).

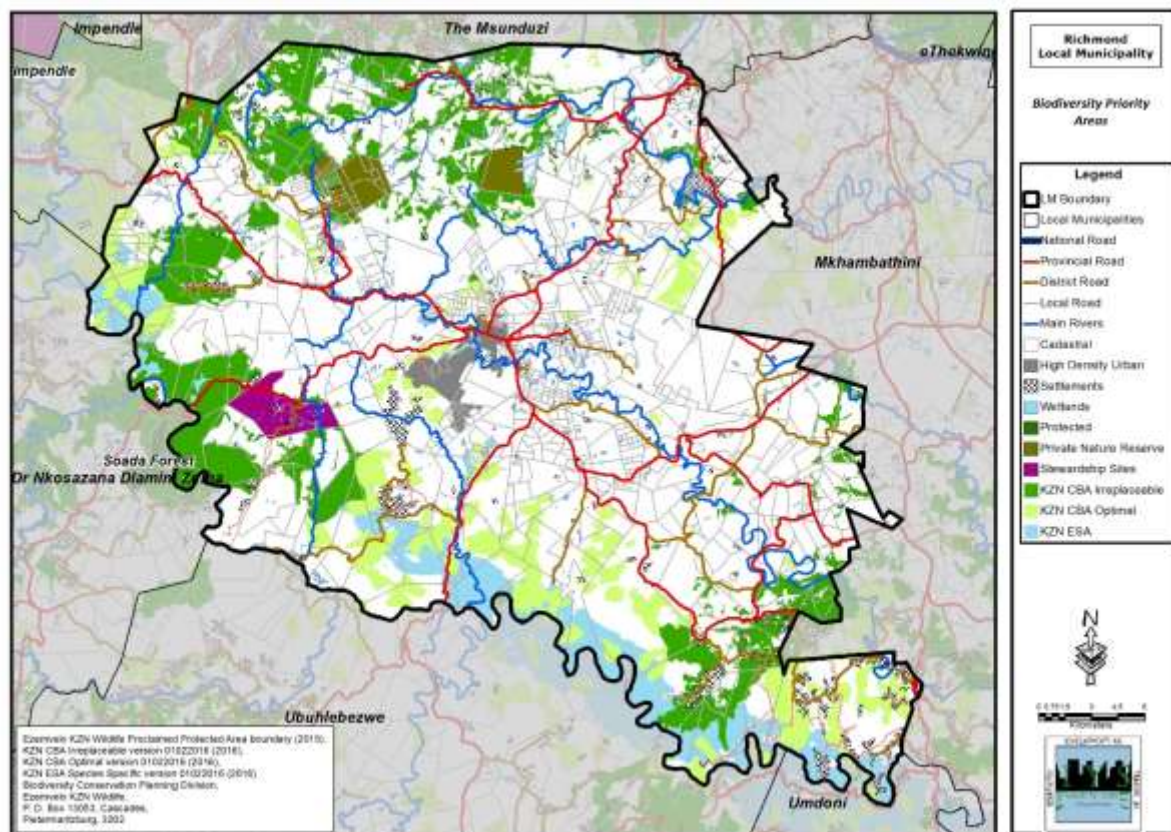
10.8.1 Private Sector Developments

Map 12. Private Sector Development



10.9 ENVIRONMENTAL ANALYSIS

10.9.1 Biodiversity



Extensive monoculture substantially reduces bio-diversity i.e. the diversity of animals and plant lives which naturally occur in environmentally sensitive areas are severely impacted on with the destruction of natural habitats. In the case of timber the planting of exotics further worsens the impact in this form of agriculture. The UMDM District developed a Biodiversity Sector Plan. The primary purpose of characterising the uMgungundlovu District's biodiversity profile is to determine important areas for the conservation of biodiversity in order to guide sustainable development within the district. The uMgungundlovu BSP feeds the development of a Bioregional Plan covering the District, which forms a legislated requirement of the National Environmental Management: Biodiversity Act (Act 10 of 2004). The Bioregional Plan must feed into all land use planning and management decisions and tools within the district and its local municipal areas (DEAT, 2009). This process incorporated biodiversity planning criteria and mapping principles from other examples where biodiversity sector plans have already been developed.

Key biodiversity assets in Richmond LM include large natural areas, terrestrial ESA (Ecological support Areas and terrestrial CBA (Critical Biodiversity Areas)(See map 14).

Large natural areas, which covers the majority of the municipal area, are more likely to remain intact with lower influences of "edge-effects" from adjacent land uses. Intact areas will support ecosystem processes and functionality, which in turn improves biodiversity

conservation. Conversely, land use transformation and impacts from anthropogenic influences increase the probability of “edge effects” on important biodiversity areas.

10.9.2 Hydrology

In terms of hydrology three catchments are located or partially located in the municipal area. These include the Mkomazi Catchment which is located on the south-western boundary, the Lovu Catchment which passes by the Richmond Village in a west to east direction and the Mlazi Catchment which is located in the northern portion of the municipality.

10.9.3 Air Quality

The Richmond Local Municipality is largely rural and under agriculture, and the only regulated industry is a timber processing plant (DEA, 2010). Approximately 76% of households use relatively clean energy (electricity, gas, paraffin) for cooking and 56% use these fuels for heating. A relatively large number of homes are however still reliant on wood as their primary energy source. Agricultural burning associated with forestry and sugar cane is also a source of air pollutants in the local municipality.

10.9.4 Climate Change

Global climate change is possibly the greatest environmental challenge facing the world in this century. Although often referred to as ‘global warming’, global climate change is more about serious disruptions of the entire world’s weather and climate patterns. This includes the impacts on rainfall, extreme weather events and sea level rise, rather than just moderate temperature increases. According to the international studies undertaken by NFCC the impacts of a global average temperature rise of between 2.5°C and 3°C from the 1990 levels are countless, and in South Africa it is estimated that agriculture, tourism and conservation will be the areas which will feel the effects the most. Richmond is mainly an agricultural area and the impact of climate change affects the production of seasonal crops i.e. cabbages are the winter crops which may be affected by heat waves that may take place during winter due to climate change.

The climate change impact mitigation strategies proposed within the Green Paper (Government Gazette Notice no 1083 of 2010), and which have relevance to activities at a municipal level, include the following:

10.9.4.1 Biodiversity: mitigation of climate change impacts

Encourage and facilitate the building of partnerships to enable effective management of areas not under formal protection and investment in the expansion of key protected areas (which were not originally designed with climate change trends in mind) in line with the most robust knowledge of climate change impacts.

Expand existing programmes to combat the spread of alien and invasive species and the destruction of sensitive ecosystems including Working for Water, Working for Wetlands and Working on Fire. Promote efforts to conserve, rehabilitate and/or restore natural systems that reduce and/or improve resilience to climate change impacts, e.g. wetlands and their positive impact on storm surges.

10.9.4.2 Water resources: mitigation of climate change impacts

- Continue to develop and maintain good water management systems and institutions, from village through to national level, to ensure we achieve our equity objectives, and can sustain affordable provision of water to all.
- Accelerate the development and/or capacity of effective and accountable catchment management agencies that will: promote equitable and sustainable use of available water resources at local and regional level; strengthen water resources regulation at local and regional level; monitor developments and emerging stresses, and propose effective ways of addressing them. As groundwater grows in strategic importance as a result of increased surface water evaporation, they will have to manage the recharge of aquifers as an integral part of local water management where this is feasible.
- Invest in monitoring capabilities across a range of disciplines in order to spot trends and understand them as well as track the efficacy of adaptive strategies.
- Optimise the re-use of wastewater.
- Increase investments wastewater treatment capacity to meet stipulated norms and standards for waste discharge - to safeguard public health, river health and ecological services and to minimize environmental disasters and treatment costs.
- Increase investments in maintenance and renewals to minimize system losses in infrastructure networks, Maintenance deferred is infinitely more expensive, and the country needs the most efficient networks possible to optimize currently available resources.
- Develop and implement household rainwater harvesting incentive programmes.
- Implement integrated water resource management including protecting and restoring natural systems, increasing conjunctive use of surface and ground

water, and learning through adaptive management experiments. Given South Africa's' inter-basin and trans-boundary transfer schemes integrated water resource management provides an important governing framework for anticipating and achieving successful adaptation measures across socioeconomic, environmental, and administrative systems.

- Vigorously enforce compliance with water quality standards to ensure that our water remains fit for use, and that clean water is available for blending to dilute pollutants. Contamination by salts, excessive nutrients, heavy metals and other pollutants must be restricted.
- Encourage and develop water-sensitive urban design as a means of capturing water within the urban landscape and minimising pollution, erosion and disturbance by ensuring that storm water is treated as a valuable water resource and not simply discharged to rivers or the sea.

10.9.5 Strategic Environmental Assessment

The municipality currently lacks funds to develop an SEA, however this will be included when the SDF Review takes place.

10.10 SPATIAL AND ENVIRONMENTAL TRENDS & ANALYSIS

- ⇒ The town centre benefits and can further benefit from an urban regeneration programme which can introduce urban greening, proper street lights and street furniture.
- ⇒ Furthermore any intervention geared towards spatial reorganisation will benefit the CBD immensely.
- ⇒ There is a need to redefine land use management in the CBD and the resultant review of zoning measures.
- ⇒ Review of certain existing uses currently located within the CBD but not appropriate in their locations.
- ⇒ Define an Urban Growth Boundary taking advantage of R56 opportunities;
- ⇒ There is need to consider appropriate shelter for informal traders at strategic points
- ⇒ Such shelter should be within easy access to public ablutions.
- ⇒ There is a need to consider upgrade of existing infrastructure
- ⇒ Projects that can be linked to corridor promotion are also suggested.
- ⇒ Need for proper road and place signage

- ⇒ Need to promote adventure tourism
- ⇒ Need to upgrade services and infrastructure
- ⇒ Formalisation of the residential development and;
- ⇒ Introduction of land use management relevant to the node
- ⇒ It is suggested that service roads be introduced to properly access the node which is currently established in linear pattern along the main road.
- ⇒ Integrating services within the nodes.

The have implications for the development of Richmond. Therefore it is important that as strategic guidance be provided in this regard. The SDF should respond the above mentioned issues and in doing so should:-

- Align with the strategic sector plans of the municipality and of the district
- Align with SDF's of the various neighbouring municipalities

Give effect to the spatial development strategies and programs as outlined in the district's SDF, including creating a framework for the implementation and co-ordination of the activities of various sector departments.

The municipality currently lacks funds to develop the Strategic Environmental Assessment. However the following strategic environmental issues have been identified within Richmond Municipality:

- The conflict between conservation and the survival needs of rural and urban communities needs to be considered. Communities are dependent on natural resources for survival which often places them in conflict with conservation authorities.
- Overgrazing due to farming techniques and lack of available land for grazing purposes.
- Encroachment of commercial farming activities on drainage areas and waterways impacts negatively on the rural water management system of the area.
- Lack of funding for environmental management programmes and projects.
- The burial of people on land not specifically allocated for this purpose and the impact that it may have on groundwater inters of the pollution and resultant communicable disease.
- The impact of high incidence of HIV/AIDS within the District contributes towards and increased need for cemetery space and suitable land for the

establishment of cemeteries is scarce.

10.11 SPATIAL AND ENVIRONMENTAL: SWOT ANALYSIS

Table 4. Spatial and Environmental: SWOT Analysis

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> • Richmond is strategically located in terms of its position between provincial nodes (Pietermaritzburg and Ixopo) as well as the Provincial Road (R56). • The town of Richmond is growing into a strong service centre for the municipality and it is appropriately positioned at the central part of Municipality. • Good climatic condition. 	<ul style="list-style-type: none"> • Richmond is a very small rural dominantly municipality with limited private development taking place within it. • The legacy of the past apartheid policies is still visible in the sense of communities that were marginalised from economic opportunities are still largely suffering. • Most of the land is privately owned which may limits the pace at which the state can deliver the public facilities since the land acquisition processes may sometimes be time consuming. • I most part of the Municipality there is steep terrain which limits development.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Richmond is located closer to PMB as well N3, busiest corridor within the province which open a lot of trading and storage opportunities. • Potential exists to develop and intensify the role of Thornville as secondary nodes. • Richmond is endowed with relatively good agricultural land and opportunities exist to develop this sector even further. • The land claims (restitution) have progressed very well and this provides opportunities for agrarian reform. 	<ul style="list-style-type: none"> • Most farms acquired through land claim is underlised. • Mounting burden to protect the rivers and wetlands with limited resources available at the municipality.

10.12 DISASTER MANAGEMENT

The Richmond municipality has prepared a Disaster Management Plan for its area of jurisdiction and the review has been completed. In terms of the Disaster Management Amended Act, 2015 (Act no 16 of 2015, Local Municipalities are subjected to perform the function of Disaster Management. It is in light of the Amendment Act that the Richmond Municipality prepared its own Disaster Management Plan to be aligned with the UMDM Plan. In view of the Richmond municipality's physical characteristics in combination with the social characteristics of the area; there are a number of disasters that are likely to occur.

10.12.1 Municipal Institutional Capacity

There is a disaster management forum in-place. The purpose of this forum would be to consult and coordinate actions pertaining to matters relating to disaster risk management in the Richmond Municipality. The uMD play a large role in the Forum in terms of its responsibility within the District. The following components, relative to disaster management, need to be addressed:

- Contingency planning
- HAZCHEM identification, identification of associated risks, the prioritisation and management thereof
- Communication and cooperation channels to be established as reaction measures to disasters
- Further details on the review Disaster Management Strategy can be sourced as an Annexure of this document.

Richmond Municipality has established the Rapid Response Team in cases of disasters. The Rapid Response Team is supported by a District Disaster Management Practitioner (Mr Mtshali). Moreover, the District Municipality has deployed one Intern (Miss JK Hyslop) to assist on issues pertaining to disaster management.

10.12.2 Risk Assessment

Identification of community at risk

Cholera

It can be said that all Wards are vulnerable to cholera. This is because of the fact that these wards do have challenges with regard to the basic amenities necessary to prevent infections such as cholera.

Fire

This can occur in any ward, even the Richmond Municipality's buildings are at risk, and therefore, detailed fire regulations are required. Fire is a major risk affected by climate change, and it is important that the risk profile includes Fire management plans, including training, awareness and equipment. Strategic risk mitigation plans need to be in place i.e.: Fire breaks and Equipment.

Floods

Although, this may occur in any ward, it must be noted that Ward 1 (the lower portion of the village) part of Ward 2 (Lusaka)& Ward 6 (Phatheni), Ward3/4 (Hopewell) and Ward 5 (Nhlazuka) are in greater danger because these areas are located in close proximity to rivers. Town planning is important to assist in reducing the effects of floods in low lying areas.

Drought

Areas like eMoyeni, Mtunzini, Zulwini , Amandus Hill and Mpofana were known to receive erratic rain fall and the risk of drought was possible. We have however noted that all wards are faced with a risk of drought . The Climatic changes have a major part to play in every area, the agriculture Sector and Emerging farmers are at risk due to limited infrastructure.

Major accidents and hazardous chemicals

The R56 road is the main arterial route to the Eastern Cape and is notorious for major accidents, especially overloaded buses, taxis and heavy trucks. The Road is in a major state of disrepair and needs focus on upgrade to reduce the risks

Security

Richmond Municipality needs to have a clear plan with regard to preventing damages arising from break-in when the Municipality buildings are closed. SAPS needs to be supported in their endeavor to limit crime , through assistance of the public (CPF)and private security companies.

The main hazards faced by the Richmond Municipality are floods, drought, disease, security and fire. The Local Municipality hazard risk profile of the Richmond Municipality is given in the following table.

Hazard Risk Profile of Richmond Municipality												
Local Municipality	Floods	Fire	MVA	Snow	Cholera	Air pollution	Drought	Tornados	Hazmat	Horse Flu	Swine Flu	Bird Flu

Ward 1	Medium	Low	Medium	Medium	Low	Low	Low	Medium	Low	Medium	Medium	Low
Ward2	Medium	Medium	Medium	Low	Low	Low	Medium	Medium	Low	Low	Low	Low
Ward3	Medium	High	Low	Low	Medium	Low	Low	High	Low	Low	Low	Low
Ward4	Medium	High	Low	Low	Medium	Low	Low	High	Low	Low	Low	Low
Ward5	Medium	High	Medium	Possible	Medium	Low	Low	High	Medium	Low	Medium	Low
Ward6	Medium	High	Low	High	Medium	Low	Low	High	Medium	Low	Low	Low
Ward7	Medium	Medium	Low	Low	Medium	Low	Low	Medium	Low	Low	Low	Low
H = High Risk; M = Medium Risk; L = Low Risk; 0 = No Risk												

The following table shows the severity and frequency of different hazards:

Hazard Risk Profile of Richmond Municipality												
	Floods	Fire	MVA	Snow	Cholera	Air pollution	Drought	Tornados	Hazmat	Horse Flu	Swine Flu	Bird Flu
Severity	High	High	Medium	High	Low	Low	Low	High	Low	Low	Low	Low
Frequency	Medium	Medium	Medium	Medium	Low	Medium	Low	Low	Low	Low	Low	Low
H = High Risk; M = Medium Risk; L = Low Risk; 0 = No Risk												

The vulnerabilities of the Richmond include mountainous terrain, low literacy level, high poverty level, low awareness, inadequate health facilities, and remoteness of villages, poor transportation facilities and very poor communication facilities. Vulnerability of various elements to different hazards is shown in the following table:

Vulnerability of various elements to different hazards within the area of jurisdiction of Richmond Municipality												
Elements	Floods	Fire	MVA	Snow	Cholera	Air pollution	Drought	Tornados	Hazmat	Horse Flu	Swine Flu	Bird Flu
Populace	M	H	M	M	L	L	L	H	L	L	L	L

Animals	M	H	M	M	O	L	M	M	L	M	M	M
Agriculture	M	H	L	M	O	L	M	M	L	M	M	M
Drinking water	M	O	O	O	L	L	M	O	L	O	O	O
Roads	M	O	H	M	O	M	O	L	H	O	O	O
River	M	O	L	O	L	O	M	O	M	O	O	O
Hospitals	L	M	L	L	M	L	O	L	L	O	O	O
Houses	L	M	L	M	L	L	M	M	L	O	O	O
Schools	L	M	L	L	L	L	L	M	L	O	O	O
H = High Risk; M = Medium Risk; L = Low Risk; O = No Risk												

10.12.3 Risk reduction and prevention

Mitigation activities actually eliminate or reduce the probability of disaster occurrence, or reduce the effects of unavoidable disasters.

Disaster mitigation planning will comprise all activities that can be done for risk reduction. Such activities that need to be undertaken by each Department should be identified and compiled. These activities can be planned after ascertaining the condition and status of infrastructure, equipment and manpower at the disposal of each department. The activities may include creation of any new infrastructure facility for risk reduction, repair, retrofitting or upgrading of existing infrastructures, procurement, hiring, or repairing of equipment; recruitment, hiring, and training of volunteers. The detailed planning of the above activities will lead to the preparation of budget for disaster mitigation activities.

The following activities need to be taken up for reducing the future impact of disasters:

- Roads and bridges or culverts
- Communication facilities (satellite telephones, mobile phone network)
- Health facilities
- Search and rescue facilities

- Flood control measures
- Dissemination of earthquake resistant construction techniques
- Disaster awareness through schools

10.12.4 Response and recovery

The capacity of Richmond Municipality in managing disasters has been analyzed as given in the following table:

Capacity of Richmond in managing disasters												
	Floods	Fire	MV A	Snow	Cholera	Air pollution	Drought	Tornados	Hazmat	Horse Flu	Swine Flu	Bird Flu
Early warning	High risk	High risk	Medium risk	Medium risk	Medium risk	Low risk	Low risk	High risk	Medium risk	Low risk	Low risk	Low risk
Community participation	Medium risk	Medium risk	Low	Medium	Medium	Low	Low	High	Low	Low	Low	Low
Government Disaster Management capacity	High	High	High	High	High	High	High	High	Medium	High	High	High
Disaster Management knowledge of Government officials	Medium	Medium	Medium	High	High	High	Low	High	Medium	High	High	High
H = High Risk; M = Medium Risk; L = Low Risk; 0 = No Risk												

The Standard Operating Procedures (SOP) for various stakeholders in the Municipality has been prepared with the objective of making the concerned persons understand their duties and responsibilities regarding disaster management at all levels.

All Departments and agencies shall prepare their own action plans in respect of their responsibilities, under the standard operating procedures for efficient implementation. The Standard operating procedure shall be followed during normal times, warning stage, disaster stage and post disaster stage.

Richmond Municipality

In the event of emergency situations, the Community Services Officer together with the Rapid Response Team will attend to disaster in question and involve non governmental agencies. The Community Services Officer together with the Disaster Response Team will perform the following duties:

Normal Time
<ul style="list-style-type: none"> ➤ Prepare Municipal Disaster Management Plan and disseminate to different departments, agencies, volunteers and community groups. ➤ Ensure basic facilities for personnel who will work at municipal level for disaster response. ➤ Review the preparedness level in the local municipality twice a year and advice corrective steps in case of any weakness. ➤ Ensure training of teams of volunteers for disseminating disaster warnings to the field level and also for evacuation, search, rescue, relief and rehabilitation operations. ➤ Ensure availability of communication and transport facilities for delivery of warnings and relevant material to field personnel. ➤ Identify high risk areas and populations and prepare vulnerability profiles, resource profiles and contingency plans for them. ➤ Ensure state of readiness and operational status of facilities designated to serve as shelters. ➤ Arrange sufficient medical assistance for post-disaster medical treatment and control of contagious diseases and ensure stock of essential medicines.
Alert and Warning stage
<ul style="list-style-type: none"> ➤ Maintain contact with forecasting agencies and gather all possible information regarding the alert. ➤ Ensure that all concerned in areas likely to be affected by imminent disaster receive warning signals and respond accordingly. ➤ Inform members of Municipal Disaster Advisory Forum. ➤ Maintain contact with District and Province Disaster Management Centre. ➤ Instruct all concerned to remain in readiness for responding to the emergency. ➤ Advice concerned officials to carry out evacuations where required, and to keep transport, relief and medical teams ready to move to the affected areas at a short notice.
During Disaster
<ul style="list-style-type: none"> ➤ Convene meeting of Municipal Advisory Forum. ➤ Conduct Rapid Assessment and launch Quick Response. ➤ Keep District and Province Disaster Management Centre informed of the situation.
After Disaster
<ul style="list-style-type: none"> ➤ Organize initial and subsequent technical assessments of disaster affected areas and determine the extent of loss and damage and volume and nature of relief required. ➤ Keep the District Disaster Advisory Forum and the Provincial Disaster Management Centre informed of the situation. ➤ Ensure supply of food, drinking water, medical supplies and other emergency items to the affected people. ➤ Request Provincial Government for assistance if the District Disaster Advisory Forum deems the situation to be beyond the capacity of the District to manage. ➤ Visit, coordinate and implement of various relief and rehabilitation programmers. ➤ Coordinate the activities of NGOs in relief and rehabilitation programmers.

10.12.5 Training and awareness

The department of Community Services has programmes on training and awareness.

10.12.6 Funding arrangements

The Richmond Municipality is still in the process of sourcing funding for Disaster Management.

10.12.7 Disaster Management: SWOT Analysis

Table 5. Disaster Management: SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • complement of Senior Management in the department • Political Stability • Disaster Management plan in place • Disaster Management Forum in place • established the Rapid Response Team • One Intern deployed to the Municipality 	<ul style="list-style-type: none"> • No dedicated official dealing with disaster • Staff shortages • Lack of adequate resources • Disaster Management unit not established
Opportunities	Threats
<ul style="list-style-type: none"> • Access to Sukuma Sakhe Committee for implementation of identified project and programmes including disaster 	<ul style="list-style-type: none"> • Unplanned developments in wet land • Improper structures e.g. mud houses • Natural disasters e.g. storms, heavy rains and drought

11 DEMOGRAPHIC ANALYSIS

11.1 POPULATION

According to Stats SA Community Survey 2016 data, the total population of the Richmond Municipality is approximately 71 547 people and 17 624 households. This marks a proportionately marginal increase from 65 793 people and 16 440 households recorded in 2011. This means that the population has only increased by 5754 people whilst households increased by 1184 between 2011 to 2016. This slight increase over the years can be attributed by a number of factors such as HIV/AIDS epidemic or rural urban migration processes due to factors linked to the economic factor of the Municipality which includes limited employment opportunities, better access to public services in major urban centres and general decline in the quality of life.

Table 6. Population Distribution by Age and Gender

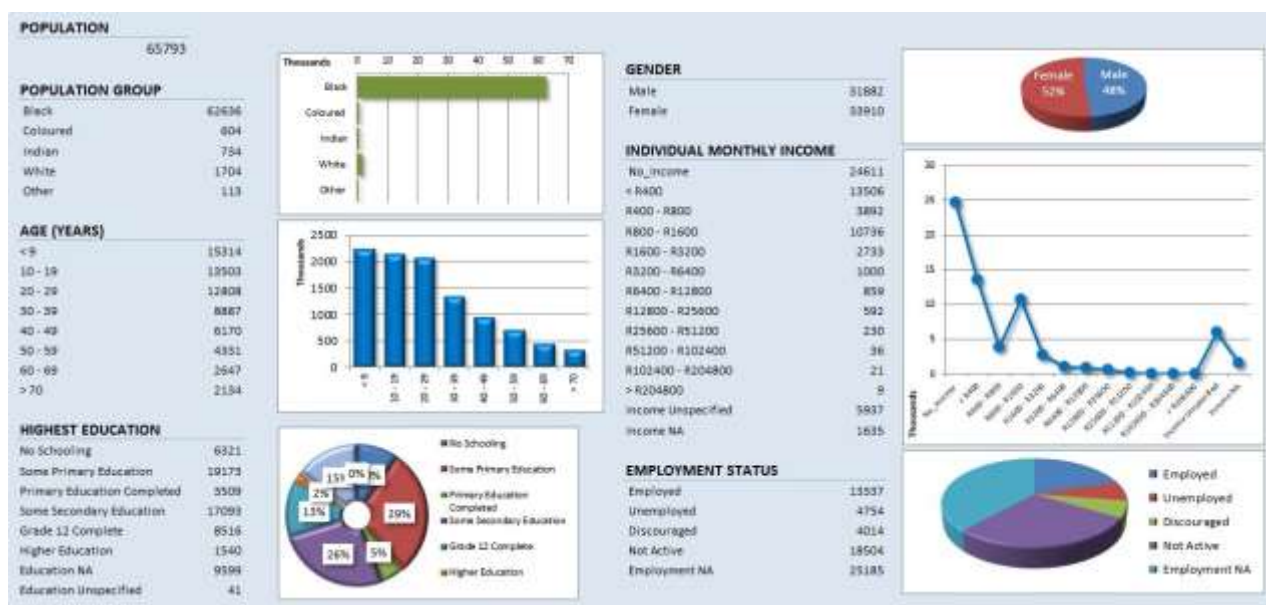


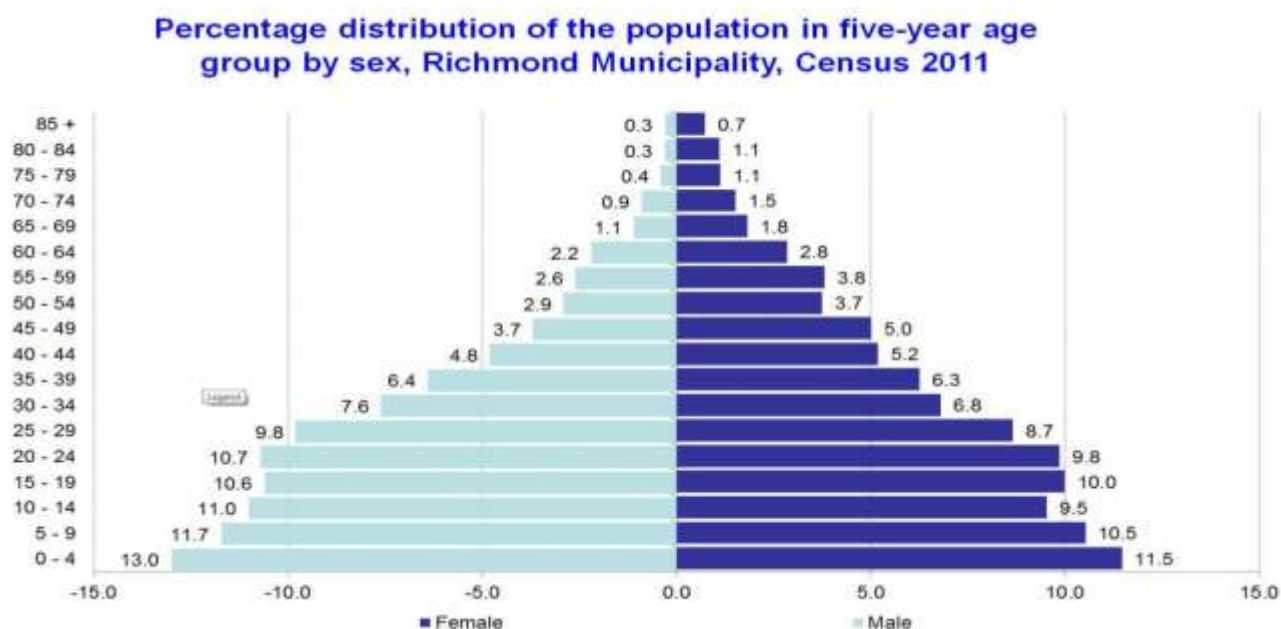
Table 7. Age Structure

Age Group	Male	Female	Total
00 – 04	4 138	3 888	8 026
05 – 09	3 718	3 570	7 288
10 – 14	3 515	3 233	6 748
15 – 19	3 369	3 387	6 756
20 – 24	3 421	3 340	6 760
25 – 29	3 112	2 936	6 047
30 – 34	2 424	2 306	4 730

35 – 39	2 033	2 124	4 157
40 – 44	1 541	1 759	3 300
45 – 49	1 170	1 699	2 869
50 – 54	938	1 268	2 206
55 – 59	832	1 293	2 125
60 – 64	694	964	1 658
65 – 69	366	622	989
70 – 74	285	519	804
75 – 79	134	383	517
80 – 84	91	373	464
85+	101	248	349
Total	31 883	33 910	65 793

Source: Stats S A: Census 2011

Figure 2. Population pyramid



Source: Stats SA Census 2011

The figure above shows that the gender distribution in Richmond, with females making up the majority of the population. Gender distribution is also a determinant factor in assisting the various tiers of government to focus investment especially to vulnerable groups like women

The population of Richmond is dominated by the youth (15 to 35 years of age) which accounts for 21 606 people or 38% of the total population. This therefore has serious implications in terms of development planning and requires the development and implementation of programmes addressing the needs of a youthful population which may include educational facilities, creation of job opportunities and improving access to social

facilities. The dominance of this group also poses social challenges since this group is sexually active and more vulnerable to HIV/AIDS. It is therefore important that the Municipality have interventions and programmes with regard to HIV/AIDS.

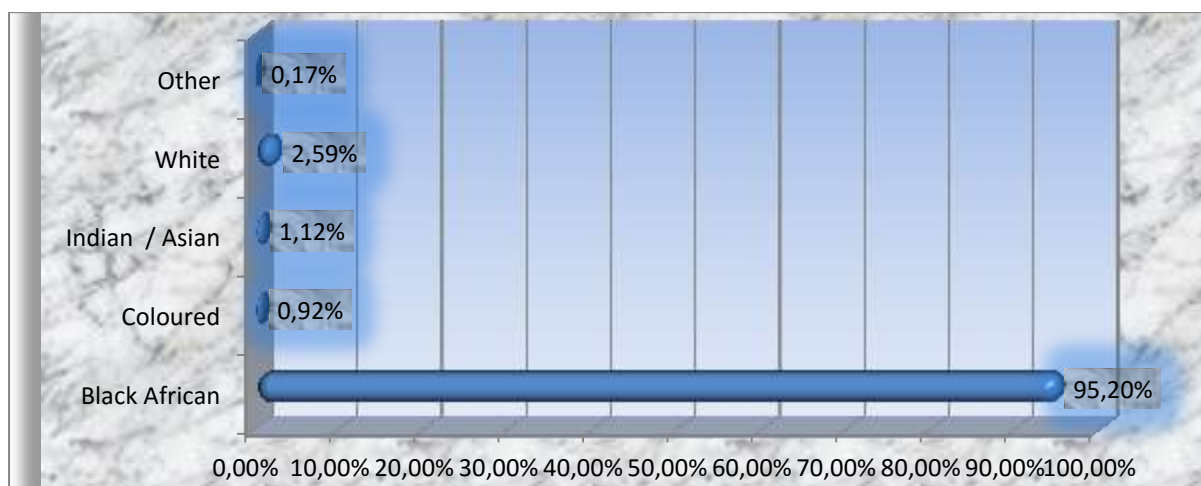
Table 8. Population Group by Race

Population Group	KZN227: Richmond (Population)	Percentage
Black African	62635	95.20%
Coloured	605	0.92%
Indian / Asian	735	1.12%
White	1705	2.59%
Other	113	0.17%
Total	65793	100.00%

Source: Stats SA: Census 2011

Racial Population Distribution

Figure 3. Population by Race



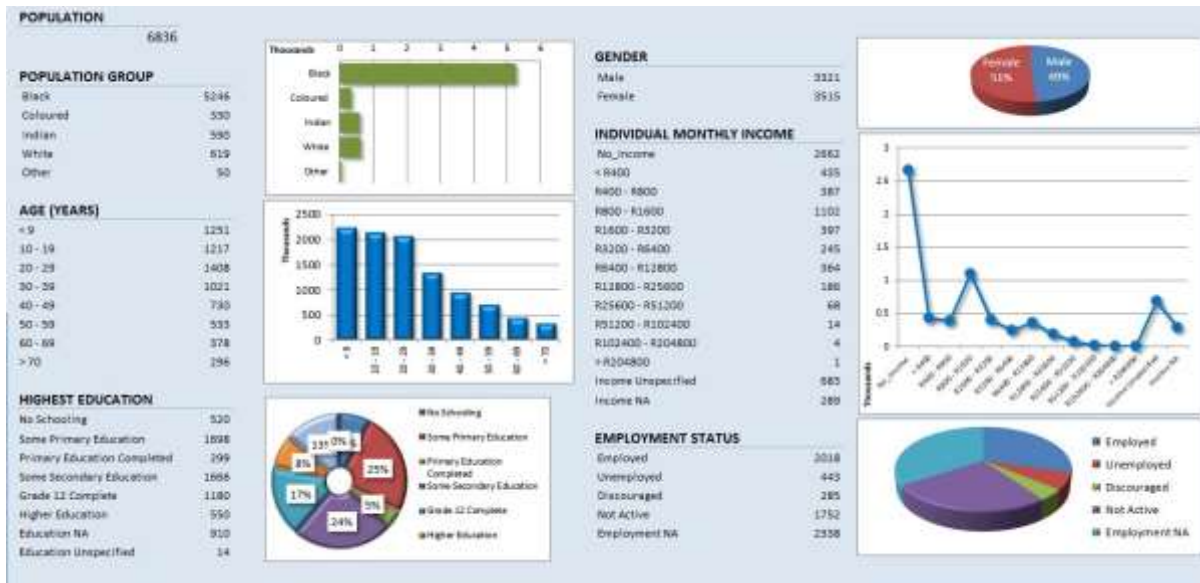
Source: Stats SA Census 2011

It is indicated in the figure above that the Blacks dominates the population group in Richmond.

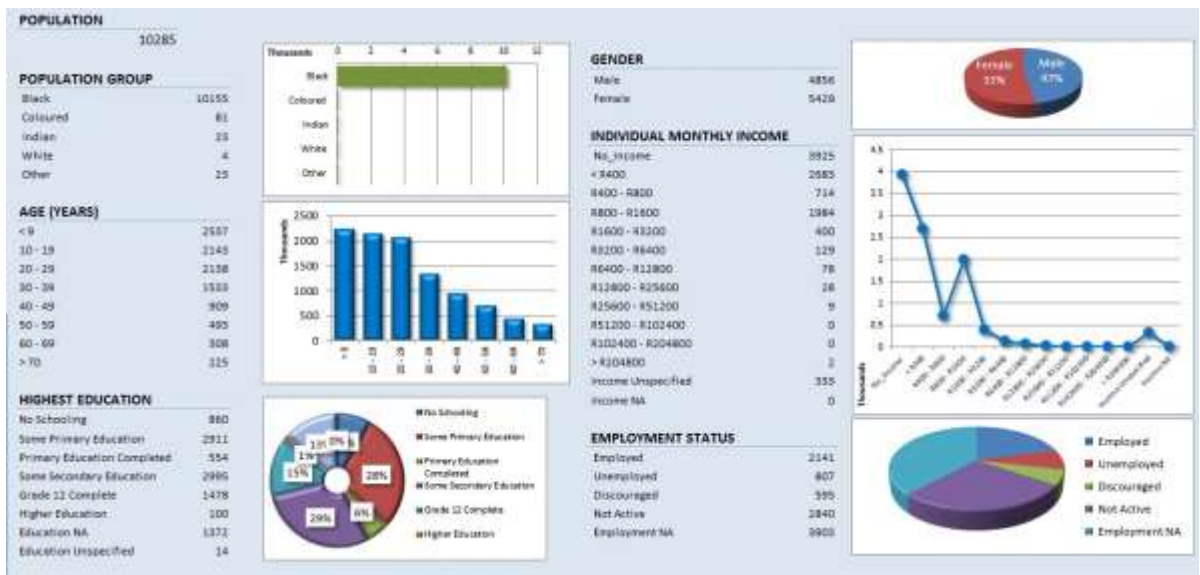
11.2 WARD INFORMATION

The following information provides a synopsis of each ward:

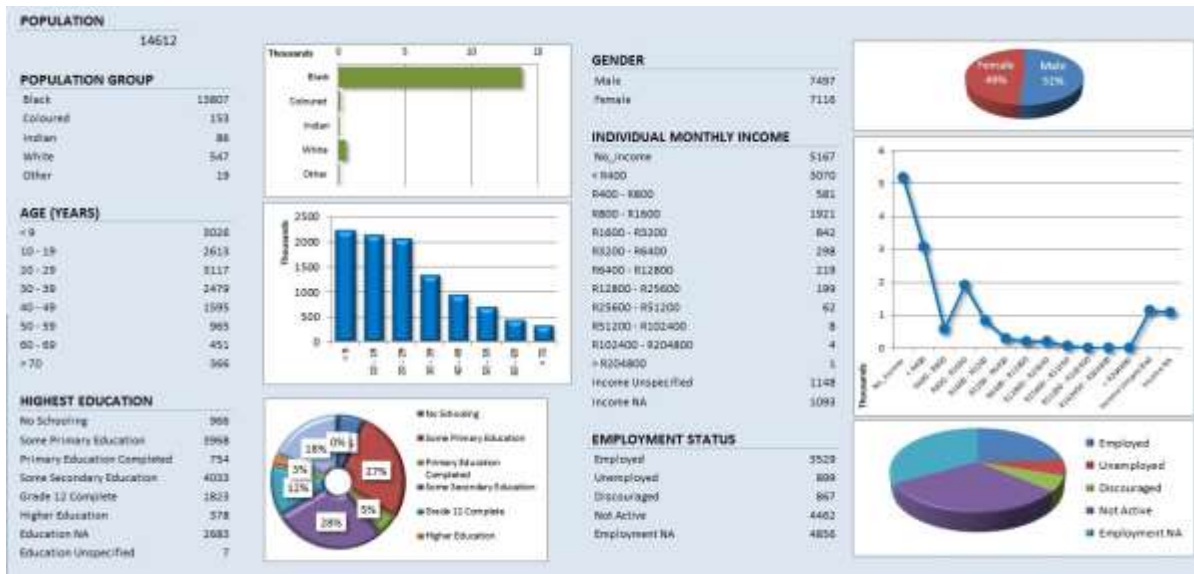
Ward 1



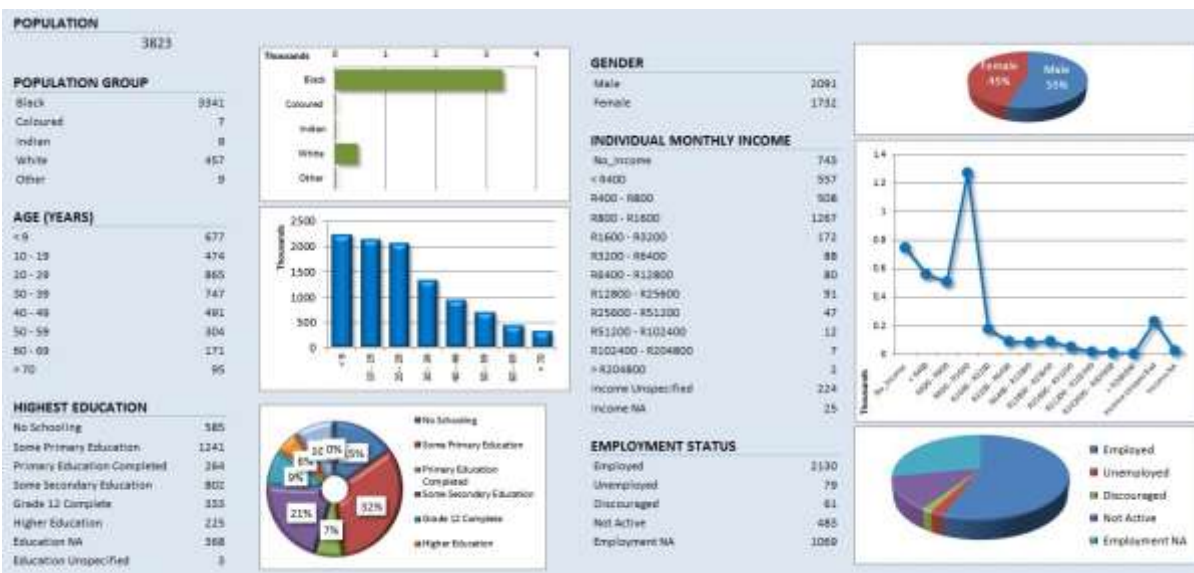
Ward 2



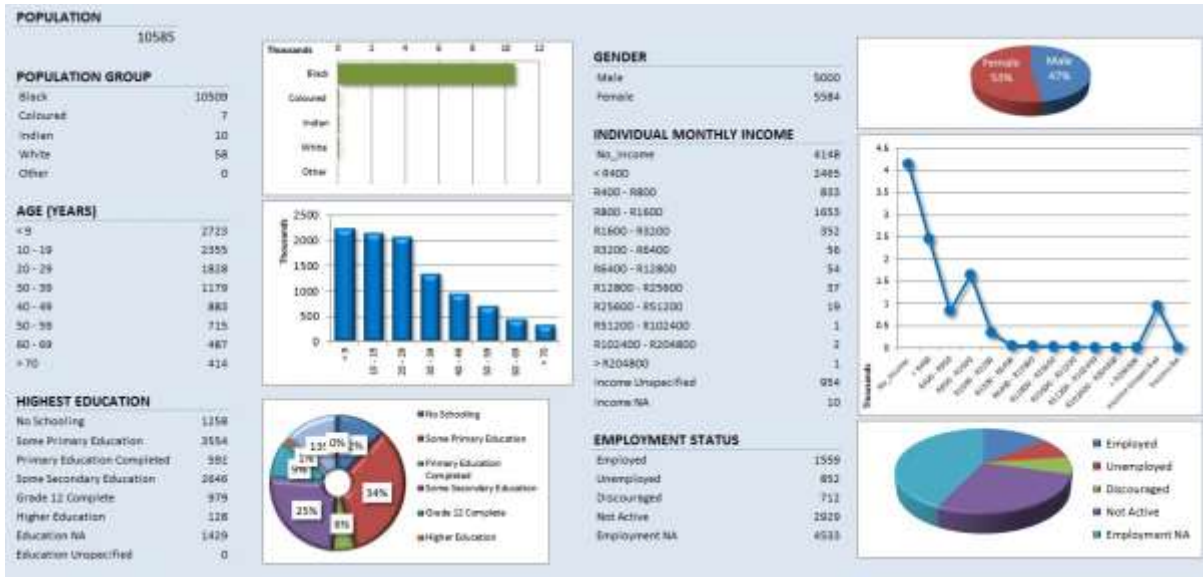
Ward 3



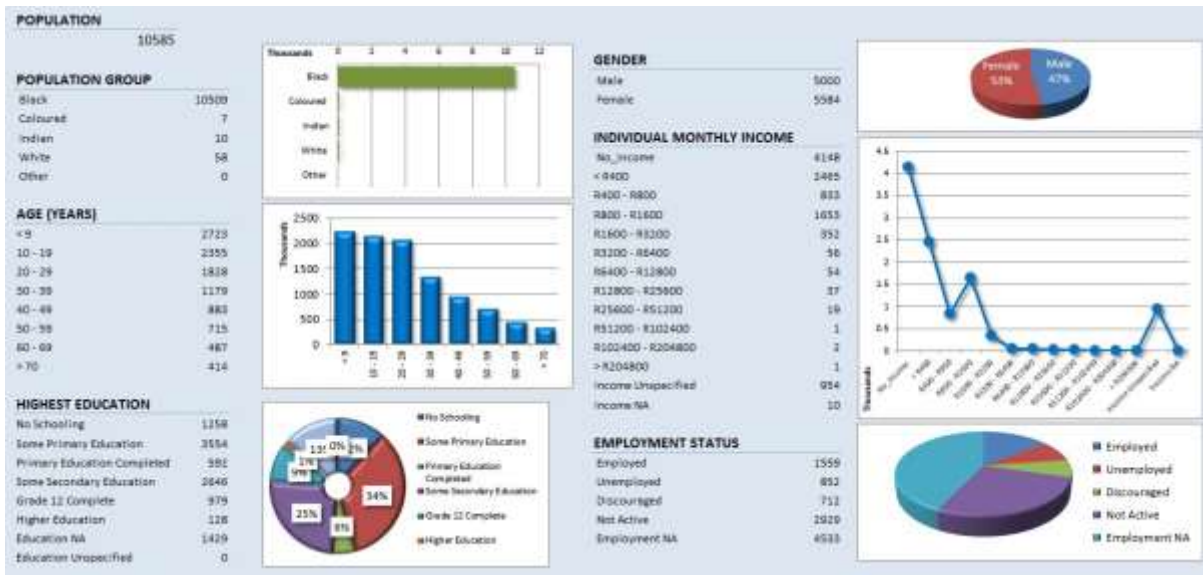
Ward 4



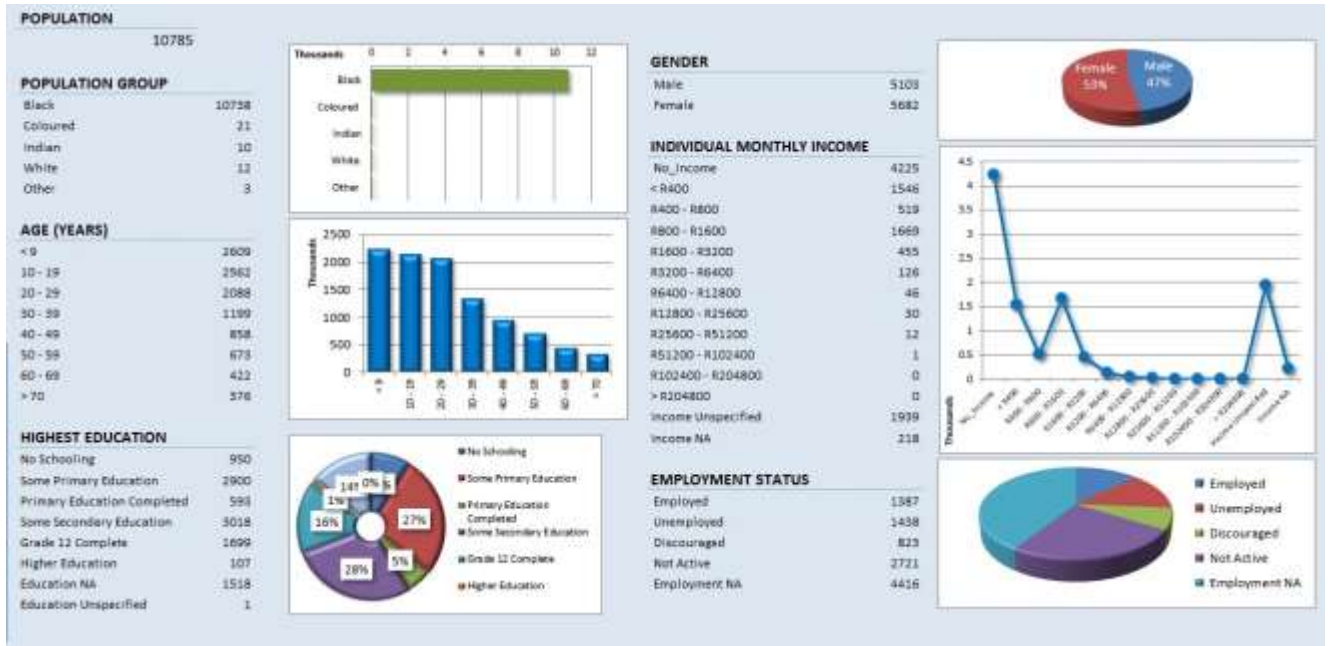
Ward 5



Ward 6



Ward 7



Source: Stats SA Census 2011

11.3 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

11.3.1 Municipal Transformation

This involves that organisation is ready in terms of capacity and able to cope with its responsibilities as outlined in the Intergrated Development Plan. In order to prepare the organisation for the delivery challenge, the organisation must have the reasonable number of employees exoected to deliver on the targets set and that such employees are well capacitated with skills to be able to deliver. To transform the institution into a developmental orientated institution, the municipality develops an IDP which stipulates the developmental needs of the community than reorganise its staff such that it is able to deliver on its targets by creating and filling positions with which it hopes to achieve its objective. In this financial year, the municipality has started to implement the Work Place Skills plan to ensure that staff are well trained to perform their duties. The municipality also targeted to fill all new and vacant positions. The municipality also targeted to continue to implement performance management system with the purpose of improving performance in the workplace.

11.3.2 Organisational Development

11.3.2.1 Institutional Arrangements

Richmond Municipality (KZ 227) is a Category B Municipality as determined by the Demarcation Board in terms of Section 4 of the Municipal Structures Act 1998. The Municipality functions under the Collective Executive system consisting of four (3) Executive members of whom one is the Mayor. The Council consists of 14 Councillors including the members of the Executive Committee. Of the 14 Councillors 7 are Ward elected Councillors. The Council has four (4) portfolio-standing committees, with each member of EXCO serving as a portfolio councillor. The four (4) Portfolios of the municipality are as follows:

- Economic Development and Planning & Infrastructure Committee;
- Human Resources and Information Technology Committee
- Community Development and Social Services
- Executive Committee (Finance Matters)

The communication strategies that the municipality is currently using include the Integrated Development Planning (IDP) Representative Forum, Mayoral Imbizo, Monthly Ward Committee Meetings and Communication Surveys (i.e. through Suggestion Boxes).

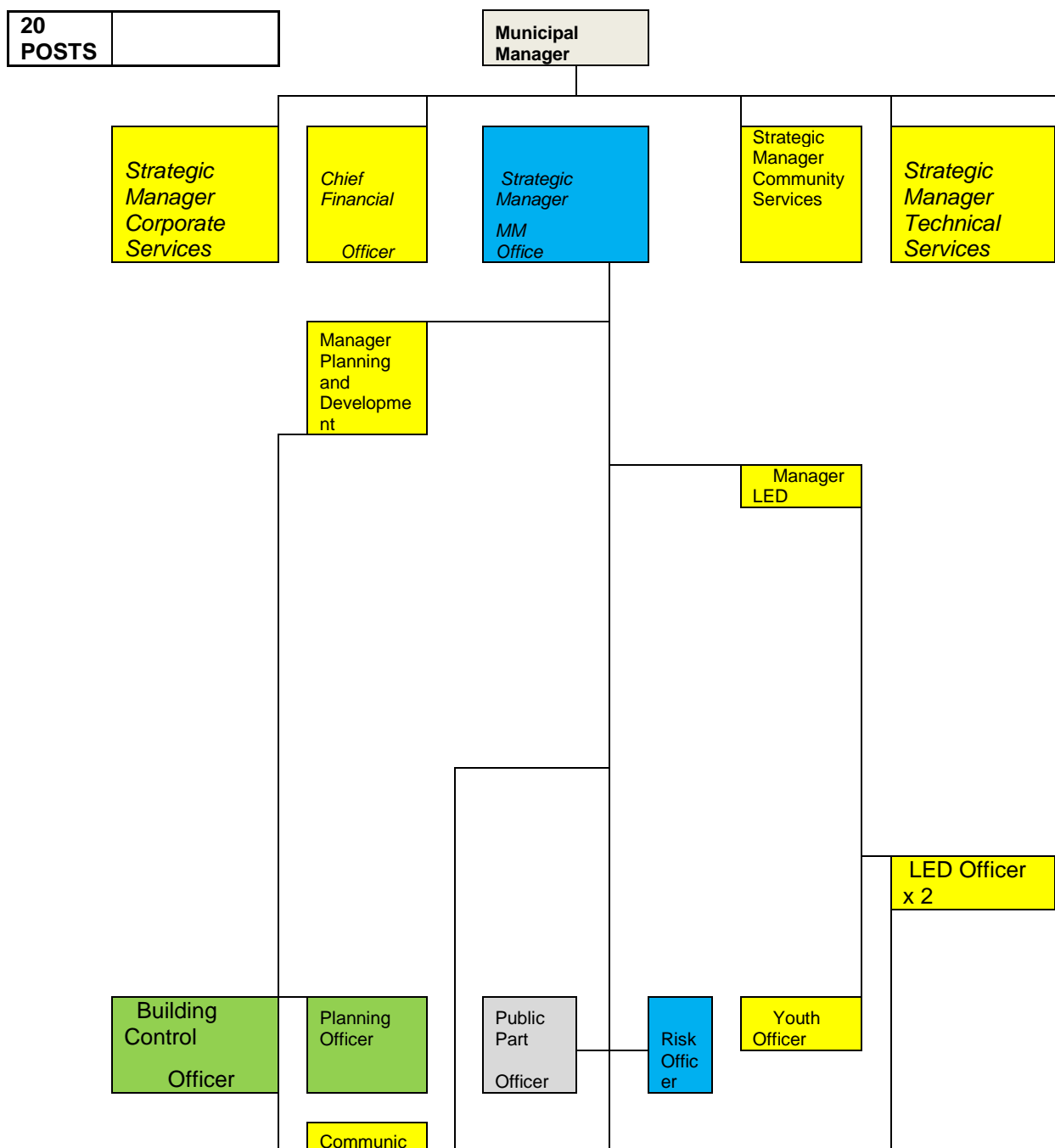
11.3.2.2 Powers and Functions

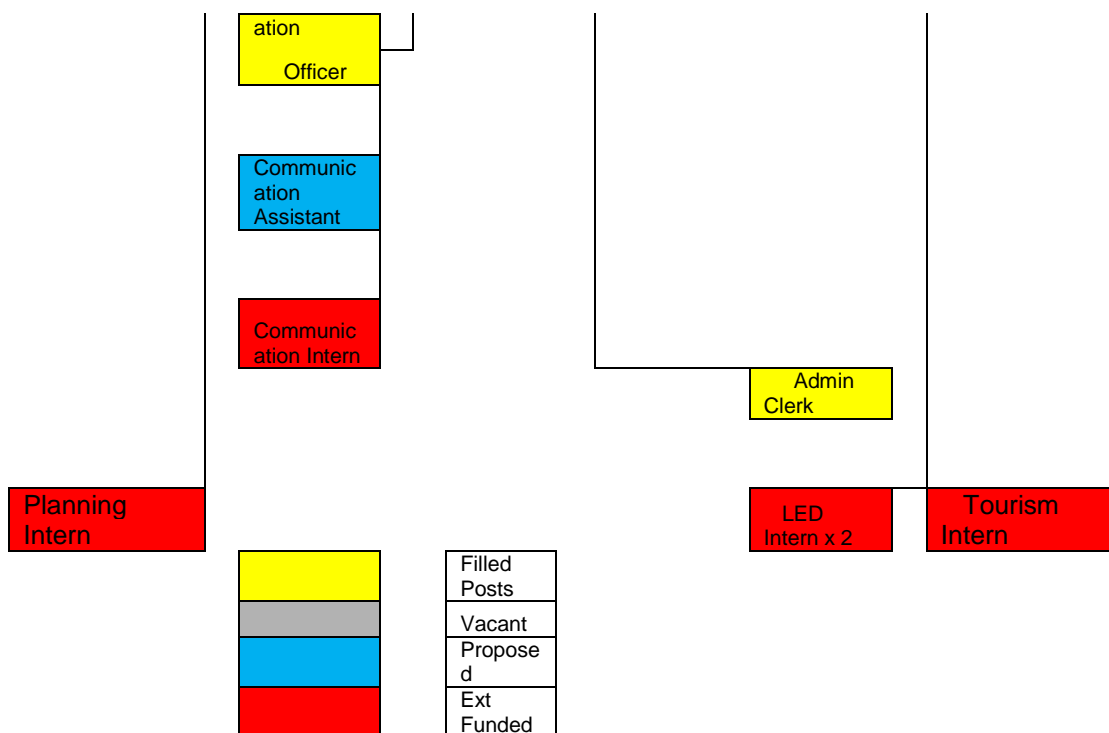
FUNCTIONS	CAPACITY TO PERFORM
Air pollution	Environmental health which monitors the impact of air pollution is a District function
Building Regulations	Not Adequate, due to the sharing of the Human Resource between building control and Project management Unit
Child care Facilities	Not adequate
Local Tourism	Not adequate
Municipal Planning	Adequate
Municipal Public Transport	Not applicable
Pontoons and ferries	Not applicable
Storm water	Not Adequate projects have been identified under the current financial year
Trading Regulations	Not adequately performed (Air pollution)
Beaches and Amusement facilities	Not adequately performed. No beaches in the municipal area
Billboards and the display of advertisements in public places	Adequate
Cemeteries, funeral parlours and crematoria	Not adequate, services provided in urban areas only
Cleansing	Adequate
Control of public nuisance	Adequate
Control of undertakings that sell liquor to the public	Adequate
Facilities for the accommodation, care and burial of animals	Adequate
Fencing and fences	Adequate
Licensing of dogs	Not adequate, the municipality no longer issue licenses
Licensing and control of undertakings that sell food to the public	Not adequate, assistant obtained from uMgungundlovu District Municipality
Local amenities	Adequate
Local sports facilities	Not Adequate
Markets	Not adequate, no markets
Municipal abattoirs	Not adequate, no abattoirs
Municipal Parks and Recreation	Adequate
Municipal Roads	Not Adequate, extensive rural area
Noise Pollution	Adequate
Pounds	Adequate
Public Places	Adequate
Refuse removal, refuse dump and solid waste disposal	Adequate
Street Trading	Not Adequate
Street Lighting	Not Adequate, performed by ESKOM

Traffic and Parking	Not Adequate(no provision for parking)
Community Services/ Library	Adequate assigned by Library services
LED	Adequate LED UNIT is established
Motor Licensing	Adequate assigned by the Department of Transport

11.3.2.3 Organisational Structure

Below is an approved organogram of the macro organisation structure.





STAFF SUMMARY

	COUNCIL	MM	CORP	FIN	COMM	TECH		
MUNICIPAL MANAGER		1					1	
STRATEGIC MANAGER		1	1	1	1	1	5	
SECRETARY	1	1	1	1	1	1	6	
MANAGER		2	1	1	2	2	8	
ADMIN	2		7		1	3	13	
COMMUNICATION		2					2	
INTERN		1					1	
PUBLIC PARTICIPATION		1					1	
RISK		1					1	
OPMS		1					1	
LED		2					2	1
YOUTH		1					1	
INTERN		3					3	
BUILDING CONTROL		1					1	
PLANNING		1					1	
INTERN		1					1	
HR			4				4	
IT			2				2	1
BUILD MAINT/CLEANING			12				12	
FLEET CONTROL			1				1	

FINANCE				4			4	1
SCM				3			3	
EXPENDITURE				2			2	1
REVENUE				3			3	1
INTERN				5			5	
COMMUNITY SERVICE					1		1	
COMMUNITY FACILITIES					12		12	
HOUSING					1		1	
LIBRARY					6		6	
TRAFFIC					8		8	1
SCHOLAR PATROL					4		4	
SECURITY					14		14	
DRIVER LICENCE					5		5	3
MOTOR LICENSING					2		2	
LEARNER LICENCE					5		5	
PMU						1	1	
INTERN						1	1	
SENIOR TECHNICIAN						1	1	
TECHNICIAN						1	1	
MECHANICAL						3	3	1
ESTATES						12	12	
CLEANSING						17	17	1
LANDFILL						3	3	
ROADS						16	16	2
MAINTENANCE						0	0	

3	20	29	20	63	62	197	13
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0	0	4	4	4	4		16
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Organization (Filled Positions)

The current structure indicates that the Municipality employs 197 employees. However the vacancy rate is calculated at the end of each financial year for the Annual Report.

11.3.2.4 Municipal Institutional Capacity and Critical Posts

4 critical posts (sect. 56 posts) are filed.

Municipal Manager post is vacant due to recent death of the Municipal Manager (An Acting municipal manager has been appointed) and the Post has been advertised.

11.3.2.5 Human Resource Development

The following Human Resource Policies have been adopted by Council and are being implemented: Recruitment, Delegations, Acting allowance, Leave, Staff Bursary Policies. The policies are revised as and when necessary.

The following institutional characteristics, issues and challenges impact on the future development of the Richmond Municipality and need to be taken forward in the Integrated Development Plan Process:

- The implementation in terms of the Employment Equity Act and the Skills

Development Act is still a challenge. However, attempts have been made to comply during the recent recruitments.

- Improving the Organizational Performance Management System of the Municipality and ensuring that Strategic Managers cascade the system to all employees within the organization.
- Inadequate funding to develop skills of the staff, political office bearers and Ward Committees.

All employees have individual performance work plans that are assessed quarterly. This allows for the identification of skills needs to compile personal development plans. These needs will be included in the organisational Workplace Skills Plan.

11.3.2.6 Municipal Transformation and Organisational Development: SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> ○ 100% of Senior Management ○ Fully established and functional Supply Chain Management Committees ○ Political Stability ○ Work Place Skills Plan accepted and submitted in compliance ○ 70% of policies formulated and adopted ○ Existence of portfolio committees ○ Existence of Local labour forum ○ Registry Manual and archives act ○ Adoption and Implementation of Vehicle management policy ○ Appointment of fleet clerk ○ Existence of IT policy 	<ul style="list-style-type: none"> ○ Limited experience in specific fields of expertise ○ Lack of supervisory skills (planning, people management, ineffectiveness) ○ Lack of capacity (Financial Resources) to successfully implement Municipal Turn Around Strategy ○ Portfolio committees not functioning adequately ○ Local labour forum not functioning adequately ○ Lack of proper Municipal building maintenance plan ○ Poor implementation of registry manual and a shortage of staff ○ Vehicle management policy is not fully implemented ○ IT policy not fully implemented ○ Limited capacity building for Councillors ○ Lack of funding to address skills shortages identified in skills audit ○ Inability to attract and retain adequately skilled and experienced staff ○ Inadequate implementation of Policies and Bylaws

Opportunities	Threats
<ul style="list-style-type: none"> ○ Establishment of a panel of disciplinary specialists, by SALGA KZN, to preside over disciplinary enquiries ○ Availability of the Skills Development Act ○ Availability of the Labour Relations Act to ensure a successful working relationship between the Employer and the Employee 	<ul style="list-style-type: none"> ○ Change in market/economic forces – global and regional markets/economies which cannot be controlled by local market (global economic recession) ○ Lack of integrated approach to service delivery planning and implementation between Municipality, District Municipality, Sector Departments and Parastatals ○ Lack of finalisation of job evaluations committees and implementation ○ The contractual employment of Section 57 officials threatens the continuity of service delivery

11.4 SERVICE DELIVERY & INFRASTRUCTURE ANALYSIS

11.4.1 Water and Sanitation

Ward One (Richmond Village) is serviced in terms of reticulated water and sanitation; however, problems are experienced with regard to the dilapidated infrastructure and limited capacity of sewerage plant. In semi urban areas of Ndaleni and Hopewell households make use of communal water standpipes and self built VIP toilets. The following problems were identified; uneven distribution of services; inadequate reticulation, water wastage and illegal connections.

The following table identifies households indicating percentage distribution by type of water source within the Richmond Municipality

Table 5: Distribution water by households

	Census 2011	Community Survey 2016
Access to piped water	13 654	13 567
No access to piped water	2786	4057
Total	16440	17624

Stats S A: Census 2011, Community Survey 2016

Other households obtain their water from rivers or streams, spring, borehole, dam, pools and rain water. This will be a contributing factor towards the outbreak of cholera.

The following table indicates the distribution of households with improved sanitation.

Table 6: Distribution of households with improved sanitation

	Census 2011	Community Survey 2016
Flush/chemical toilet	6364	5249
Other	10076	12375
Total	16440	17624

Stats S A: Census 2011, Community Survey 2016

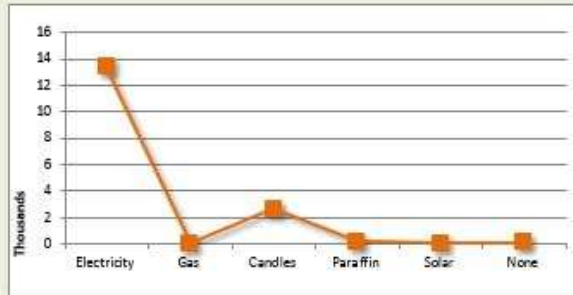
Other Households have pit toilets and bucket toilet. The above table indicates that there is slight decrease in the delivery of Sanitation within the Richmond area.

HOUSEHOLDS

16440

ELECTRICITY (LIGHTING)

Electricity	13395
Gas	33
Candles	2685
Paraffin	166
Solar	68
None	95



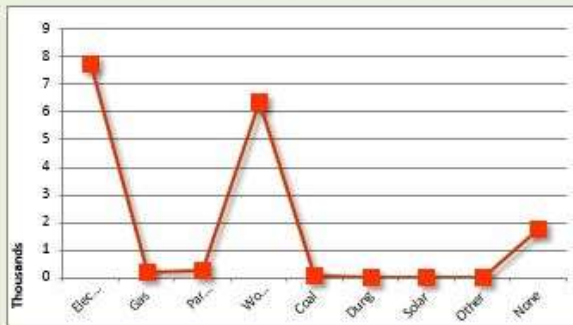
ELECTRICITY (COOKING)

Electricity	10051
Gas	431
Paraffin	819
Solar	25
Wood	5018
Coal	31
Dung	10
Other	10
None	44



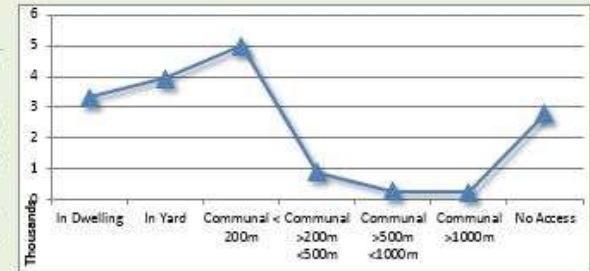
ELECTRICITY (HEATING)

Electricity	7737
Gas	218
Paraffin	269
Wood	6360
Coal	70
Dung	20
Solar	25
Other	5
None	1735



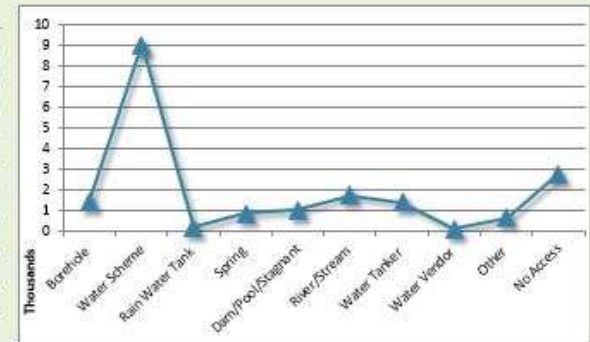
PIPED WATER

In Dwelling	3319
In Yard	3932
Communal <200m	4980
Communal >200m <500m	898
Communal >500m <1000m	277
Communal >1000m	247
No Access	2785



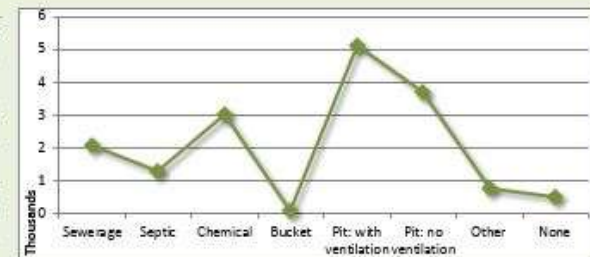
WATER SOURCE

Borehole	1413
Water Scheme	9060
Rain Water Tank	189
Spring	861
Dam/Pool/Stagnant	1013
River/Stream	1722
Water Tanker	1420
Water Vendor	106
Other	654
No Access	2785



SANITATION

Sewerage	2078
Septic	1262
Chemical	3022
Bucket	74
Pit: with ventilation	5087
Pit: no ventilation	3684
Other	730
None	501



REFUSE REMOVAL

Local Authority > 1 per week	2551
Local Authority < 1 per week	257
Communal	228
Own Dump	12065
None	1115
Other	224



11.4.2 Solid Waste Management

The Richmond Town area is the only place where solid waste removal services are available. The service is not available to households in the semi-urban and rural areas. Communities rely on traditional methods of disposing litter which include digging a pit for dumping purposes. Others dispose of waste in the open without any formal pattern. Disposal of waste in the open can have serious negative impacts on the environment and human health. An awareness programme is required to develop proper refuse removal mechanisms.

When the district wide Waste Management Plan is being formulated, the Municipality must ensure that inputs for a framework for integrated and sustainable waste management practices and must be supported by the following principles:

- The reduction of waste by encouraging prevention and minimization initiatives such as re-use and recycling
- The improvement of living environmental conditions of the community through environmental education and awareness, capacity building and cash generation for the poor through the establishment of sustainable buy-back centres
- The reduction of adverse environmental impacts of the waste produced
- To encourage the re-use of other waste types

Of great importance when assessing the backlogs identified, it is imperative on all service providers, role players, sector departments, Umgungundlovu District Municipality as well as the local municipality is to ensure that the provision of housing is coupled with the provision solid waste management.

Table 8: Percentage distribution of households by type of refuse disposal

Refuse Removal	No Of Households	Percentage
Removed by local authority/private company at least once a week	2551	15.52%
Removed by local authority/private company less often	256	1.56%
Communal refuse dump	228	1.39%
Own refuse dump	12064	73.38%
No rubbish disposal	1116	6.79%
Other	224	1.36%
Total	16440	100.00%

Stats S A: Census 2011

It is clear from the Table above that only 17% of households within the Richmond area have access to refuse removal service which indicates there is huge backlog in the provision of this service. Currently 100% of urban households within the Municipality are covered by a waste collection system, whilst 0% of rural households are covered. It is therefore important for the Municipality to extend the refuse removal collection to other areas within the Municipal area or to have other alternative measure in place.

11.4.3 Transport Infrastructure

The main road linkages in the municipality are the R56 forming a north-south corridor and links Pietermaritzburg, Richmond and Ixopo and the R624 linking Richmond to the coast. There are a number of provincial roads which links the Richmond Town to other areas such as Thornville, Hopewell, etc. In addition, district and local roads provides the rural hinterland areas with access to the main roads.

Provincial roads within Richmond are in a fair to poor condition. The roads within the town of Richmond although tarred are in a poor condition. In addition, the following issues were also identified with respect to these roads i.e. inadequate storm water drainage, lack of speedhumps, lack of adequate electronic traffic calming measures, lack of properly aligned pedestrianwalkways and poorly designed parking bays. In the semi-urban areas only the main roads in the Greater Ndaleni area, Hopewell, Thornville and Byrne Valley are tarred. The remainder of the roads, which are mainly gravel roads, are in poor condition.

The following were also identified as issues which need to be taken into account:

- Lack of all weather access roads;
- Deterioration of existing infrastructure;
- Lack of piped storm water drainage;
- Lack of sidewalks;
- Lack of speed humps and signage; and
- Overgrown verges.

The rural gravel roads at Inhlazuka, Phatheni, Gengeshe, Mgxobeleni, Masangazane and Somozomeni require regular maintenance.

11.4.3.1 Public Transport

In terms of public transport, there are eleven routes which transport passengers within and outside of the Richmond municipal areas viz.:

Table 1: Public Transport Routes

ORIGIN	DESTINATION
Richmond Taxi Rank	Durban
Ixopo Taxi Rank	Richmond
Gengeshe	Richmond
Richmond	Eston
Masangazane	Richmond
Magoda	Richmond
Ndaleneni	Richmond
Phatheni	Richmond Taxi Rank
Simozomeni	Richmond Taxi Rank
Inhlazuka	Richmond
Pietermaritzburg	Richmond

Source: KZN Department of Transport

Communities in the area depend on public transport to move from one area to the other with Richmond servicing as the main public transport interchange area. The Public Transport Plan (PTP) for the district recommended the development of taxi ranks and the associated facilities in all nodal areas and shelters along the main taxi routes.

11.4.4 Energy

ESKOM is a sole distributor of electricity in the Richmond Area. Most of the households in rural areas have no access to electricity. Other alternative sources of energy such as candles; paraffin, coal etc are utilized by households without access to electricity. The lack of access to electricity is attributed to inadequate bulk supply, poor access to areas due to topography and insufficient funding.

The following tables indicate percentage of household distribution by type of energy used for lighting, cooking and heating within the Richmond Municipality:

Table 9. Energy Sources

Cooking			Heating			Lighting		
Electricity	10050	61.13%	Electricity	7737	47.06%	Electricity	13395	81.48%
Gas	431	2.62%	Gas	217	1.32%	Gas	33	0.20%
Paraffin	819	4.98%	Paraffin	269	1.64%	Paraffin	165	1.00%
Wood	5019	30.53%	Wood	6360	38.69%	Candles	2684	16.33%
Coal	31	0.19%	Coal	70	0.43%	Solar	68	0.41%
Animal dung	10	0.06%	Animal dung	21	0.13%	None	95	0.58%
Solar	25	0.15%	Solar	25	0.15%			
Other	11	0.07%	Other	5	0.03%			
None	43	0.26%	None	1736	10.56%			
Total	16440	100.00%	Total	16440	100.00%	Total	16440	100.00%

Stats S A: Census 2011

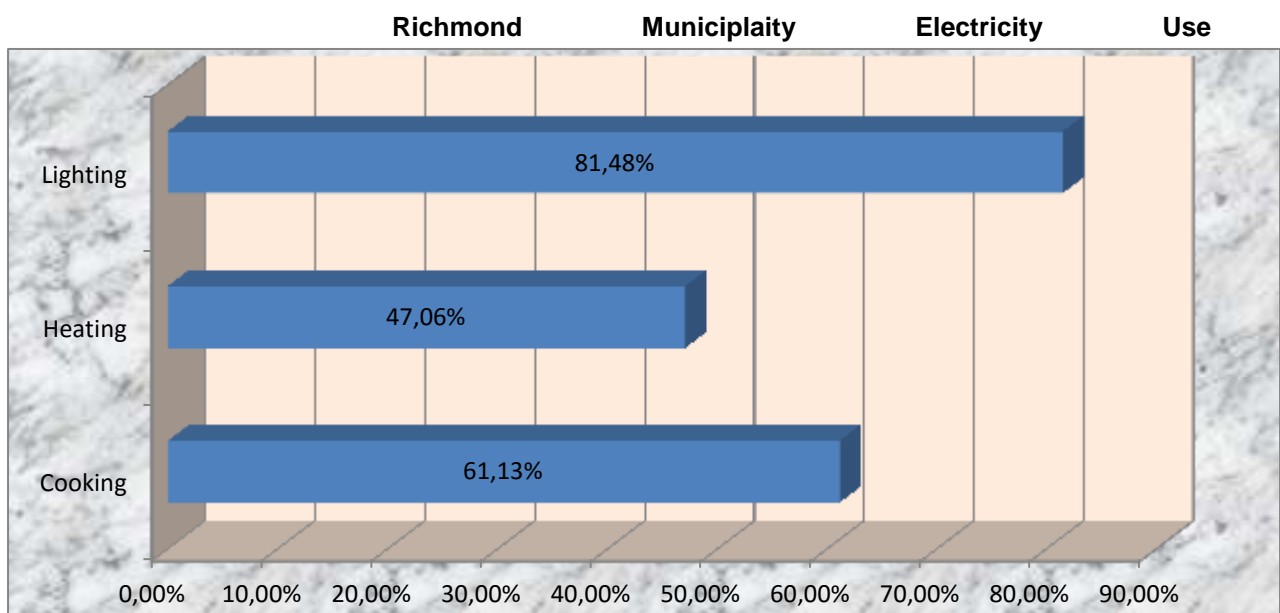


Figure 5: Household Uses of Electricity: Stats S A Census 2011

The above Figure: indicates that there is significant improvement in the use of electricity in 2007 when compared to 2001 Census data. It indicates that there is an increase in the number of households having access to electricity

11.4.5 Access to Community Facilities

The geographic spread of **sports facilities** within the Richmond Municipality indicates that only certain areas have access to these facilities. Sports fields are found at Ntsongeni, Ndaleneni at Slahla, KwaGengeshe, Mzinolovu, Smozomeni, Phatheni and Mpfana. The obvious lack of multipurpose sporting facilities in all wards is evident

The spread of **community centres/halls** is also unevenly distributed in the municipal area. Community halls are found at Hopewell, Phatheni, KwaGengeshe, Magoda, Smozomeni, Siyathuthuka, Richmond Village and Ndaleneni while a Thusong Centre is located at Inhlazuka.

The following social services characteristics, issues and challenges impact on the further development of the Municipality and need to be taken forward in the Integrated Development Plan Process:

- The Municipal area is disadvantaged in terms of the provision of security and emergency services by public service sectors.
- Social facilities and programmes to deal with the HIV/AIDS have been developed however there is still a significant shortage of facilities to deal with this pandemic. The Municipality has established the local HIV/AIDS Council, the objectives and function of the council its main objectives are to guide and facilitate the implementation in the Richmond Municipality of The National HIV and AIDS strategic plan and other related matters, facilitate, monitor and

evaluate the protection, promotion and fulfilment of the rights affected and infected persons living with HIV and AIDS in the Richmond Municipal area.

- There is inadequate burial space due to the high mortality rate. In attempt to address this challenge the municipality has engaged with the district municipality to identify suitable land for the establishment of the regional cemetery. This is being addressed in the Integrated Cemeteries and Crematoria Plan that is being compiled by the District Municipality.
- Even though Municipal Infrastructure Grant by the Department of Cooperative Governance and the Public Amenities Programme by the Department of human settlements are addressing the backlog in terms providing funding for social infrastructure, the funding of operation and maintenance of such facilities is still a challenge.

11.4.6 Human Settlements

11.4.6.1 Current Housing Demand

The following information has been extracted from the Richmond Municipality Housing Sector Plan. This plan has been reviewed. This plan will be used for delivery of housing. Detailed information is contained in the report.

The largest proportion of the population is based in the tribal authority areas. These areas are characterized by the low level of basic services and are relatively far removed from the major employment centres. The table below provides a summary of the data collected from the 2001 census in relation to housing typologies and therefore housing demand.

	Traditional	%	Slums	%	Employment levels	%
1	Area 5	41	Area 6	46	Area 4	23
2	Area 7	23	Area 2	20	Areas 5,6	13
3	Area 4	17	Area 3	14	Areas 2,3&7	10-13%
4	Areas 2,3,6	3-8				

Based on the information captured in the 2011 census, in terms of rural need based on household types Ward 5: Inhlazuka, should be assisted primarily (there is however an existing project in that area providing 1000 units) thereafter, Ward 6: Patheni (already covered with a rural project consists of 700 units) and Gengeshe, Masangazana and Mgxobeleni (it is suggested that a further rural housing projects be initiated in the Gengeshe, Masangazana, Mgxobeleni ward), thereafter ward 3: Hopewell.

While in terms of potential slums clearance or informal upgrade projects, the areas of greatest need are firstly Area 6: Ndaleni, Smozomeni, Emaswazini, (Insitu Upgrade project

covering 800 sites suggested for this area) Area 2: Magoda, Town lands, Ekupholeni (currently covered by the Siyathuthuka P1 (758) and P2 (1000) projects) and thereafter Area 3: Baynesfield, Byrne, Sidakeni (Insitu Upgrade project covering 400 sites suggested for this area). (Siyathuthuka Phase 2 is an active project with 1000 stands already conditionally approved by the Department which also include the Indaleni Area).

The total demand for rural housing has been calculated at 1 416, while the total demand for slums clearance or informal upgrade projects has been calculated at 2310. Therefore the total estimated demand for housing in the Richmond Municipality is $(1416+2310) = 3\ 726$.

11.4.6.2 Current and Planned Housing Projects

The following projects have been approved by the MEC and are being implemented currently and have been budgeted by the Department of Human settlements. These projects have been budgeted for and some not. Other projects are still going through the planning stage.

PROJECTS	NO.OF UNITS	AREA	WARDS	PROJECT STATUS
Phatheni Housing Project	700	Phatheni	6	Completed
Zwelethu Housing Project	120	Baynesfield	5	Construction Phase
Siyathuthuka Phase 2 Housing Project	1000	Siyathuthukha	2	Planning Stage
St Bernard's Housing project (Land Reform Projects)	360	Nhlazuka	5	Planning stage
Amandus Hill Housing Project(Land Reform Projects)	40	Nhlazuka	5	Planning stage
Nhlazuka Housing Project	1000	Nhlazuka	5	Construction Phase
Middle income Housing	400	Richmond Village	1	Planning Stage
Bhongoza Informal Settlement	200	Siyathuthuka	1	Planning Stage
Hopewell Housing Projects	1000	Hopewell	4	Planning Stage
Tedan housing project	100	Tedan Farm	6	New project
Gengeshe Housing project	400	Gengeshe	6	New project
Mzinolovu Housing project	300	Mzinolovu	1	New project
kwaMagoda Housing project		Magoda area	7	New project
Nhlazuka Housing Project Phase 2	1000	Nhlazuka	5	New project

11.4.7 Telecommunications

The growth of the Information Communication Technology (ICT) in the country has been noted as one of the most significant factors stimulating the economic growth. In the same light the importance of this sector has been recognised by the KwaZulu-Natal province, which has been translated into the Provincial Growth and Development Strategy and the Industrial Development Strategy. This sector has been acknowledged for its importance in the creation of a knowledge economy and as a contributor to social development and participation of the wider community through ICT enabled activities.

Presently, the Richmond Municipal does not have a developed ICT sector. However, with the coverage signal from Telkom, Vodacom, Cell C and MTN there is an opportunity for the ICT development.

11.4.8 Service Delivery and Infrastructure: SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Basic plant and equipment to implement responsibilities • Fully established and functional Supply Chain Management Committees • 90% of critical positions filled • Political Stability • The Municipality is financially viable 	<ul style="list-style-type: none"> • Limited skills and experience in specific fields of expertise • Lack of supervisory skills (planning, people management, ineffectiveness) • Limited funding sources (new infrastructure, repairs to dilapidated infrastructure, appointment of appropriate number of employees) • Slow turn around in the processes of Supply Chain Management • Difficulty to retain adequately skilled and experienced staff • Lack of well-informed infrastructure and maintenance plans • Lack of integrated approach to service delivery planning and implementation between Municipality, District Municipality, Sector Departments and Parastatals • Lack of industrial or commercial municipal owned land for development of social and infrastructure projects
Opportunities	Threats
<ul style="list-style-type: none"> • Training and capacity building • Potential capital infrastructure 	<ul style="list-style-type: none"> • Impact of HIV/AIDS and chronic diseases

Strengths	Weaknesses
<p>grant from Sector Departments</p> <ul style="list-style-type: none">• Funding for the establishment of the PMU	<ul style="list-style-type: none">• Negative political influence• Economic recession• Natural disasters

12 LOCAL ECONOMIC AND SOCIAL DEVELOPMENT ANALYSIS

All around the world, local governments, the private sector and civil society are demanding better ways to achieve local economic development, a cornerstone to sustainable development. This is due to the fact that local government faces increased democratic reforms and greater decentralisation at the same time as massive transformations are taking place in the global economy resulting from trade liberalisation, privatisation and enhanced communications. The significance of these changes is that citizens and local government face formidable challenges, greater opportunities, and growing responsibility to work together to address the economic health of municipalities and the livelihood of their local citizens, many of whom are under- or unemployed and living in poverty.

This requires firmly placing LED within the broader framework of local sustainable development and because LED is a participatory process requiring people from all sectors to work together to stimulate local commercial activity it is necessary to understand that LED is a process-orientated and non-prescriptive endeavour incorporating:

- a. Local values (poverty reduction, basic needs, local jobs, integrating social and environmental values);
- b. Economic drivers (value added resource use, local skills training, local income retention, regional cooperative) and
- c. Development (the role of structural change, quality of development)

The above therefore suggests that LED is not about “quick fixes” or generating wish lists. It requires a practical understanding of what the local area does well and what it has to offer, where its weaknesses and gaps lie, what outside threats and opportunities exist, and what the local area wants and needs.

The revised vision and mission affirms the premise of ensuring that a consolidated approach through the formulation and implementation of the Local Growth and Development Strategy is taken to realising and advancing:

- i. Competitive and Comparative Advantage: Whilst acknowledging that Richmond may be on the cusp of either imploding or igniting into its envisioned growth, optimism in the new leadership and the realignment of departments, provides the premise that that the exploitation of the competitive advantages is a reality. Agriculture, agri-processing, manufacturing, locality (bordering the Capital of KZN and along the R56 to the Eastern Cape) needs to be strongly advocated.

- ii. Friendly and Safe Environment: A conducive environment promoting wealth creation, safety and security, environmental protection needs to be advocated.
- iii. To Work: The Youth dominate the demographic and with seventeen High Schools in Richmond the influx of high school graduates into the pool of unemployed school leavers places strong emphasis on initiatives for long term development of Youth to allow them to actively engage in the labour market. Methods should focus on life-long learning thereby providing the principle of providing bursaries for school leavers.
- iv. To do business: Investment friendly initiatives to be unconventional and need to be inclusive of red tape reduction. Whilst simultaneously attracting investment it becomes imperative that methods to retain the existence and expand the operation of current business with focus on SMME's and Cooperatives as a means to adequately address the triple challenges.

In this regard, the current methodology of procurement with public funds needs to be innovative to espond to set-aside procurement from targeted sectors (Youth, Women, Disabled and Military Veterans) and should strive to build capacity and develop skills.

- v. A better life and access to quality service delivery: Being a grant dependent Municipality, revenue enhancement strategies need to be crafted which do not increase the burden on the poor and infrastructure plans regularly updated so as to identify critical infrastructure requirements. In addition, the Municipality needs to respond to infrastructure development as a means to attract investment, especially in the nodal areas (e.g. CBD, proposed Industrial Node of Thornville, Baynesfield and Hopewell).
- vi. Stakeholder Relations: The Constitution of the Republic of South Africa, 1996 assigns specific Powers and Functions to the different spheres of government and categories of municipalities. In the Richmond context, as the only authority with all inclusive authority within the local sphere, the municipality has a fundamental role to play in strengthening stakeholder relations and engagements so as to address backlogs and reduce possible repetition of services provided.
- vii. Good Governance incl the Policy Environment: A constitutional mandate exists that requires that we remain accountable and in so doing, the onus rests with us to facilitate participative governance as a means to strengthen coordination and capacity. A policy environment which is pro-poor but economically sustainable needs to be informed by all stakeholders and actively implemented.

- viii. Improved livelihoods: The spatial inequity created by past imbalances continues to exist in predominantly the rural areas. Pragmatic measures to redesign areas should have already occurred however in the absence of this, this strategy through its catalytic projects needs to remain mindful of the pressing need for spatial equity.

12.1 LOCAL GROWTH AND DEVELOPMENT STRATEGY (LGDS) – FORMERLY LOCAL ECONOMIC DEVELOPMENT (LED) STRATEGY

The Local Growth and Development Strategy (LGDS), 2017 – 2022 was developed IN-HOUSE and is aligned to district, provincial, national, continental and global strategic goals and as a sector plan to the IDP was adopted by Council at its meeting held on 30 May 2017.

With the strengthening of local economic development as the catalyst for radical economic transformation, greater innovative emphasis has been placed on addressing the challenges which continue to plague communities. Success of the LGDS can only be realised in encouraging a business environment where markets can operate efficiently, but appropriately, within the local context. Micro, Small and Medium-sized enterprises must be strongly supported and encouraged to take the lead as they play a key role in creating new local employment, wealth and tax generation. Visible results can help maintain momentum in the short term, and simply initiating a single project focusing on one critical issue might pave the way for long term success. Ultimately LED is about sustainable development in the long-term, for it takes time to change local conditions and mind sets, building capacity, organise participatory processes and empower stakeholders, especially the poor.

12.1.1 STAKEHOLDER ENGAGEMENTS (STRATEGY FORMULATION)

To ensure ownership of the socio-economic trajectory, the strategy was developed in partnership with the following stakeholders:

STAKEHOLDER/S	SECTOR	RATIONALE / INPUT
uMgungundlovu District Municipality, DARD, DRDLR, ADA, CoGTA, EDTEA (RLED Unit), LMs within Umdm	<ul style="list-style-type: none"> LED Forum DAPOTT (District Agripark Operational Task Team) 	<ul style="list-style-type: none"> Agriculture and Agri-processing in line with Farmer Production Support Unit (FPSU) – AgriPark Concept Cross-boundary opportunities especially in light with strategic objective wrt Metro Status, 2021
uMDM District Development Agency	<ul style="list-style-type: none"> All sectors 	<ul style="list-style-type: none"> Presentation of Catalytic Projects and the development agenda of the Municipality with emphasis on basic service delivery (water and sanitation)
Richmond Agricultural Society	<ul style="list-style-type: none"> Agriculture, Manufacturing and processing 	<ul style="list-style-type: none"> Participation in FPSU Opportunities in processing and manufacturing Alternative market availability
SAPPI	<ul style="list-style-type: none"> Timber and manufacturing 	<ul style="list-style-type: none"> Opportunities for community timber plantations Manufacturing as a stimulus to grow the economy Logistics cooperatives

STAKEHOLDER/S	SECTOR	RATIONALE / INPUT
Informal Economy	<ul style="list-style-type: none"> • Agriculture, Business Enterprise 	<ul style="list-style-type: none"> • Support to Informal Economy • Infrastructure requirements • Organisation of Local Informal Economy Chamber and representation at District Informal Economy Chamber • Training requirements
Cooperatives	<ul style="list-style-type: none"> • All Sectors 	<ul style="list-style-type: none"> • Opportunities available through catalytic projects and agriculture • Market availability • Off-take agreements • Provision of Business Service Centre by Municipality • Training requirements • Facilitate access to funding
SMME's	<ul style="list-style-type: none"> • All Sectors 	<ul style="list-style-type: none"> • Provision of Business Service Centre by RLM (registration on CIPC, CSD, SARS compliance, etc) • Registration with CIDB as a means of accessing sub-contracting through implementation of capital projects • Training requirements • Facilitate access to funding
Formal Economy(Business) – existing and identified for relocation	<ul style="list-style-type: none"> • All Sectors 	<ul style="list-style-type: none"> • Opportunities and access to funding • Partnerships with government to strengthen economy and attract investment
Community at large (Mayoral Imbizo)	<ul style="list-style-type: none"> • All Sectors • Work and Job opportunities 	<ul style="list-style-type: none"> • Implementation of EPWP and CWP as catalysts for access to work opportunities • Agricultural support • Implementation of outcomes of OSS interventions

12.2 POLICY / REGULATORY ENVIRONMENT

As a sphere of government, the Municipality takes its lead from all the overarching government imperatives and is mandated to ensure that it stimulates a regulatory environment that ensures compliance whilst simultaneously allowing for the promotion of economic activity, especially within the local economy.

The following policies – specific to the activities of the LED Unit have been developed and adopted and are reviewed dependant on need and as the environment so determines:

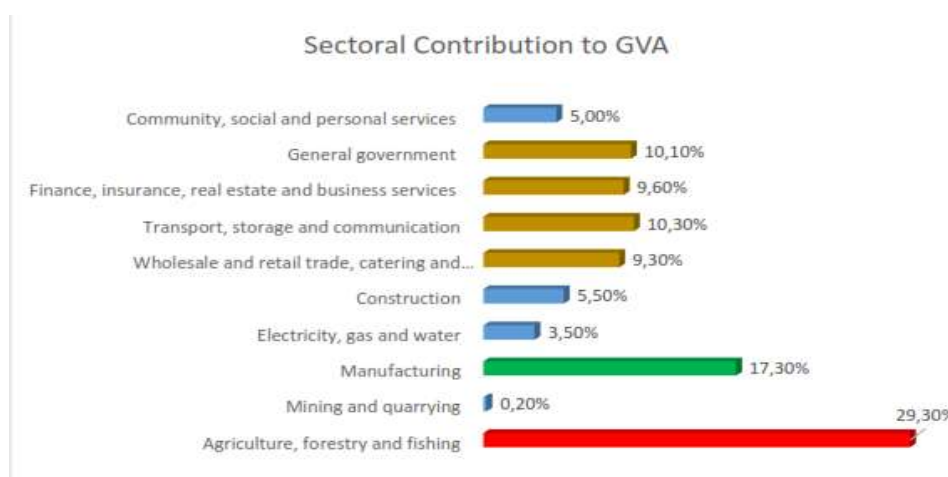
POLICY	PURPOSE / OBJECTIVES
Business Licensing Policy	Responsive to the Business Act, 1991 (71 of 1991) – regulation of the operation of businesses
Informal Economy Policy	Responsive of the development agenda of the informal economy and is crafted in line with the Provincial Informal Economy Strategy
Allocations Policy	Guides the allocation of Informal Economy Trading Stalls, SMME Units, trading areas and provides for the reduced rental of facilities so as to allow for the growth of emerging business
Expanded Public Works Programme – in compliance with principles of PHASE 3 of EPWP	Ensure effective and efficient coordination of the programme at all levels within organisation to maximise the work opportunities created thereby realising Governments objective in alleviating poverty

POLICY	PURPOSE / OBJECTIVES
Expanded Public Works Programme - Participant Identification Policy – in line with EPWP PHASE 3	Determine the process for the selection of participants in line with the needs determined in approved Project List and providing for a process that is transparent and fair. The recruitment of unemployed, indigent persons receiving priority.
Investment Incentive and Retention Policy	Development of strategies and an action plan for investment attraction and retention and a guide for financial and non-financial incentives.

12.3 ECONOMIC OVERVIEW AND RESPONSE TO ECONOMIC DRIVERS (SECTORS)

12.3.1 Local GDP

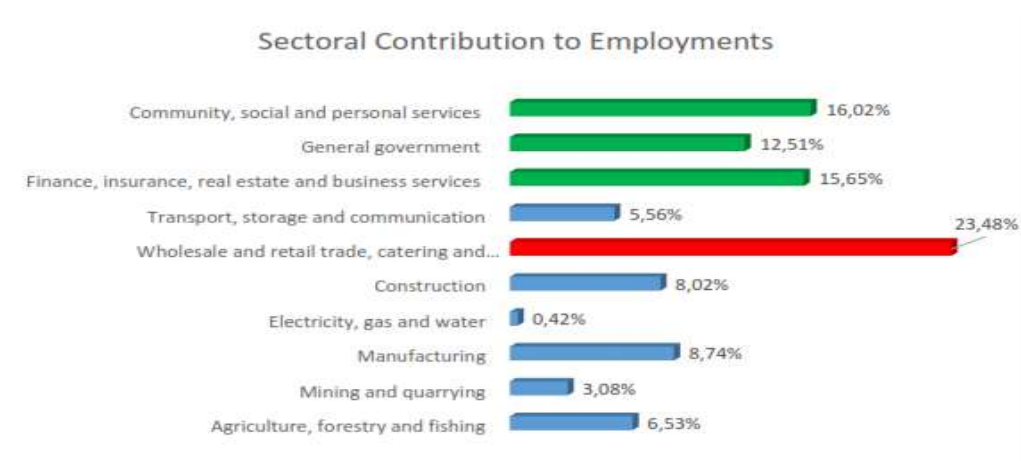
The figure below shows that agriculture (forestry and fishing) and manufacture are the top sectors that contribute to the GDP of Richmond with 29.3% and 17.3% respectively. Transport (storage and communications), general government services, finance (insurance, real estate and business services) and wholesale trade are the second largest sectors that contribute to the GDP.



Source: Quantec 2016

12.3.2 Employment

The figure below presents that formal employment of the population of Richmond is concentrated in the wholesale and retail trade sector which provides 23.4% of the Municipal jobs. Other key sectors that provide jobs in the Municipality include community, social and personal services; finance, insurance, real estate and business services; as well as the general government services. This economic imbalance denies people access to job opportunities and rural migration is an immediate result. In order to survive, people may decide to move to other areas such as Pietermaritzburg and Durban in search of jobs and money.



Source: Quantec 2016

12.3.3 AGRICULTURE

Richmond is spatially located along a secondary agricultural corridor which serves areas of high poverty levels with good economic development potential. It forms part of the Greater Pietermaritzburg Economic Region. Is primarily a monocultural agricultural community, crop cultivation, poultry farming, citrus production, sugar cane farming and dairy and beef are the main primary agricultural operations which also present opportunities for agri-processing and beneficiation along the entire value chain.

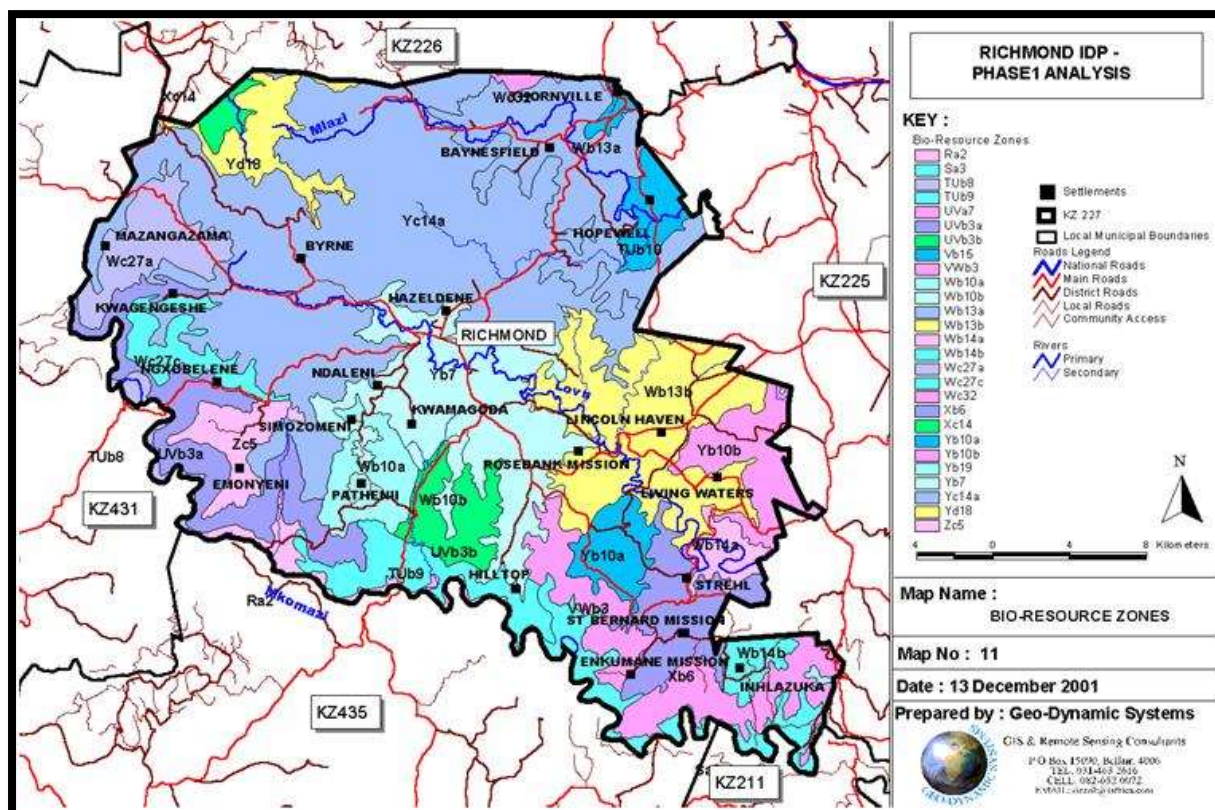
Commercial farming has a significant impact on the economy with subsistence farming occurring in most of the peri-urban and rural/tribal settlements in the form of cattle, vegetables, grain, fruit, soya beans, other livestock, etc.

Agriculture is inextricably linked to land and access to land. Land reform programmes are seen as providing an opportunity for the inclusion of previously disadvantaged groups in agriculture and therefore the opportunity for local economic development and job creation.

The following provides existing challenges facing agriculture and the mitigating strategies engaged by the Municipality:

Challenge	Mitigating Strategy
High cost of hiring skilled agricultural labour	Through implementation of CWP and EPWP the Municipality is providing for participant to assist. Training is being afforded to unskilled community members. The eventual intention is to partner with existing industry to meet part of the labour cost.
Limited access to funding especially for small scale / emerging farmers	The LED Unit currently serves as a Business Service Centre and assists in the formulation, screening and submission of Business Plans for emerging enterprise. The implementation of the Farmer Production Support Unit will alleviate challenges in respect to the manner and opportunities available.
Limited value adding	Processing will be addressed through partnerships with existing industry and in line with the establishment of the FPSU – processing, market intelligence, etc will be addressed.

Map 13. Key Agricultural Activities



12.3.3.1 AGRIPARK CONCEPT – RICHMOND FARMER PRODUCTION SUPPORT UNIT (FPSU)

One of the government's main priorities are to eradicate poverty and although government has enrolled several programmes, none of them had the success rate that was expected. This is due to weak coordination and packages that did not integrate with local priorities.

The Agri-Park concept can be perceived as an integrated approach of both collective farming efforts and farmer incubation programmes, while contributing to land conservation and preservation. The initiative can be described as a similar model as that of a traditional agricultural business park or hub, where several owners and tenants with a range of enterprises are under one management structure. An essential part of the Agri-Park model is the social mobilisation component, to actively support the small holder farmers and Agri-business entrepreneurs. The model would also strengthen partnerships between government spheres, the private sector and civil society.

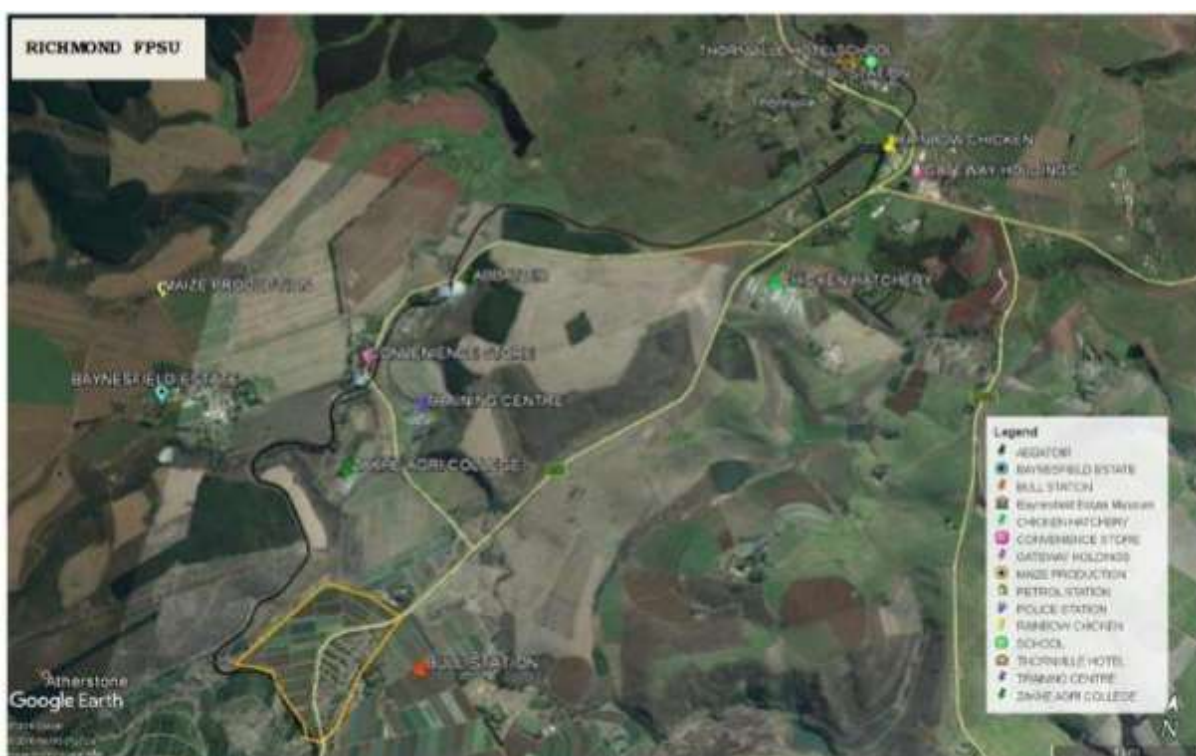
The Agri-Park programme forms part of the 2011 Green Paper on Land Reform, which lead to the review of all land reform policies undertaken by the Government and which approach will include several services such as educating producers, supplying the required inputs to produce on a larger scale and will also result in several employment opportunities. In addition, inactive producers will have the opportunity to start producing once more due to

several inputs that can be acquired, while state land will also be brought into use for both production and processing.

The Agri-Parks Project seeks to achieve a rural economic development through an all-inclusive approach to development by developing agricultural value chains that are linked nationally. The project will also be able to address issues of employment, skills development, and productivity of land.

12.3.3.1.1 Richmond FARMER PRODUCTION SUPPORT CENTRE (FPSU)

It is important to note that in regard to Richmond FPSU the model differs slightly from the general or most – in the Richmond instance, the FPSU is not a specific site but is rather a geographic area as presented in the map below.



The stimulus of the Richmond model is to build on what is already in existence so as to sustain operations, expand activities to create work opportunities and increase agricultural potential with the aim of attracting investment and growth into the area thereby increasing work opportunities in line with the services sector of the economy.

Key stakeholders in existence that motivated the choice of Atherstone site include the following:

TRUFRUIT JUICE MANUFACTURERS: Located directly across the R56, TruFruit Manufacturers manufacture, package and distribute juice for various brands which is responsible for sourcing raw materials. At present, raw materials are not sourced locally; however, the opportunity exists to create a market to supply the raw materials to TruFruit.

BAYNESFIELD ESTATE: Approximately 5kms from Atherstone site, Baynesfield Estate has a large agricultural concern operated by the company, Joseph Baynes Estate (Pty) Ltd. The company employs over one hundred permanent employees and farms a large diversified operation of approximately 3,600ha. The Estate also employs a large number of seasonal workers during peak production harvest times.

Activities include: Avocados, Pigs, Beef Cattle, Cane and Grains (Maize and Soya Bean). A large portion of the Estate is leased to NCT Farming for timber by the Timber Trust.

Baynesfield Estate, together with The South African Pork Producers Organisation (SAPPO) are the shareholders of the Baynesfield Training Academy which runs a 100-sow unit. This operation is used for the practical training of students wishing to improve their skills in piggery management and as such substantial investments in the upgrading of the existing piggery buildings has been made. The courses are aimed at emerging farmers. SAPPO has allocated funds for training subsidies to needy learners.

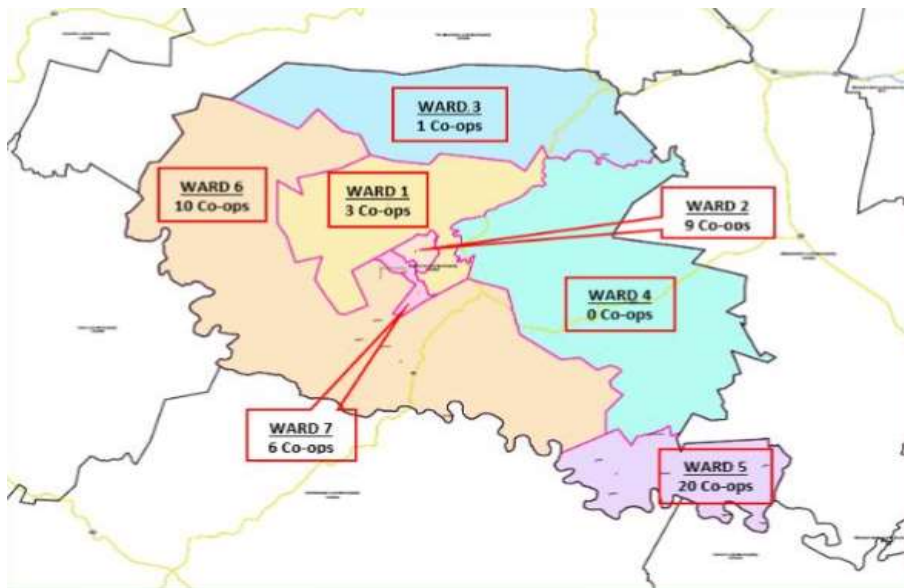
ZAKHE AGRICULTURAL COLLEGE: Zakhe Agricultural College is situated on Baynesfield Estate and is aimed at teaching young black farmers and agriculturists who, by the time they matriculate from the college, are equipped with the practical experience of having been exposed to agriculture from an early age and to ensure that properly trained black farmers would be ready to take up the challenge of agricultural land reform projects. The College assists in outreach programmes into the neighbouring communities and intends to expand its curricula to include girls.

GATEWAY HOLDING: Activities at the Gateway Holding include packaging of sub-tropical fruit mainly avocados, bananas, papaya and some citrus destined to supermarkets; canning factory: contract packs non-alcoholic beverages for leading brands and Includes, but not limited to – ice tea, tomato cocktail and energy drinks.

12.3.3.2 PROJECT / PROGRAMME INTERVENTIONS (Agriculture)

12.3.3.2.1 **PROGRAMME 1 – INPUTS AND IMPLEMENTS TO COOPERATIVES (PHASE 1)**

Following a RLM, DARD and DRDLR assessment of cooperatives in the Richmond area, 49 cooperatives have been targeted for immediate assistance and a presented spatially in the following map:



The following presents needs, source and identified source which will be provided to the Cooperatives as per the above distribution which is aligned to the Cooperatives Database.

Inputs Needed	Sources of Inputs		Quantity of inputs per each crop cycle	
	Public	Private	Crops	Inputs
Pesticide (pest control)	Dep of Rural Development; Dep of agriculture, uMgungundlovu District Municipality	Coastal Farm, Isihlangu secondary co-op TWK, Mr Pack	Beans 2 bags; potatoes 20 bags; Mealie=25kg, amadumbe=40kg, potatoes Mealie and beans = 750kg	2bags of pesticide (95kg each) 40 kg of pesticide 15litter of pesticide;
Seedlings	Dep of Rural Development; Dep of agriculture, uMgungundlovu District Municipality	Coastal Farm, Isihlangu secondary co-op TWK, Mr Pack	3000kg(cabbage);20bags(beans);10bags(maize);2000 bags (sweet potato); 2000 bags(aMadumbe); 2000bags(spinach)	all these for 750kg of seedlings
Seeds	Dep of Rural Development; Dep of agriculture, uMgungundlovu District Municipality	Coastal Farm, Isihlangu secondary co-op TWK, Mr Pack, private stores	Mealie and beans=150kg*5; 300kg*5	R1 200 for seeds
Inputs Needed	Sources of Inputs		Quantity of inputs per each crop cycle	
	Public	Private	Crops	Inputs
Fertiliser	Richmond Municipality, Dep of Rural Development; Dep of agriculture, uMgungundlovu District Municipality	Coastal Farm, Isihlangu secondary co-op NGO called ARC TWK, Mr Pack	Beans 2 bags; potatoes 20 bags; Mealie=25kg, aMadumbe = 40 kg, potatoes	2Bags of fertiliser; 40kg; 4 bags of fertiliser;
Herbicide (weed control)	Dep of Rural Development; Dep of agriculture, uMgungundlovu District Municipality	Coastal Farm, Isihlangu secondary co-op TWK, Mr Pack	Mealie=25kg, aMadumbe=40kg, potatoes	40kg of herbicide
Irrigation (water)	Dep of Rural Development; Dep of agriculture, uMgungundlovu District Municipality	Coastal Farm, Isihlangu secondary co-op TWK, Mr Pack	Beans 2 bags; potatoes 20 bags; Mealie=25kg, aMadumbe=40kg, potatoes Mealie and beans = 750kg	2Jojo tanks; water pipes and pumps; fillings in boreholes to pump water and jojo tanks; irrigation pipes

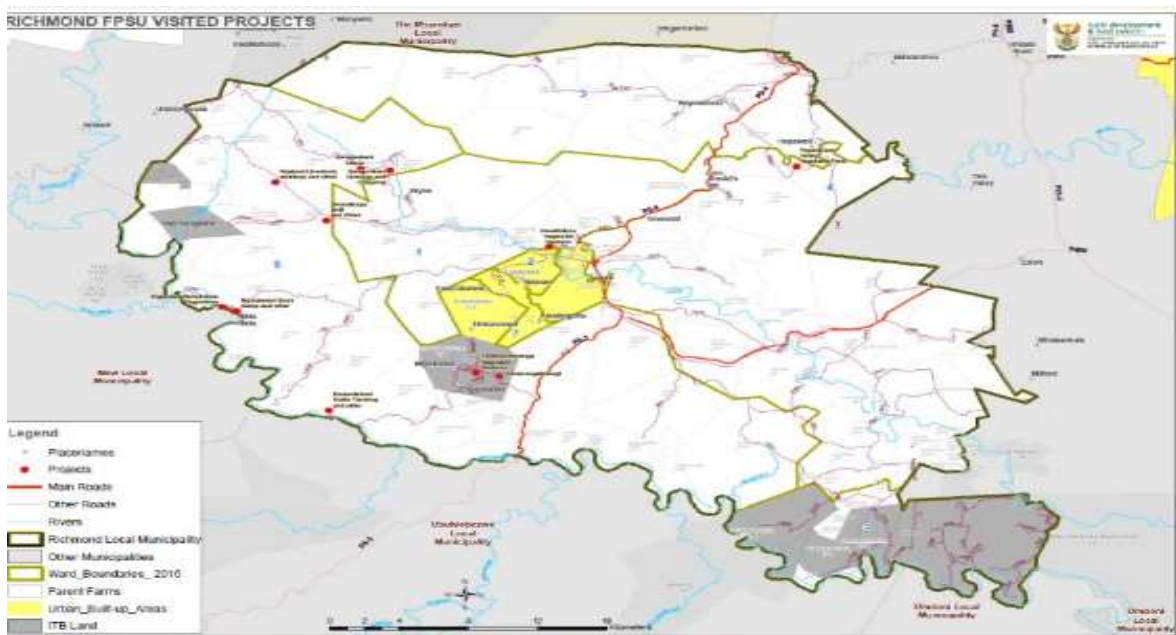
12.3.3.2.2 **PROGRAMME 2: CONCLUSION OF SERVICE LEVEL AGREEMENT:
UMDM/RLM/UKZN (PMB) STRATEGIC SUPPORT TO LAND CLAIM
BENEFICIARIES**

Following engagements with UKZN through the implementation of the Umgeni Resilience Project (collaboration with SANBI), uKZN and RLM have engaged with UKZN Foundation, Chief Resercher, School of Agriculture, Earth and Environmental Sciences – Water Use, Crop Modelling and Climate Change Adaption and will be concluding a partnership by 15 July 2017.

The following table presents a synopsis of activities responsive:

Parties to Agreement	uMgungundlovu District Municipality, Richmond Municipality and University of KZN Foundation, School of Agricultural, Earch and Environmental Sciences, Water Use. Crop Modelling and Climate Change Adaption.
Objectives	<ul style="list-style-type: none"> • Establish and launch sustainable rural development programme through the existing restitution farms located in Richmond found to have potential for vegetable and livestock production; • Support agricultural production in Impendle Municipality and other local municipalities in uMDM so as to provide the impetus for the AgriPark • Introduce bio-diversity in horticulture, eliminate alien plants to expand land for vegetable production, sustainably increase yields and assist farmers to adapt to climate change.; and • Provide practival training for farmers and transger of knowledge and skills required to sustain the increased yields.
Funding Source	uMDM and RLM
Short term funding (2017/2018) –	R1, 940, 970.00
Medium to long term (17/22)	R136, 568, 250
Implementation incl M&E	The Five Year project implementation plan, deliverables and indicators is available on request as it also details the contractual obligations of the parties.

The following map presents the locality of the farms visisted and verified to benefit from the above:



12.3.3.2.1 **PROGRAMME 3: SECTOR DEPARTMENT FUNDED PROJECTS (2017/2018)**

Project						SECTOR DEPT
National Rural Youth Service Corps (Narysec) – intended to engage rural youth in community development work aimed at positively impacting on the future of development and sustainability of the rural areas and mean to address the level of rural youth unemployment						DRDLR
50/50 Project: Siyathuthuka – Ward 2: Richmond - 2 ha under vegetables, 2 ha irrigation - Status to date: irrigation 100% complete, mechanisation purchased, fencing completed 2017/2018 support: crop inputs and balance of irrigation						DARD
Food Security Projects throughout municipal jurisdiction						
Production Pack 1	Production Pack 2	Institutional Gardens	Fruit Trees	Indigineous Chickens	Mushrooms	DARD
100	25	4	37	5	1	
Smozomeni Farmers Association (support to 50 members of Association): Smozomeni Farmers Association, Phemba Impilo Coop, Mjakada General Enterprise, Vukuzenzele, Silwanendlala Coop: currently holding a membership of 50 verified members - 139 ha of vegetables and crops will be produced Objectives of the project: Produce good quality vegetables and perennial crops for both local and national markets, Produce good quality grain crops for potential market, Establish a well organised farmer cooperative for the local municipality, Integrate co-operatives and individual farmers to trade under one entity which make things easier as new entrants.						DRDLR

12.3.4 TIMBER

The municipal area also consists of significant forestry plantations which in part are owned by the private medium scale farmer, corporate organisations, community based and the

Municipality owning approximately 458ha. Forestry provides economic opportunities for value adding industries such as furniture manufacturing, doors.

12.3.4.1 PROJECT / PROGRAMME INTEVENTIONS (Timber/Manufacturing/Value Add)

12.3.4.1.1 **PROGRAMME 1: PARTNERSHIP WITH TIMBER OWNERS**

Project	Stakeholders	Intention
Wood and Wood Products	SAPPI, MONDI, NCT, Communal Land Owners, Private Land Owners	Increase availability of wood supply for manufacturing with the intention of supplying housing projects and other capital projects
Business Enterprise		Increase accessibility of Black owned SMME's to access work opportunities through felling, silviculture, harvesting, logistics

12.3.5 INFORMAL ECONOMY

The existing **Informal Economy Policy** contextualises the Municipality's obligations to assist the Informal Economy by the provision of mentoring and incubation as a means to strengthen their capacity to survive a volatile economy. The following presents Councils approach:

- **Economic Principles:**

- Linking the development and growth of trading areas to commercial zones in order to create viably active businesses that are mutually beneficial to informal and formal economy
- Provision of access to funding, business plan formulation, skills development and capacity building
- Provision to reasonably costed SMME / Informal Economy Units within the central business district thereby addressing accessibility and visibility to passing trade, tourists and general public

- **Social Principles:**

- Promotion of equity by targeting government funding to the poorer parts of CBD and wholistically
- Applying public and private investment as a means to redress spatial inequity
- Provision of infrastructure as an opportunity to improve general environmental conditions
- Provision of basic services such as water, refuse collection, sanitation, etc

- **Spatial Principles:**

Developing areas that have the most significant impac on the largest number of people

Provision of suitable trading areas

Provision of infrastructure dependent on demand

- **Good Governance Principles:**

In line with the term of office of Council, Local Informal Economy Chambers (LIEC) are established to represent the entire municipal jurisdiction and include representation from street trading; transport; mobile trading; special events; car washers; hairdresses; Traditional Healers; Livestock trading; roadside motor mechanics.

The Chairperson of the LIEC together with an official from the LED Unit represent the Municipality and the interests of its informal economy at the District Informal Economy Chamber. Richmond currently co-chairs the DIEC with the IE of Umngeni Municipality. In turn, DIEC elects a representative to the Provincial Informal Economy Chamber to represent and address DIEC issues at a Provincial level – uMDM is represented by Richmond.

- **Conducive Regulatory Environment:**

Notwithstanding the fact that **Informal Economy Bylaws** have been promulgated the Municipality, the Local Economic Development Unit together with the Protection Services Department (enforcement of Bylaws) constantly attempts to ensure compliance with Bylaws without being too stringent.

12.3.5.1 PROJECT / PROGRAMME INTERVENTIONS

12.3.5.1.1 **PROGRAMME 1: ACCESS TO INFRASTRUCTURE NEEDS**

Financial Year	Details	Budget / Expenditure	Status
2016/2017	Provision of Informal Economy Trader Stalls	R100, 000.00 (RLM CAPEX)	Procured, to be installed in accordance with the Trader Layout Plan as endorsed by LIEC
2017/2018		R100, 000.00 (RLM CAPEX to be considered at Adjustment Budget – Business Plan submitted to DSBD for funding)	To be procured in line with predetermined specifications

12.3.5.1.2 **PROGRAMME 2: SKILLS DEVELOPMENT AND CAPACITY BUILDING**

Financial Year	Details	Budget / Expenditure	Modules	Status
2016/2017	Basic Financial Management	Nil (partnership with ABSA Bank)	Basic bookkeeping	Training complete
	IMEDP_Phase 1	Nil (partnership with DSBD)	Financial Management, Purchasing, Bookkeeping and Entrepreneurship	Training complete
2017/2018	IMEDP_Phase 2			To be held n September 2017

12.3.5.1.3 **PROGRAMME 3: ACCESS TO FINANCE – PARTNERSHIP WITH DEPARTMENT OF SMALL BUSINESS AND DEVELOPMENT (DSBD)**

The following table presents the details of Business Plans submitted in conjunction with Informal Economy actors to Department of Small Business Development for assets to assist in strengthening their business operations:

FY	Name of Business		Establishment Type	Requirements identified	Status
15/ 16	Walter Majozi	M	Traditional Healer	Laptop	Rec'd
	Nelly Shezi	F	Street Trader	Tent, Tables, cooking utensils	
2016/2017	Videographer / Photographer	M	Street Trader (Retail / Trade)	Photo printer and camera	Awaited
	Siza Valley Rabbits	M	Home Based Business (Agriculture)	Rabbit cages	
	Intwasahlobo Trading	M	Street Trader (Retail / Trade)	Incubator for chickens	
	Infezi Cobra Pest Control	M	Home Based Business (Service)	2X Spray for fumigation, (20lt-25lt), Steadfast chemical (1lt x 4)	
	Mansizwa Legacy Trading Enterprise	F	Home Based Business (Construction)	Construction material, plates, cutlery and crockery	
	Thandabantu Hair Salon	M	Spaza / SMME Unit	Hairdryer x2, Chairs x5, Thong stovex1, Hair wash basin/sink x1, Mirrors x3	
	Tholisile Mntungwa	F	Home Based Business (Manufacturing)	Sewing Machine x1, Sewing Cloths	
	Sipho Household Furniture	M		Compressor (100 lt), Table saw-1000mm, Jawsaw and Wood sander-Medium	
	Lakenis Trading and Catering	F	Spaza / SMME Unit (Retail)	Gas stove, deepfreezer, pots x4, Chip making machine	
	X Organics Trading Enterprise	M	Spaza / SMME Unit (manufacturing)	Base (aquas cream), Essential oil-Lavender oil and tea tree oil	
	Hand of Hope	M	Home Based Business (manufacturing)	Sewing Machine-Heavy duty machine x4	
	Sindanqayi Co-op	F	Informal Trader from Landfill Site(Recycling)	Compressor and a scale	
	Jabulani Ngcongco	M	Informal Trader (Fast Food)	Table and chairs, Fried Chip Machine, 4 x plate stove and fridge	
	May Nkabinde	F	Spaza / SMME Unit (Fast Food)	Fridge, Fride machine, 4 plate stove, and microwave	
	Gertrude Heslop	F		Oven, Fried Machine, cutlery, gas	
Xolisile Zuma	F	Spaza / SMME Unit (Sewing)	Sewing Matchice, scizors, sewing pins, nedless, oil sewing, overlocker thread		
Sindy Mgedezi	F	Spaza / SMME Unit (Fast Food)	Fridge, Gas stove, food warmer		

FY	Name of Business		Establishment Type	Requirements identified	Status
2016/2017	Qaphelephi Jili	F	Spaza / SMME Unit (sewing)	Sewing Matchice, scizors, sewing pins, nedless, oil sewing, overlocker thread	Awaited
	Nokuthula Mbeje	F		Fridge, microwave, gas stove, fried chip machine	
	Zama Mtolo	F		Fridge and Fried Chip Machine	

12.3.6 SMME's (Small, Medium and Micro Enterprise)

The small business sector plays a crucial role in the national economy with SMME's being considered as one of the major sources for employment creation and community growth. As identified in National Small Business Act, No. 102 of 1996, "small business" means a separate and distinct business entity, including cooperative enterprises and non-governmental organisations, managed by one owner or more which, including its branches or subsidiaries, if any, is predominantly carried on in any sector or sub-sector of the economy and which can be classified as a micro-, a very small, a small or a medium enterprise.

The SMME sector in the Richmond Municipality includes wholesalers and retail traders with the majority of businesses concentrated in the town of Richmond as a result of the strategic location of town at the intersection of a number of main roads.

The following are listed as the challenges facing SMME's which have been encapsulated, for response in various policy documents. A summary is presented hereunder:

Challenge	Mitigating Strategy
Access to finance	Provided for through partnerships with ABSA, Imaan Consulting, SEDA, Department of Small Business and Development, NYDA, DTI, etc
Clean the town and make it look attractive	Addressed through the implementation of the Expanded Public Works Programme – Programmes include: Street Cleansing and Beautification
Access to skills	Partnerships exist with ABSA and Imaan Consulting to provide FREE business and financial management training programmes
Challenge	Mitigating Strategy
Challenge	Mitigating Strategy
Motivate and encourage the community to buy local	The expected development of the Small Business Incubation Centre will further address short falls experienced by this sector
Easier access to business license	Business Licensing Policy provides for 21day turn-around time from the receipt of a fully completed application form with reminders distributed before the end of December each year
Lower rental fees for business premises	Addressed through the Municipality's Informal Economy Allocations Policy
Provide spaces and	

parking	
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12.3.6.1 PROJECT / PROGRAMME INTEVENTIONS

12.3.6.1.1 **PROGRAMME 1: SUBCONTRACTING OF LOCAL CONTRACTORS THROUGH IMPLEMENTATION OF CAPITAL PROJECTS**

Through the implementation of Capital Projects funded by the Municipality, the following Conditions of Tender are mandatory:

Condition of Tender	Expected Outcome
The conditions of tender (2016/2017) currently provide for 20% of actual work to be subcontracted to local contractors. 2017/2018 Financial Year will introduce the increase in percentage to 30%	To allow for the strengthening of the company in terms of experience and to allow for an increase in the CIDB Rating. Provide for an increase in work opportunities to be created. i.e. apart from unskilled labour engaged by main contractor, the sub-contracted is also expected to engage locally unemployed persons to implement sub-contract.
Procurement of materials, tools and equipment	Dependent on economies of scale, all materials, tools and equipment is to be sourced locally. The Municipality also applies concessions to allow for credit facilities to allow for local procurement.
Plant and Equipment	Dependent on value for money, all plant and equipment not owned by main contractor must be sourced locally

12.3.6.1.2 **PROGRAMME 2: PARTNERSHIPS WITH EXISTING ENTERPRISE**

Initiative	Expected Outcome
Partnerships between Existing and Emerging Enterprise	Skills and Capacity Building, Access to markerts. Strengthen capacity of emerging business SPECIFIC PROJECT: Partnership with SAPPI and Sizabantu Small Growers Forestry Cooperative provided with access to 42ha of municipal plantation and currently receiving technical advise from SAPPI

12.3.7 Tourism

Richmond has the potential to become the destination of choice for tourists to KwaZulu-Natal and South Africa, especially for those tourists who desire the country ambience. The warm temperatures, summer rainfall, scenic beauty and environmental significance of the area make the climate excellent for tourism in Richmond Municipality. The area is sometimes described as the Drakensberg escarpment containing a number of scenic attractions and unique experiences that require establishment and aggressive marketing. Apart from agriculture and other development initiatives, tourism can also play a pivotal role in the advancement of communities.

12.3.7.1 PROJECTS / PROGRAMME INTERVENTION

12.3.7.1.1 PROGRAMME 1: ACCOMMODATION BROCHURE

Activity	Expected Outcome	Cost Implication
Development and distribution of a Tourism Brochure (see Richmond)	Serve as a marketing and advertisement tool for all accommodation facilities within the municipal jurisdiction. 3 rd year of distribution.	The cost of the 3 rd Edition is borne entirely by the Municipality at a cost of R40, 000.00

12.3.7.1.2 PROGRAMME 2: TOURISM AND PRODUCT BROCHURE

Activity	Development of TOURISM AND PROJECT BROCHURE
Cost Implication	2017/2018 FY: R60, 000.00
Expected Outcome:	DEVELOPMENT OF PROJECT PACKAGES AS FOLLOWS:
	Adventure Tourism: Mountain biking; Quad biking (Thornville), White Water River rafting, tubing and canoeing (Umkomaas River), Photography (throughout Richmond), Hiking and abseiling (Hela Hela), Fishing (throughout), 4x4 trails (Byrne); and Horseback riding (Baynesfield).
	Provincial and National Sporting destination: Richmond is already home to the following Provincial and National activities and it is the intention to expand and promote the activities: <ul style="list-style-type: none"> • Mud Man Challenge • Provincial and National Polo Crosse Championships • Off Road Racing (Cycling, Motor Bike and Motorised) • Provincial Cricket Championships <p>With the establishment of the Multi-Purpose Sports Complex (R15m) the intention is to also attract the hosting of the SALGA Games on a District Level</p>
	Avi-Tourism: There exists the potential to develop this type of activity given that the endangered Blue Swallow exists in the area and in addition, Highover Nature Reserve is a national nature reserve with endangered species to be enjoyed.

Expected Outcome:	DEVELOPMENT OF PROJECT PACKAGES AS FOLLOWS (continued)
	Agri-Tourism: This type of activity describes the act of visiting a working farm or any agricultural, horticultural or agribusiness operation to enjoy, be educated or be involved in activities. Examples include farm tours for families and schoolchildren, day camps, hands-on chores, self-harvesting of produce, hay or sleigh rides, and overnight stays in a bed and breakfast. Richmond actively responds to these types of activities due to the existence of timber plantations, dairy farms, crop farms and sugar plantations can provide a basis for Agri-tourism. The following will be suggested in this regard: <ul style="list-style-type: none"> • Mobilise farmers in support of the tourism industry, especially to make them aware of the potential of Agri-tourism; • Identification and support of Agri-tourism projects, for instance

	visiting local dairies or plantations; <ul style="list-style-type: none"> • Packaging educational tours to some of these operations for different groups, e.g. school groups, tour groups, individuals etc in partnership with Roselands Adventure centre
	<p>Cultural Heritage Tourism: Richmond provides the following strengths that when packaged correctly will serve as a strong draw card:</p> <ul style="list-style-type: none"> ✓ Blarney Cottage ✓ Carnarvon Masonic Lodge ✓ Bambata Rebellion Burial Site ✓ Herbert and Cecil J Rhodes cotton farm in Inhlavini Valley ✓ Byrne Village (cultural heritage) ✓ Richmond-Byrne and District Museum ✓ Joseph Baynes Museum (Baynesfield) ✓ Burial ground of King Shaka's Sangoma

12.3.8 Manufacturing

Manufacturing is among the major sectors in the Richmond economy and as per the agricultural sector, manufacturing in Richmond Municipality is polarised between highly developed manufacturing enterprises and subsistence manufacturers. Manufacturing in the form of timber processing is significant with big companies such as NCT Forest, Sappi and Mondi dominating the area. However, apart from the aforementioned large manufacturing companies, other manufacturing businesses of the small scale variety include among others the brick and block manufacturing.

Richmond has a number of local black economic empowerment (BEE) companies that manufacture bricks and blocks. These companies use the sand and water from the nearby river. The concrete is compacted into the moulds by hand-compaction to manufacture bricks and blocks. The targeted market is the building of government houses, as well as community and other type of building.

12.4 local economic development – swot analysis

STRENGTHS	WEAKNESS
<ul style="list-style-type: none"> • Good climatic conditions support agriculture and tourism • Settled land claims allowing for the developed of increased land area • Developed agricultural sector incl processing allows for increased employment opportunities • Main Road linkages linking Richmond to PMB, N3 Corridor, eThekweni and Ixopo as well as R624 to the South Coast 	<ul style="list-style-type: none"> • History of Richmond continues to provide economic disadvantage which should be capitalised on for tourism • Limited decent shelter and accommodation • High level of unemployment and low income levels limit buying power (circulation of economy) • Backlogs in basic service delivery including the provision of sports and recreational facilities to address social challenges

	<ul style="list-style-type: none"> Environmentally sustainable agricultural practices, limited access to funding and skills shortages in the agricultural sector ICT sector faced with network problems and difficulty of accessing electricity Large proportion of Municipality is rural, with little social and physical infrastructure – many of the roads in the rural areas are in a poor condition and need to be upgraded
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> Expansion of manufacturing sector due to large availability of primary agricultural products Age distribution shows predominance of young people who if given access to skills development and capacity building will be capable of developing the area Development of housing / human shelter needs to address high volume of “back-yard” living Agricultural sector incl agri-processing provides opportunity to create employment and alleviate poverty. High Tourism potential 	<ul style="list-style-type: none"> The number of young people entering the labour market places a large burden to provide for long-term economically sustainable activities Unstable water and electricity supply affects investor confidence and places strain on SMME’s, especially in the rural areas Environmental degradation continues at alarming rates which, if left unattended, will affect agricultural potential and livestock management Business and skills exodus needs to be immediately addressed by implementing investor attraction HIV/AIDS, crime and domestic violence are among the social threats. There is a perception that crime in Richmond is very high. HIV/AIDS rates are high and the impact of the epidemic on the economy is that it will result in the early deaths of young, skilled and semi-skilled workers resulting in increased operating and training costs as well as reduced overall productivity

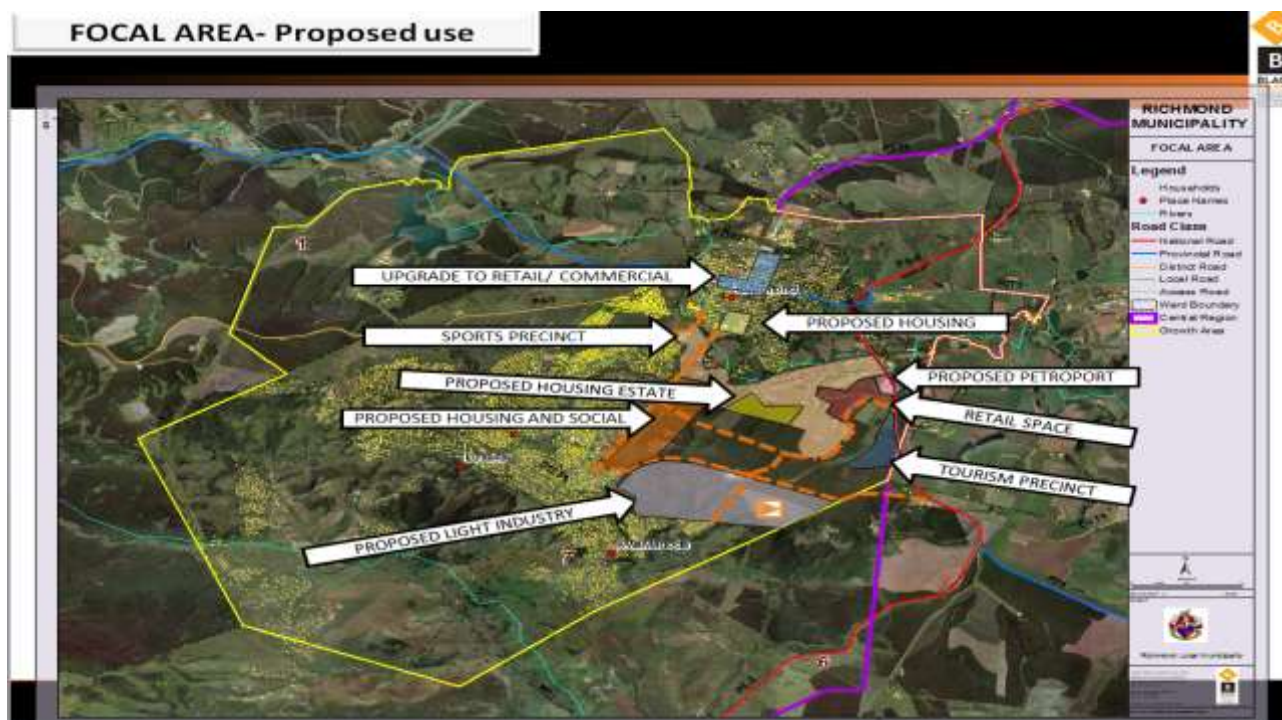
12.4.1 STRATEGIC / CATALYTIC PROJECTS RESPONSIVE TO SWOT AND COMPARATIVE AND COMPETITIVE ADVANTAGE

The following table presents the **CATALYTIC PROJECTS** which will be championed for implementation. Further information is provided in the Local Growth and Development Strategy.

	PROPOSED PROJECT	SUB-PROJECTS	Expected WO's
CP 1	EXPANSION OF RICHMOND TOWN (NEW TOWN), increase access to and ensure development of Greater Indaleni	<p>CP 1.1: MIDDLE INCOME HOUSING: Provision of 190 affordable housing units (diff typologies) – responds to: “back yard living”, officials that travel daily, labour from Hintotex</p> <p>CP 1.2: RURAL/URBAN LINKAGES: Creating linkages between Richmond Town, Indaleni, Smozomeni, Magoda, etc; Link between Slahla Sportsfield and the existing Country Club and proposed Multi-Purpose Sports Complex to create a “sporting precinct”; Township / Rural development; Water Bottling Plant</p> <p>CP 1.3: SLUM CLEARANCE: Relocation of Bhongoza Informal</p>	50 20

		Settlement from periphery of CBD CP 1.4: DEVELOPMENT OF RICHMOND COMMONAGE: Housing Estate (multi-dimensional – anticipated growth from Msunduzi and Camperdown); Petroport / Truck Stop; Retail Space; Proposed Light Industry; Private Hospital CP 1.5: ESTABLISHMENT OF SMALL BUSINESS INCUBATION CENTRE	20 65 10
CP 2	THORNVILLE / BAYNESFIELD AND HOPEWELL INDUSTRIAL DEVELOPMENT	CP2.1 FARMER PRODUCTION SUPPORT UNIT (FPSU) – responsive to AgriPark Concept: Actual Site: Atherstone Farm to serve as logistics hub for municipal wide operations and establishment of Agri-processing incl juicing plant (funded by ADA); Linkages - Baynesfield Estate – Maize Silo – yellow maize and existing abattoir, Gateway Holdings, privately owned chicken hatchery and Rainbow chickens, Tru-Fruit – currently only bottling with establishment of agri-processing and juicing to feed Tru-Fruit, Katope – produce packaging CP 2.2: MANUFACTURING WOOD AND WOOD PRODUCTS: Expansion of Pine Window enterprise frame currently in existence onto Transnet owned land (29 properties in Thornville area); Tekwani Sawmill (serve forestry and also biomass) CP 2.3: BUSINESS ENTERPRISE: Petrol Station – rehabilitation and expansion; Thornville Hotel – assess to retain as current activity, convert to conference facility, training centre	30 10 10
CP 3	EXPANSION OF ESSENTIAL OIL	CP 3.1: PARTNERSHIP WITH BUSBY OILS NATAL: Partnership Agreements with Land Restitution / Reform beneficiaries – site clearance, planting of eucalyptus or smirthia (oil, waste for biomass & wood products); Establishment of distillery	15
CP 4	RENEWABLE ENERGY / ENERGY EFFICIENCY	CP 4.1: RENEWABLE ENERGY / ENERGY EFFICIENCY: Solar Street Lighting (3000 streetlights – funded by EU); Solar Water Geysers (5000 households); Biomass (waste from existing production – sawdust, organic, forestry, etc) – waste to energy – intention is to generate sufficient energy and enter into partnership with Msunduzi for the supply and distribution CP 4.2: BUSINESS ENTERPRISE: Currently considering the establishment of a Solar Enterprise for putting together components, training of youth who will eventually be responsible for maintenance of solar panels	45 10
CP 5	R56 TOURISM ROUTE	CP 5.1 TOURISM Development of route from Midlands Meander to Eastern Cape – intention for Province to lead	10

The following map presents the locality of Catalytic Project 1:



12.4.2 JOB CREATION – EXPANDED PUBLIC WORKS PROGRAMME AND COMMUNITY WORKS PROGRAMME

12.4.2.1 EXPANDED PUBLIC WORKS PROGRAMME

In line with the municipal vision, the Richmond Municipality reviewed its Expanded Public Works Programme (EPWP) Policy to read: *“By 2021, the Richmond Municipality seeks to increase the number of work opportunities made available through the Expanded Public Works Programme (EPWP) in order to make available access to a basic living wage for unemployed communities”*,

To enable the Municipality to realise its contribution to the overall work opportunity target for government, the Municipality utilizes labour intensive activities in all municipal and grant funded projects and programmes. In addition, it ascribes to the principles of the Preferential Procurement Framework to be responsive thereto.

The following presents the Municipal EPWP Policy Objectives:

- a. To provide a framework within which the municipality and its departments implement the EPWP.
- b. To provide an enabling environment for the municipality to increase the implementation of EPWP, through the:
 - b1. Re-orientation of the line budget function; and

- b2. Channeling a portion of its overall annual (municipal and grant funded) budget allocation and human resources towards the implementation of EPWP.
- c. To ensure effective coordination of the Programme at both political and administrative levels within the municipality.

12.4.2.1.1 TARGETS AND STATUS TO DATE:

To attain the 6million job oppoortunities as cited by government, the following targets have been provided to Richmond; the status of achievement is also recorded:

Financial Year	Targeted Work opportunities (WO)	Achieved WO's	Targeted Full Time Equivalents (FTEs)	Achieved FTEs	Reasons for any deviation
2014/15	169	172	56	57	This was the first time that RLM participated in EPWP as a result of the initiative of the LED Unit through the office o f the MM
2015/16	193	230	65	66	Achieved
2016/17	219	197	75	45	As at end March 2017 – RLM confident that targets will be achieved
2017/18	259	TBD	88	TBD	The realisation of WO's and FTE's is still to be determined
2018/19	279	TBD	96	TBD	
Total	1119	TBD	380	TBD	

12.4.2.1.2 STATUS OF EPWP POLICY AND SUBMISSION OF NON-FINANCIAL REPORTS IN COMPLIANCE WITH DoRA:

Status of EPWP in respect to Policy and Submission of Evaluation Reports (Non-Financial as a condition of DoRA)

REQUIREMENT	STATUS
Adoption - EPWP Policy responsive to Phase 3	Achieved
Adoption – EPWP Recruitment Policy	Achieved
Submission of ALL Financial and Non-Financial (Evaluation) Reports in compliance with DoRA for 2015/2016 Financial Year	Monthly Financial Reports – Achieved Quarterly Non-Financial Reports – Achieved
Submission of 1 st , 2 nd and 3 rd Evaluation Report in compliance with DoRA for	Monthly Financial Reports – Achieved 1 st Quarter – achieved

2016/2017 Financial Year	2 nd Quarter – achieved 3 rd Quarter – achieved 4 th Quarter – to be submitted before 10 July 2017
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12.4.2.1.3 BUSINESS PLAN / PROJECT LIST SUBMISSION AND COMPLIANCE:

12.4.2.1.3.1 2016/2017 FINANCIAL YEAR:

Sector	Focal Area	Project / Programme	WOs	FTEs
Social Sector	Social Services	Hand of Hope Garegivers	4	3.34
Social Sector	Community Safety and Security	Scholar Patrol	13	9.04
Infrastructure Sector	Road and Stormwater System Development and Maintenance	Rural Road Maintenance Programme	4	3.34
Environment and Culture Sector	Other Economic and Social Infrastructure	Learnership Programme	20	19.13
	Sustainable Land Based Livelihood	Mentors – Community Gardens	4	3.34
	Parks and Beautification	Greening and Beautification (incl street cleansing)	22	13.39
	Tourism and Cultural Industries	Tour Guides – Development of Tourism Sector	4	3.34

12.4.2.1.3.2 2017/2018 FINANCIAL YEAR:

Sector	Focal Area	Project / Programme	WOs	FTEs
Environment and Culture Sector	Tourism and Cultural Industries	Tourism Learnership Programme	6	6.26
	Waste Management	Street Cleansing and Beautification	5	5.22
	Sustainable Land Based Livelihoods	Community Gardens for Sustainable Livelihoods	4	4.17
Social Sector	Social Services	Afterschool library assistance programme	3	3.13
	Community Safety and Security	Scholar Patrol – 2017 Academic Year	13	5.65
		Scholar Patrol – 2016 Academic Year	13	5.65
	Health	Hand of Hope – Care for Disabled Children	4	4.17
Infrastructure Sector	Road and Stormwater System Development	Rural Road Rehabilitation Programme	20	10.43
	Development and Maintenance of Buildings	Maintenance of Community Facilities (Halls and Sportsfield)	10	10.43

12.4.3 INVESTMENT ATTRACTION, BUSINESS EXPANSION AND RETENTION

In anticipated adoption of the uMgungundlovu Investment Promotion and Facilitation Strategy, the Municipality has extracted and formulated the following Strategic Framework responsive to the initiatives to be undertaken to enable the attraction of investment, expansion and retention of existing businesses as well as aftercare activities which is aligned to the performance plan of the incumbent:

Goal (Outcome)		Strategies (Output)		Projects (Activities)		Budget (Aligned to 2017/2018 RLM Budget)
1.	Develop capacity and promote coordination between supporting govt agencies and sector departments	1.1	Ensure skills capacity retention and HRD	1.1.1	Bi-Annual IP&F development workshop facilitated by uMDM and supported by RLM.	R10, 000.00 (LED Unit)
				1.1.2	Develop and implement a skills retention for employees in the LED and Planning units	R80, 000.00 (WSP and Staff Bursaries)
		1.2	Coordinate investment promotion and facilitation activities among all institutional roleplayers	1.2.1	3 x workshops with officials from LED, Planning and Portfolio Committee: Workshop 1: focus on identifying the reasons behind these regulatory bottlenecks; Workshop 2: focus on outlining investment process flow model Workshop 3: Unpacking application of the process flow model at the local level, including a comprehensive list of the roles and responsibilities of each staff member involved, the expected turnaround	R45, 000.00 (LED Unit)

Goal (Outcome)		Strategies (Output)		Projects (Activities)		Budget (Aligned to 2017/2018 RLM Budget)
1.	Develop capacity and promote coordination between supporting govt agencies and sector departments	1.2	Coordinate investment promotion and facilitation activities among all institutional roleplayers	1.2.2	Undertake a due diligence analysis of strategic framework supporting the investment environment. i.e. all policies, plans and strategies related to investment promotion and facilitation, to address the underlying reasons for poor implementation of proposed projects. Based on analysis, must identify and address problem areas and take steps to fast track priority projects that have yet to be implemented.	None - part of day to day activities / functions
				1.2.3	Prioritise investment promotion and facilitation elements in LED and Planning.	
				1.2.4	Establish a special business enquiry point/contact person as the single point of contact for all matters pertaining to business development in LED Unit. Duties must include provision of information on the local regulatory environment, assistance in locating web-based information resources and linking business owners / managers with relevant government officials when required.	
2.	To promote the use of locally generated	2.1	Improvement in the regulatory environment through proper	2.1.1	Develop an investment tracking system for that is accessible to all stakeholders (public and private), in partnership with TIKZN and continually collate all information relating to investment within the region (including type - FDI,	TBD

		investment monitoring and information sharing between RLM and private sector	domestic, public and value of new investment; location of investment; building plans submitted, passed and completed; major constraints raised).	
			2.1.2 Provision of up to date information on the regulatory environment	None - part of day to day activities / functions
			2.1.3 Identify opportunities in existing priority sectors and undertake identification of new investment opportunities	

Goal (Outcome)	Strategies (Output)	Projects (Activities)	Budget (Aligned to 2017/2018 RLM Budget)
3. To undertake Investment promotion and marketing of Richmond Municipality	3.1 Undertake marketing and image building	3.1.1 Compilation of a investment prospectus for reviewal and update bi-annually. Prospectus to include: key features of the locality; advantages of investment in specific sectors; already packaged investment opportunities; guidelines for funding applications; the investment process flow as well as contact details of key personnel.	R50, 000.00 (LED Unit)
		3.1.2 Host bi-annual business breakfast to facilitate collaboration between the public and private sector and promote future investmet	R60, 000.00 (HW the Mayor, MM and LED Unit)
4. To ensure targeted Infrastructure development, improved land access and more efficient spatial planning	4.1 Support the strategic release of land	4.1.1 To undertake a digital mapping exercise to show all land that has been identified and is available for investment. RLM, ITB and private land owners must assist in updating this information on an annual basis and this information must be made available to investors.	TBD – COGTA to be approached for funding
		4.1.2 Facilitate the fast tracking and zoning of priority land parcels (communal, private and public) that will facilitate the expansion of existing businesses / attract new investors in target sectors.	None - part of day to day activities / functions
	4.2 Address current infrastructure and service needs.	4.2.1 Develop implementable strategies for maximizing revenue collection, reducing inefficiency and costs, and reducing uncollectible debt in municipalities	
		4.2.2 Identify critical public sector infrastructure blockages that require immediate attention and develop interventions to address blockages. Ensure that Capital Investment Framework is aligned to the IDP and budget	
5. To facilitate and promote investment in the key	5.1 Encourage Expansion and Diversification of Agricultural Sector	5.1.1 Package opportunities for expansion of timber, maize and vegetable Production in line with the Agri-Parks model.	None - part of day to day activities / functions – to be funded by DRDLR

			5.1.2	Develop mentorship programme where commercial (established farmers) can mentor emerging farmers as a means to addressing skills shortage in agriculture.	None - part of day to day activities / functions	
		5.2	Ensure Investment into the Tourism Sector	5.2.1	Identify priority tourism attractions where supporting infrastructure is severely dilapidated and package opportunities for revitalisation with the support of EDTEA (e.g. Improved signage supporting Tourism – R56)	None - part of day to day activities / functions

Goal (Outcome)		Strategies (Output)		Projects (Activities)		Budget (Aligned to 2017/2018 RLM Budget)
5.	To facilitate and promote investment in the key economic sectors.	5.3	Ensure Investment into the Manufacturing Sector	5.3.1	Identify and package potential investment opportunities in agroprocessing that align with the Agri-Park Master Business Plan and support the Districts designation as an agro-processing hub:	None - part of day to day activities / functions
		5.4	Facilitate skills development in all target sectors	5.4.1	Develop an online employer 'Job Mart' for the District whereby employers can advertise the skills that they require in target sectors; The site must be accessible to jobseekers so that they can locate employers in relevant industries and must also provide a platform for jobseekers to advertise the qualifications, skills and experience that they offer to businesses.	TBD
6.	To Facilitate the development, expansion and aftercare of existing businesses in the Richmond Municipality	6.1	Develop long-term, collaborative relationships with existing investors	6.1.1	Develop an annual Business Needs Survey that is extended to all private businesses and identify interventions that can be implemented to address these needs.	None - part of day to day activities / functions
6.1.2				Establish an 'Anti-Crime Drive' in collaboration with the private sector individuals to form community policing forums in CBD areas and at tourism hot-spots that are prone to crime.	R60, 000.00 (LED Unit)	
6.1.3				Promote funding institutions through various channels such as Business Chambers, EDTEA and other SMME support agencies / forums	None - part of day to day activities / functions	
6.1.4				Develop and maintain a database of contact details for businesses		
6.1.5				Revive the LED Forum	R25, 000.00	
6.1.6				The assigned 'single point of contact' staff member must also act as an investment support hot-line for direct communication, feedback, and voicing of complaints between the municipality and existing investors	None - part of day to day activities / functions	
6.2		Provide municipal	6.2.1	Partner with local enterprises to promote and support marketing		

		support services		of locally produced goods and services where it is within their power to do so.	
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12.5 Social Development Analysis

12.5.1 Broad Based Community Needs

PROJECT	WARD	CAPITAL	MAINTENANCE	RESPONSIBLE DEPARTMENT	ACTION TO BE TAKEN	TIME FRAME
Construction of drive ways in Harare (near Harare Bridge)	1		✓	Technical Services	Construct driveways	30 June 2018
Upgrade pavements along Shepstone and Chilley Street	1	✓		Technical Services	Undertake reinstatement road edges	Complete
Speed humps in Harding street are requested	1		✓	Technical Services and Community Services	Community Services to investigate	30 June 2018
Upgrade of Durban Road (from R56 to Chilley Street)	1	✓		DOT	Technical to liaise with DOT	30 June 2018 – currently in progress
Remove Robot at Lewis/Shepstone Street	1			DOT	Technical to liaise with DOT	30 June 2018
Fencing Bambatha Rebellion Site(including maintenance)	1	✓		AMAFA/LED / Technical Services	Liaise with AMAFA in respect to fencing. Technical Services to ensure area is maintained.	Ongoing
Multipurpose Youth Centre	1	✓		Corporate Services(LED) / Technical Services	MultiPurpose Sports Complex to commence construction from 01.07.17	30 June 2018
Hopewell vehicles registration must be changed from NP to NK	1			Community Services and Municipal Manager	Partially addressed. Encourage communities to register and pay their licences at Richmond.	Ongoing
Remarking of parking bays and other street marking	1		✓	Community and Technical Services	Re-assess needs	Ongoing
Rehabilitation of	1	✓		Technical	For	30 May 2018

Lamport Street (all streets in Richmond)				Services	incorporation into Infrastructure Plan	
PROJECT	WARD	CAPITAL	MAINTENANCE	RESPONSIBLE DEPARTMENT	ACTION TO BE TAKEN	TIMEFRAME
Construction of High School Richmond Combined	1			Community Services	Liaise with Department of Education	
Upgrade roads in Byrne	1		X	Technical Services		30 June 2018
Replace Church Street Sports Ground	1	✓		Converted to testing centre	Community Services	30 June 2018
Renovation of Memorial Hall	1		✓	Technical Services	Develop BOQ and advertise project in terms of SCM	30 June 2018
Social Community Centre	1	✓		Liaise with Department of Social Development	Community Services	TBD
Electrify Byrne	1	✓		Eskom	Technical Services to liaise with Eskom	30 June 2018
Electrification of Mzinolovu	1	✓		Liaise with the Department of Energy and Eskom	Under construction	30 June 2018
Street Lighting – maintenance and new installations	1	✓		Technical Services and LED (Solar Street Lighting)	Liaise with COGTA	On going
Clear Vacant plots	1		✓	Technical Services		On going
Relocation of Bhongoza Informal Settlement	1	✓		Community Services	Project packaging and land feasibility study for DHS	30 June 2018
Street marking and parking	1		✓	Technical Services		31 December 2017
Improve and upgrade sanitation	2	✓		Technical Services	Liaise with UMDM	
Address sanitation issues in Siyathuthuka Low cost housing scheme	2	✓		Technical and Community Services	Liaise with UMDM and DoHS	30 June 2018
Storm water rehabilitation and tarring of	2	✓		Technical Services	TBD	TBD

main road in Siyathuthuka						
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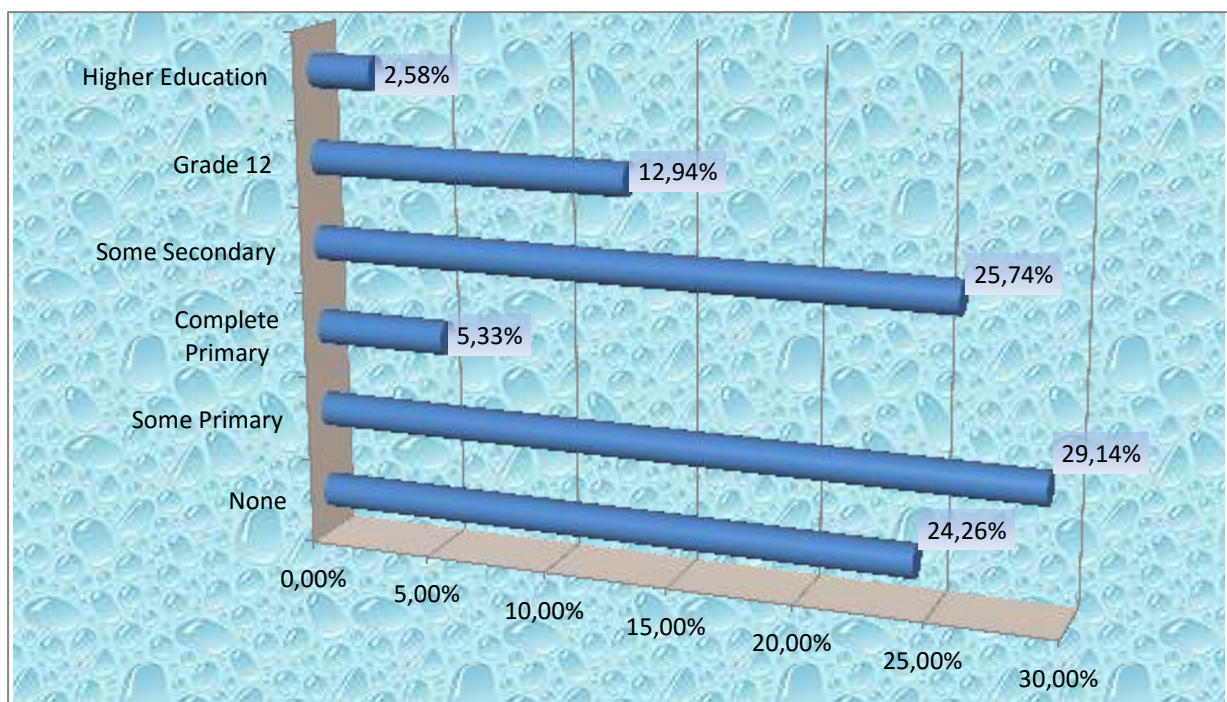
PROJECT	WARD	CAPITAL	MAINTENANCE	RESPONSIBLE DEPARTMENT	ACTION TO BE TAKEN	TIMEFRAME
Construction of access road and bridges on Siyathuthuka main road	2	✓		Technical Services	To be included on MIG priority List	
Access road from junction to D1	2		✓	Technical Services	Investigate?	
Bridge to be constructed Kwasheti	2	✓		Technical Services	Investigate?	
Construction of pavements along the roads from Siyathuthuka to junction.	2	✓		Technical Services	MIG Priority	
Construction of speed humps on Menziwa Road	2	✓		Community Services	Scholar Patrol	
Repair and replace High Mast Globes	2			Liaise with Eskom		
Electricity infills	2			Liaise with Eskom		

12.5.2 Education

Education levels have a major bearing on the quality of life. The inability of an individual to perform certain basic functions due to illiteracy is also part of elements that define human poverty. Low educational levels are likely to push individuals to unemployment and to low paying jobs. Low educational levels also limit the ability of an individual to learn new skills, to be trained and developed.

The Richmond Municipality has intervened on the poor matric pass rate in the area of Richmond. The Municipal Mayor has identified a matric programme to boost the percentage of the matric pass rate, he personally paid a visit to all the schools around in Richmond and assessed on how pupils are being taught and the conditions of the classes, material available and the capacity of staff available. Thereafter held a principals forum meeting in three different circuits (Mkhambathini, Richmond and Msunduzi Circuit) to find a way forward to further assist with future education of young pupil of Richmond.

Figure 4. Education Levels



Source: Stats SA: Census 2011

It is indicated that 60% of individuals ranging from no formal education to primary levels are dominant within the Richmond Municipality. Only 2.58% of individuals had higher education.

Specific issues relating to education to be addressed include:

- The quality of educational facilities
- Low literacy levels
- Lack of water, sanitation and the infrastructure of most schools is a health hazard to the pupils.
- The availability of resources to assist learners in their educational requirements and further the availability of facilities and information relative to bursaries, etc
- The inability of rural areas to attract high quality educators
- Limitations in regards to subjects offered at schools
- Inadequate coordination and targeted adult education and literacy programmes

12.5.3 Health

Health services in the Municipality are provided by the Provincial Department of Health. The following health facilities are found in the municipal area:

- Richmond Hospital
- Provincial clinics in Richmond, iNdaleni and eMbuthisweni
- Private clinic in Inkumane
- Six mobile clinic ports
- Private doctors and district surgeon

Health Facilities are not well distributed throughout the Municipal area, clinics are mainly located along main transport routes making access to these facilities relatively difficult to people residing in deep rural areas of the municipality.

12.5.3.1 Impact of HIV/AIDS

Further, it has been estimated that between the years 2000 and 2010 approximately seven million South Africans will die from HIV/AIDS related diseases. The number of deaths from HIV/AIDS will be considerably larger than that from any other single cause of death and will probably double the number of deaths from all other causes combined. It is indicated that UMgungundlovu District Municipality accounts for 23% of the KwaZulu Natal HIV/AIDS cases. Richmond Municipality has the highest number at of HIV positive people in the District as compared to other Municipalities within the District.

The likely effect of HIV/AIDS on **social systems**:

- **Poor households are more vulnerable and the epidemic is likely to deepen poverty and compromise upward mobility:**
- **Changing demand for housing, education and other community facilities:**
- **A greater demand for health care facilities: and**
- **A greater demand for financial support for orphans, child headed households and households run by grandparents**
- **A negative population growth rate, is affecting the sustainability of projects that are based on certain population projections**

The likely effect of HIV/AIDS on the **economic systems**:

- **A shift from savings to current expenditure, thus limiting fixed investment and economic growth**
- **Possibility of ‘technological deepening’ of the economy as a result of higher absenteeism rates:**

- **Further erosion of household savings and skills shortage, and increased spending on pharmaceuticals and funerals**

In light of the above, the agricultural sector will suffer most as it relies heavily on the availability of a physically active workforce.

Table 10. HIV/AIDS Statistics

	AIDS	HIV
KwaZulu-Natal	115,223	1,319,154
KZN - DC22 uMgungundlovu District Municipality	11,473	129,909
KZN227: Richmond Local Municipality	771	8,716

Source: GLOBAL STATISTICS 2008

The above HIV and AIDS graph shows the amount of people who are affected by HIV/AIDS from the Provincial level, District level and the Local level. Aids Council is in place and functional in Richmond Municipality.

12.5.4 Safety and Security

Richmond Municipality has a number of programmes aimed at promoting compliance with Road Safety Act.

Hereunder are the programmes;

Programme	Duration
• Masiphephe (Arrive Alive)	• Ongoing
• Operation Fiyela with SAPS (Random Road Blocks)	• Ongoing
• Public Awareness Campaign on Road Safety	• Festive Season

12.5.4.1 Community Policing Forum

The Municipality has functional Community Policing Forum. The Forum meets once a month. Stakeholders who are part of the forums are;

- **South African Police Services**
- **Municipal Traffic Police**
- **Non Governmental Organisations**
- **Ward Committee members**
- **Councillors**

The aim of the forum is to address crime within the Municipality.

12.5.5 Nation Building and Social Cohesion

Richmond Municipality has been involved in a number of cultural and sporting activities. The most critically event which the Municipality has participated since 1998 is SALGA Games. The games aspire to promote sound inter-Municipalities relationship and social cohesion between the Municipalities by using sport as a vehicle to forge sustainable partnership and further strengthen existing relations.

In addition to SALGA games the Municipality has a number of sport and recreation programmes including Art and Culture which aimed at promoting the sport. Hereunder are the programmes;

Sport and Recreation

Project	Purpose
Celebrating Mandela day tournament	The Department of Health together with the Municipality celebrated Mandela Day by having soccer and netball tournament
SALGA Games	The aim is to unearth hidden talent that exists in previous disadvantaged areas
Moyaral Cup	Unearth hidden talent at wards level

Arts and Culture

Project	Purpose
Facilitate Nomkhubulwane at Phatheni	To teach young girls on issues related to HIV/ AIDS
Facilitate Annual Reed Dance which was held at Nyokeni	It is to promote abstinence of young virgin girls from sexual activities which may lead to HIV/AIDS

12.5.6 Community Development with particular focus on Vulnerable Groups

12.5.6.1 Youth Development

Youth Development

The Analysis of the Economy, July 2011 together with recent census figures continues to give an indication that Youth occupy a large portion of the population of Richmond and steps should therefore be taken to ensure that youth needs are addressed.

On 10 March 2012, the Richmond Municipality launched the Municipal Youth Council whose objectives include creating a platform on and through which the youth can raise and discuss matters which affect them and to also devise and propose solutions which will redress the challenges encountered.

The Council, with its slogan “Developing our Youth for a Sustainable Tomorrow” has identified 5 priority areas, namely:

- Local Economic Development and Opportunities
- Education and Training
- Arts and Culture
- Moral Regeneration
- Sports and Recreation

In each of the priority area listed above, the Municipality has committed to ensuring that it either directly addresses the issues or facilitates interventions through respective and responsible sector departments or agencies.

Examples of interventions include:

Basic Financial Management Training

Registration of Cooperatives

Municipal Youth Career and Life Skills Expo

Teenage Pregnancy and Anti-Drug Campaigns

LED Internship Programme

12.5.6.2 Development of the People with Disabilities

Development of the people with disability

Richmond Municipality has been putting more emphasis on supporting physically challenged people in sport.

Hereunder are some of the sport programmes supported by the Municipality;

Project	Purpose
7 Wheels Chair Race in Richmond Municipality	To unearth the talent of the disability people in sport
Mandela Race	To unearth sport talent
Disability Sport day at kwaDambuza	To encourage healthy lifestyle and promotion of sport to people with disability
Provincial Disability parliament	To encourage disability people to be involved in discussion on issues pertaining to service delivery

George Town Outenique Wheel Chair Race	The event was held in Cape Town. For disability people to compete with other Province in sport.
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12.5.6.3 Development of the Elderly and Women

The Municipality does have programmes for elderly people. Hereunder are the programmes;

Project	Purpose
Golden Games	The programme is aimed at promoting active dignified ageing
Senior Citizen Parliament	To encourage elderly people to be involved in discussion on issues pertaining to service delivery
Launching in Club	To encourage elderly people to be involved in project. The municipality assisted them with handwork beads, wools and seeds

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

People affected by HIV/AIDS

To deal with the scourge of HIV and AIDS, Richmond Municipality has established Local AIDS Council. On top of Local Aids Council, the Municipality has established Ward Aids Council.

There are programmes aimed at dealing with HIV and AIDS. Hereunder are some of the programmes;

PROJECT	PURPOSE
HIV and AIDS education in School	To educate the youth with issues related to HIV/ AIDS, how to live when infected or affected by HIV and AIDS
Traditional Healers workshop	The Municipality partner with the Mgungundlovu District regarding the training of Traditional Healers on issues pertaining to HIV / AIDS and TB
Phatheni Clinic : hosting opened day	Richmond Municipality partner with the

	Department of Health in respect of HIV & AIDS awareness campaign in ward 7
16 Days of Activism on No Violence against women and children	The campaign aimed at ensuring that there is no rape against women and children which result to the said vulnerable group being infected and affected by HIV & AIDS

DRUGS

Richmond Municipality together with the Department of Social Development have established the Richmond Local Drug Action Committee (LDAC) to fight the use of drugs in the community.

- The committee is formed by all relevant stakeholders and are working together to share resources in order to reduce and fight the use of drugs.
- On top of the LDAC, the Municipality has established the Ward Drugs Action Committees in all 7 wards.

CRIME

Richmond Municipality like all other Municipality is faced with a challenge of crime. There are however structures established to assist SAPS to fight crime such as;

- Community Policing Forum
- Crime Prevention Committees which have been established in WARD 1
- Safety Committees which have been established in all wards.

12.5.6.5 Early childhood development

Richmond Municipality together with Department of Social Development have number of programmes for early child development. There crèches and youth care centres throughout the Municipal area.

12.5.7 Social Development: SWOT Analysis

Table 11. Social Development Analysis : SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> • Full complement of Senior Management in the department. • Fully established and functional Supply Chain Management Committees 	<ul style="list-style-type: none"> • Lack of available land for Housing Development (Hopewell) • Staff shortages at community facilities

<ul style="list-style-type: none"> • Political Stability • Satellite Libraries in Hopewell and Inhlazuka • The Availability of the Operation Sukhuma Sakhe Forum • Increased Service Delivery to Learners Centre now operational 5 days a week • Availability of Community Services Facilities (Community Halls, Sportsfields) • Availability of Disaster management plan • Availability of Housing Sector plan 	<ul style="list-style-type: none"> • Lack of adequate basic services • Non collection of traffic fines • Lack of signed lease agreements iro Thusong Centre
Opportunities	Threats
<ul style="list-style-type: none"> • Access to Sukuma Sakhe Committee for implementation of identified project and programmes • Execution of Warrant of Arrests to collect outstanding funds • Training and Capacity Building • Implementation of Cyber Cadet Programme 	<ul style="list-style-type: none"> • Teenage pregnancy, drug and substance abuse • Non payment of monies due by Department of Justice • Impact of HIV/Aids and chronic diseases (consumption of resources in terms of programmes and awareness campaigns) • Impact of HIV/AIDS • Delays in grant approval for housing projects

13 MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT ANALYSIS

13.1 FINANCIAL VIABILITY AND MANAGEMENT ANALYSIS

13.1.1 Capability of the Municipality to Execute Capital Projects

The Richmond Municipality funds its capital projects from MIG and own revenue. Currently the position of HOD Technical services is vacant however there is an acting person to the post. Also interviews have done so the post will be filled at beginning of financial year under review. PMU appointments have also been finalised. The municipality has appointed Consulting Engineering firms to assist with the Project Management for all capital projects.

CAPITAL FUNDING AND EXPENDITURE TO ADDRESS SERVICE DELIVERY

Actual Capital vs Budget Capital

<u>Financial Year</u>	<u>Budget</u>	<u>Actual Expenditure</u>	<u>Variance</u>
2013/2014 (audited)	33 415 800	21 139 519	12 276 281
2014/2015 (audited)	34 091 438	26 958 617	7 132 821
2015/2016 (audited)	47 645 817	33 034 530	14 611 287

Capital Sources of Funding

<u>Financial Year</u>	<u>Own Revenue</u>	<u>Grant Funding</u>	<u>Public Contributions</u>	<u>Finance Lease</u>	<u>TOTAL</u>
2013/2014 (audited)	8 362 212	12 749 785	27 522	0	21 139 519
2014/2015 (audited)	2 356 889	24 010 167	349 254	242 307	26 958 617
2015/2016 (audited)	3 294 234	29 391 042	349 254	0	33 034 530

13.1.2 Indigent Support (Including Free Basic Services)

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services households are required to register in terms of the Municipality Indigent Policy. The municipality has in the 2014/2015 year undertaken to register all indigents and thereby create an updated indigent register. The cost of the social package of the registered indigent households is largely financed by

national government through the local government equitable share received in terms of the annual Division of Revenue Act. indigent policy attached.

Indigent support allocated from the equitable share

<u>Financial Year</u>	<u>Amount</u>
2014/2015	38 690 000
2015/2016	49 617 000
2016/2017	52 966 000
2017/2018	56 504 000

Free Basic Services : Refuse

<u>Financial Year</u>	<u>Amount</u>
2014/2015	750 000
2015/2016	200 000
2016/2017	3 153 665
2017/2018	825 000

Free Basic Electricity

<u>Financial Year</u>	<u>Amount</u>
2014/2015	600 000
2015/2016	500 000
2016/2017	550 000
2017/2018	900 000

13.1.3 Revenue Enhancement and Protection Strategies

The municipality has developed a Revenue Enhancement strategy was last updated in 2011.

The municipality will be making funds available in 2017/2018 to review and update the revenue raising strategy. To date the municipality has been experiencing challenges with the implementation of this strategy. Slow economic growth and high unemployment has not assisted in the collection of long outstanding debt.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, stock rotation, price protection, rebates and other similar allowances.

Revenue is derived from a variety of sources which include rates levied, grants from other tiers of government and revenue from trading activities and other services provided. Revenue comprises the fair value of the consideration received or receivable for the sale of

goods and services in the ordinary course of the municipality's activities. Revenue is shown net of value-added tax, returns, rebates and discounts.

The municipality recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits or service potential will flow to the municipality and when specific criteria have been met for each of the municipality's activities as described below, except when specifically stated otherwise. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The municipality bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Furthermore, services rendered are recognised by reference to the stage of completion of the transaction at the reporting date.

Revenue from Exchange Transactions refers to revenue that accrued to the municipality directly in return for services rendered /goods sold, the value of which approximates the consideration received or receivable. Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant authorised tariff. This includes the issuing of licences and permits. Interest earned on unutilised Conditional Grants is allocated directly to the Creditor: Unutilised Conditional Grants, if the grant conditions indicate that interest is payable to the funder. Interest earned on the following investments is not recognised in the Statement of Financial Performance: Revenue from Non-exchange Transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Service Charges are levied in terms of approved tariffs. Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to all properties that have improvements. Tariffs are determined per category of property usage, and are levied based on the number of refuse collections on each property during the week.

Revenue from the rental of facilities and equipment is recognised on a Straight-line Basis over the term of the lease agreement.

Interest earned on investments is recognised in the Statement of Financial Performance on the Time-proportionate Basis that takes into account the effective yield on the investment.

Revenue for agency services is recognised on a monthly basis once the revenue collected on behalf of agents has been quantified. The revenue recognised is in terms of the agency agreement.

Revenue from the sale of goods is recognised when all the following conditions have been met: The municipality has transferred to the buyer the significant risks and rewards of ownership of the goods; The municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; The amount of revenue can be measured reliably; It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and Donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment are brought into use.

Assets acquired from non-exchange transactions are measured at fair value in accordance with the Standards of GRAP. The costs incurred or to be incurred in respect of the transaction can be measured reliably. An inflow of resources from a Non-exchange

Transaction, that meets the definition of an asset shall be recognised as an asset when it is probable that the future economic benefits or service potential associated with the asset will flow to the municipality and the fair value

of the asset can be measured reliably. The asset shall be recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

A present obligation arising from a Non-exchange Transaction that meets the definition of a liability will be recognised as a liability when it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate of the amount can be made.

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a Time-proportionate Basis with reference to the principal amount receivable and effective interest rate applicable. A composite rating system charging different rate tariffs is employed. Rebates are granted to certain categories of ratepayers and are deducted from revenue.

Fines constitute both spot fines and summonses. Revenue from the issuing of fines is recognised when it is probable that the economic benefits or service potential will flow to the municipality and the amount of the revenue can be measured reliably. Revenue for fines is recognised when the fine is issued at the full amount of the receivable, considering the allowance in terms of IGRAP 1 to use estimates to determine the amount of revenue that the municipality is entitled to collect. Assessing and recognising impairment is an event that takes place subsequent to the initial recognition of revenue charged. The municipality assesses the probability of collecting revenue when accounts fall into arrears. Such an assessment is not be made at the time of initial recognition.

Conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the

criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the municipality with no future related costs, are recognised in the Statement of Financial Performance in the period in which they become receivable.

Interest earned on investments is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor and if it is the municipality's interest, it is recognised as interest earned in the Statement of Financial Performance. Revenue is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment are brought into use. Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No 56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

13.1.4 Municipal Consumer Debt Position

Summary of Debt Outstanding Per Category

<u>Category</u>	<u>2013/2014</u>	<u>2014/2015</u>	<u>2015/2016</u>
Rates	6 709 687	8 654 560	10 881 694
Refuse	257 653	315 712	385 246
Miscellaneous / other	1 189 366	415 513	587 941
TOTAL	8 156 706	9 385 785	11 854 881
IMPAIRMENT PROVIDED	(4 637 518)	(5 779 183)	(5 855 919)

Summary of Receivables from Exchange transactions by customer classification

	<u>2013/2014</u>	<u>2014/2015</u>	<u>2015/2016</u>
Household	2 560 506	3 393 495	4 760 484
Industrial /Commercial	1 979 995	1 422 253	1 461 524
National and Provincial Government	1 302 988	1 736 238	2 270 539
Other	2 313 217	2 833 799	3 362 334
TOTAL	8 156 706	9 385 785	11 854 881

In determining the recoverability of Receivables, the municipality has placed strong emphasis on verifying the indigent status of consumers. Provision for impairment of Receivables has been made for all consumer balances outstanding based on the payment ratio over 12 months per service type. No further credit provision is required in excess of the Provision for Impairment. No provision has been made in respect of government debt as these amounts are considered to be fully recoverable.

13.1.5 Grants and Subsidies

The municipality has successfully applied to National Treasury for the rollover of unspent grants for the 2014/2015 and 2015/2016 financial years.

The municipality is attempting to spend all grants in the 2016/2017 financial year.

13.1.6 Municipal Infrastructure Assets and Maintenance (Q & M)

The municipality is experiencing challenges in this unit. We do not have a fully supports assets department. As a result all plans and policies are non-existent. The Project Management unit will be compiling an Infrastructure plan together with Asset maintenance plans.

Repairs and Maintenance budget as a % PPE

2013/2014	R2 583 435	2.06%
2014/2015	R2 545 247	1.46%
2015/2016	R1 929 488	1.12%

13.1.7 Current and Planned Borrowings

None

13.1.8 Municipality's Credit Rating

N/A

13.1.9 Employee Related Costs (Including Council Allowances)

The budgeted allocation for employee related costs for the 2017/18 financial year totals R 44, 9 million, which equals 42 per cent of the total operating expenditure. Salary increases have been factored into this budget at a percentage increase of 7. 5 per cent for the 2017/18 financial year. An annual increase of 6 per cent has been included for the 2018/2019 financial year and 6 per cent for the 2019/2020 financial year. The budget has also been drawn up taking into account the budgeting for applicable annual notch increases.

Expenditure against overtime was significantly reduced, with provisions against this budget item only being provided for emergency services and other critical functions. Essential services departments are expected to introduce the "Shift System" to curb overtime and ensure compliance with relevant legislation.

The budgeted salaries for Senior Managers have increased when compared to the 2017/2018 financial year.

All Senior Management positions have been budgeted for a full year in 2017/2018. Further to the above and analysing the trend and historical performance it is evident that performance bonuses had not been paid out to any senior manager for the past 3 years. Performance bonuses have been budgeted in terms of the Local Government Municipal Performance regulations; however affordability would be assessed during the adjustment process as required by regulation 32.

The municipality understands that sustainable job creation remains a national priority and in drafting the 2017/2018 budget and MTREFs, the municipality has explored opportunities to promote labour intensive approaches to delivering services, and more particularly to participate fully in the Expanded Public Works Programme.

Remuneration of Councillors

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). A 6 per cent increase has been factored into the budget for the 2017/18 financial year.

The overall increase against 2016/2017 adjusted equates to 17 per cent. The municipality is legislated to have a full time mayor, part time speaker, part time deputy mayor, part time member of the executive committee and part time councillors.

The municipality has in addition to a full time Mayor budgeted for the following full time positions:-

- Speaker
- Deputy Mayor

13.1.10 Supply Chain Management (SCM)

Supply chain management has been centralized and resides within the budget and treasury office.

The current structure is as follows:

Chief Financial Officer
 Manager: Financial Services
 Expenditure Accountant (1)
 SCM Practitioner (2)
 Financial Intern (1)

The municipality faces budget constraints in having a fully-fledged structure as envisaged by the legislation. The municipality also faces the challenge of retaining experienced staff.

Proposed Solution

Amending the SCM structure as and when funds become available. Payment of market related salaries.

The municipality has established all three SCM Bid committees and are fully functional. However there are slight challenges since tight schedule of meetings. Currently the SCM policy is being implemented.

Procurement Plan

A procurement plan is compiled during May of every year when the final budget is completed and approved by Council. The Chief Financial Officer reports monthly to MANCO on the implementation of the Procurement plan.

FUNCTIONING OF BID COMMITTEES

The Municipality has established the following bid committees:-

- Bid specification committee
- Bid evaluation committee
- Bid adjudication committee

Training and Development of the SCM Unit and Bid Committees

- Training has been provided to the bid committee members and Finance staff by the responsible national and provincial government department.
- Training is ongoing as and when courses are available

At the commencement of all the bid committee meeting, members complete the attendance register and declare and undertake the following:

- That all information, documentation and decisions regarding any matter before the committee are confidential and undertake not to make known anything known in this regard.
- To treat all service providers and potential service providers equitably and will not purposefully favour or prejudice anybody.
- To make known details of any private or business interest he or she or any close family member, partner or associate may have in any proposed procurement or disposal of, or in any award or contract that they will immediately withdraw from participating in any matter whatsoever.

A schedule of meetings is drawn at the beginning of every year for all Bid Committee.

DEVIATIONS

Regulation 36 of the Municipal SCM Regulations of 2005 permits the Accounting Officer to “dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process”. This would typically include urgent and emergency cases, single-source goods, and any other cases

where it is impractical to follow normal SCM process. In the event of such a decision, the accounting officer is required to report this to the next Council meeting.

Section 114 of the MFMA permits the Accounting Officer to approve a tender “other than the one recommended through normal procurement processes”. The Accounting Officer is required to report such a deviation to the Auditor-General, the Provincial Treasury, and the National Treasury, stating the reasons that necessitated such a decision. If such expenditure is not defined as ‘unauthorized expenditure’ then it is ‘irregular expenditure’.

Deviations are reported monthly to MANCO and on a Quarterly basis to Council. All deviations are recorded on the Financial Statements of the year.

REPORTS ON UNAUTHORISED; IRREGULAR; FRUITLESS & WASTEFUL EXPENDITURE

Section 32(4) of the MFMA requires that the Municipal Manager “PROMPTLY” inform the Mayor, the MEC for Local Government, and the Auditor-General of any unauthorized, irregular, and fruitless & wasteful expenditure that the municipality has incurred. Only Council can deal with these matters in the manner prescribed.

Budget and Treasury BTO

Organogram

Total Staff Compliment	13
Financial Interns	05
Contract Employees	01 (Asset Clerk)

MFMP Competency:

CFO	To starts programme in 2017
Manager Finance	Completed
Accountant: SCM	Completed
Financial Accountant	Commenced to complete by November 2017
Expenditure Accountant	To commence programme
SCM Practitioners x 2	Completed

Debtors Clerk	Completed
Debt Control And Credit Collection Clerk	Completed
Payroll Clerk	Completed
Creditors Clerk	Completed
Budget Officer	Completed

Challenges

The Municipality does not have an Asset unit. This has proven to be a major challenge in addressing Auditor General Queries and in the compilation of an Asset register.

Due to budget constraints we are also unable to add more positions onto the organogram. The additional positions are critical in ensuring compliance with different budget and finance policies. Due to the challenges with the Asset unit, the municipality is compelled to utilise financial consultants to compile an Assets register and assist with assets related queries.

Financial Ratio

Audit Outcome

<u>2013/2014</u>	<u>2014/2015</u>	<u>2015/2016</u>
Unqualified	Unqualified	Unqualified

13.1.11 **Financial Viability and Management: SWOT Analysis**

Table 12. Financial Viability and Management: SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Within the uMgungundlovu District Municipality • Cash reserves and investments 	<ul style="list-style-type: none"> • Staff turn around • Revenue raising strategies
Opportunities	Threats
<ul style="list-style-type: none"> • MFMA • Policies and Acts • Support from Provincial Treasury training 	<ul style="list-style-type: none"> • Economic Recession • Political instability

14 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

14.1 GOOD GOVERNMENT ANALYSIS

14.1.1 National & Provincial Programmes Rolled-out at Municipal Level

IMPLEMENTATION OF SUKUMA SAKHE

Richmond Municipality has functional Operation Sukuma Sakhe(OSS). The OSS Local Task Team meet at Richmond Municipality Council Chamber forth nightly . War Rooms are functioning in all seven wards.

Hereunder are the achievements and challenges;

ACHIEVEMENTS

- The municipality has functional war rooms in all wards.
- The Department of Economic Development has empowered war rooms with necessary resources such as computers and chairs for work purposes.
- the Department of Human Settlements have constructed houses for needy families through Sukuma Sakhe.
- The Department of Home Affairs has assisted a number of community members with ID registration and so on through Sukuma Sakhe
- A number of people are getting social grant through operation Sukuma Sakhe.

CHALLENGES

1. Cadres who assist with profiling, in most instances, get permanent jobs and this normally lead to the shortage of manpower in terms of profiling.
2. Commitment of other Sector Departments in the programme is still a challenge.
3. Some Cadres travels very long distances to the war rooms.
4. There is no specific budget for Sukuma Sakhe.

PROGRAMMS

Here under are the programmes for Sukuma Sakhe;

ACTIVITIES	PURPOSE	TARGET GROUP
Operation MBO	To have an event in each ward wherein all Sector Departments will be present for the purpose of assisting community with services	All Community members

Mobilization of more volunteers at all wards	To ensure that the Municipality has enough volunteers for profiling purpose	Volunteers
Public Service Week for Dr Nelson Mandela	To ensure that community members are encouraged to perform voluntarily community work during the month of July each year.	All community members

BATHO PELE PRINCIPLES

The Richmond Municipality organization will be guided by the following Batho Pele principles:

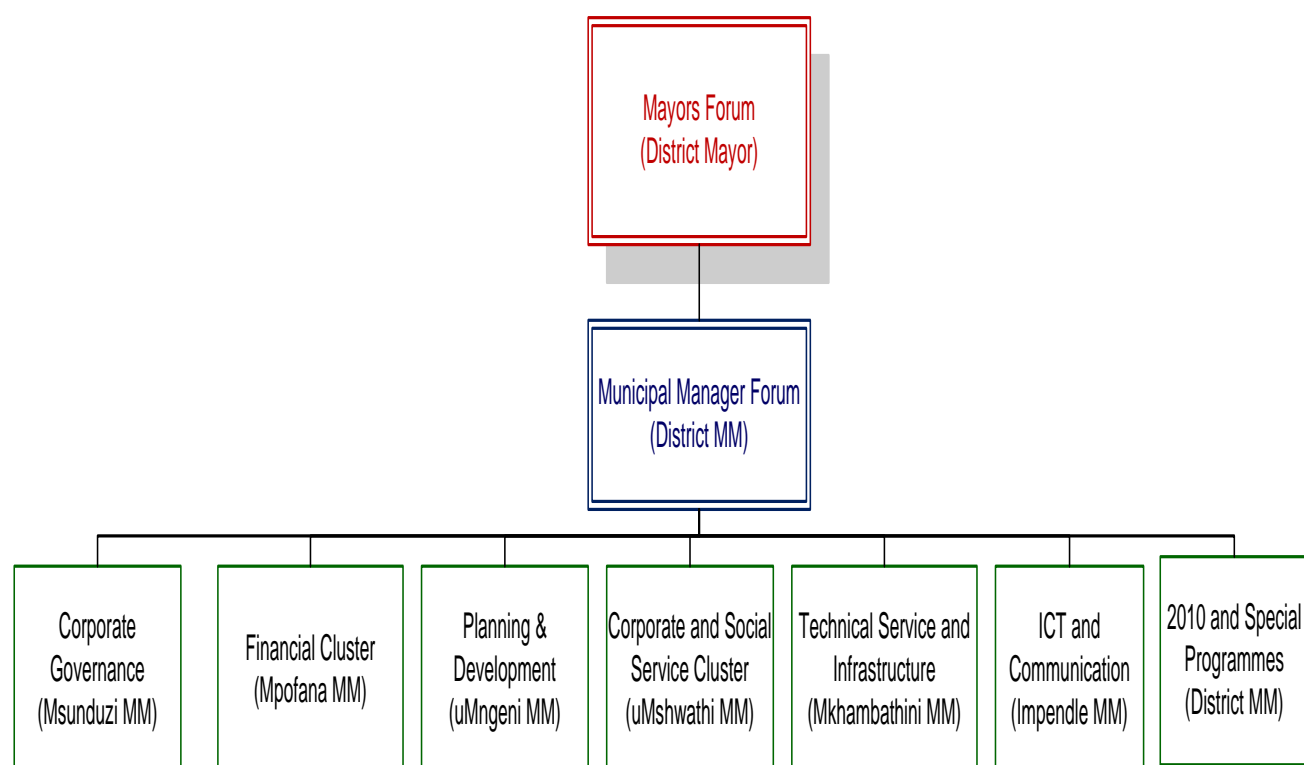
CONSULTATION	
<p>- You can tell us what you want from us You will be asked for your views on existing public services and may also tell us what new basic services you would like. All levels of society will be consulted and your feelings will be conveyed to Ministers, MECs and legislators.</p>	<p><u>The Principle:</u> You should be consulted about the level and quality of the public services you receive and, wherever possible, should be given a choice about the services that are offered</p>
SERVICE STANDARDS	
<p>- Insist that our promises are kept All national and provincial government departments will be required to publish service standards for existing and new services. Standards may not be lowered! They will be monitored at least once a year and be raised progressively.</p>	<p><u>The Principle:</u> You should be told what level and quality of public services you will receive so that you are aware of what to expect.</p>

ACCESS	
<p>- One and all should get their fair share Departments will have to set targets for extending access to public servants and public services. They should implement special programmes for improved service delivery to physically, socially and culturally disadvantaged persons.</p>	<p><u>The Principle:</u> You and all citizens should have equal access to the services to which you are entitled.</p>
COURTESY	

<p>- Don't accept insensitive treatment All departments must set standards for the treatment of the public and incorporate these into their Codes of Conduct, vales and training programmes. Staff performance will be regularly monitored, and discourtesy will not be tolerated.</p>	<p><u>The Principle:</u> You should be treated with courtesy and consideration</p>
INFORMATION	
<p>- You're entitled to full particulars You will get full, accurate and up-to-date facts about services you are entitled to. Information should be provided at service points and in local media and languages. Contact numbers and names should appear in all departmental communications.</p>	<p><u>The Principle:</u> You should be given full, accurate information about the public services you are entitled to Receive</p>
OPENNESS AND TRANSPARENCY	
<p>- Administration must be an open book You'll have the right to know. Departmental staff numbers, particulars of senior officials, expenditure and performance against standards will not be secret. Reports to citizens will be widely published and submitted to legislatures.</p>	<p><u>The Principle:</u> You should be told how national and provincial departments are run, how much they cost, and who is in charge.</p>
REDRESS	
<p>- Your complaints must spark positive action Mechanisms for recording any public dissatisfaction will be established and all staff will be trained to handle your complaints fast and efficiently. You will receive regular feedback on the outcomes.</p>	<p><u>The Principle:</u> If the promised standard of service is not delivered, you should be offered an apology</p>
VALUE FOR MONEY	
<p>- Your money should be employed wisely You pay income tax, VAT and other taxes to finance the administration of the country. You have the right to insist that your money should be used properly. Departments owe you proof that efficiency, savings and improved service delivery are on the agenda.</p>	<p><u>The Principle:</u> Public services should be provided economically and efficiently in order to give you the best possible value for money.</p>

14.1.2 IGR

Fully operational Cluster Model (IGR System)



The Cluster Model has led to the establishment of shared services in the District, which also lead to better utilisation of resources. Shared services are now used in the fields of Internal Audit, Performance Management, Integrated Development Planning and Information and Communications Technology. This approach is having the effect that our family of Municipalities in the District are all benefitting from the scarce resources and expertise available within the District. Each cluster is chaired by municipal Managers as indicated in the diagram above.

14.1.3 Municipal Structures

The Municipality comprises of 14 Councillors with the Speaker as the Chair of Council meetings. The Executive Committee is chaired by the Mayor and consists of 3 members

The following two portfolio committees were established by the Richmond municipality and their roles and responsibilities are as follows.

ECONOMIC DEVELOPMENT, PLANNING AND INFRASTRUCTURE / HUMAN RESOURCES	COMMUNITY DEVELOPMENT AND SOCIAL SERVICES / INFORMATION COMMUNICATION TECHNOLOGY
ROLE	ROLE
<ul style="list-style-type: none"> To assist the Executive Committee 	<ul style="list-style-type: none"> To assist the Executive Committee to

<p>to maximize the effectiveness of Local Economic Development, Infrastructure, Planning and Human Resources of the municipality</p> <ul style="list-style-type: none"> • To advise the Executive Committee on all fiscal and other incentives designed to promote economic development • To advise the Executive Committee on appropriate infrastructure requirements of the municipality • To advise the Executive Committee on Land Use Management and Town Planning matters • To ensure that the Human Resources Administration is governed by the democratic values and principles enshrined in the Constitution • To recommend appropriate policy systems and procedures relating to Local Economic Development, Infrastructure, Planning and Human Resources matters 	<p>maximize the effectiveness of Community Development, Social Services and Information Communication Technology of the municipality</p> <ul style="list-style-type: none"> • To advise the Executive Committee on initiatives to promote Community Development, social Services and Information Communication Technology • To advise the Executive Committee on the policy framework referred to in the Municipal Systems Act • To recommend appropriate policy systems and procedures relating to community Development, Social Services and Information Communication Technology matters
<p>RESPONSIBILITIES</p> <ul style="list-style-type: none"> • Economic development • Tourism • Poverty alleviation • Youth development • Job creation • Infrastructure • Land use management • Town planning applications • Building control • Staff structure/Organogram • Job evaluation • Job grading • Conditions of service • Recruitment, selection and appointment of staff • Performance monitoring and evaluation • Disciplinary procedures • Grievance procedures 	<p>RESPONSIBILITIES</p> <ul style="list-style-type: none"> • Traffic control • Vehicle and learner licencing • Driver Licencing • Security • Disaster management • Library services • Community halls • Sports fields • Sport and culture • Housing support • Information Communication Technology

However these committees need to be reviewed together with their respective terms of reference in order to align them with the core functions of the Municipality.

In addition to the above, Ward Committee's are established and meet regularly with minutes being submitted to the office of the Speaker.

Ward Committees are also responsible for the submission of community needs to the Municipality on an ongoing basis and are used as a means of communication to and from administrative structures and is also based on the Communication Strategy which requires the necessary information to be made available to communities in terms of the budget, Integrated Development Plan, PMS, Annual Report, etc.

In regard to the current year of review, priority projects were received from the Communities via Ward Committees and Councillors and the strategies, plans and programmes of the Municipality are responsive thereto.

The Richmond Municipality facilitates and chairs the Intersectoral Forum. The main function of this forum is to have an integrated approach to deal with service delivery issues. The forum comprises of sector departments that are based in Richmond. The Departments are as follows; department of Labour, Department of Social Development; Department of Justice, SAPS, Department of Health ,Department of Education, UMgungundlovu District Municipality and the Richmond Municipality. Non Governmental Organizations also participate in these meetings.

The Municipality has also established a Local Labour Forum where all staff matters are discussed.

14.1.4 Audit Committee

The Richmond Municipality has a active Audit Committee which comprises of 3 members. The Audit Committee assists with checking transparency, accountability and appropriate line of responsibility in financial affairs of the Municipality. They assist with management of revenue, expenditure, budgetary matters, supply chain management as well as performance.

The Audit Committee is an Independent advisory body.

14.1.5 Status of Municipal Policies

Table 13. Municipal Policies

Number	Policy	Ref	Ref	Ref	Drafted	Reviewed	Adopted
1	Human Resource Manual	HR			Y		26/02/09
2	Cell Phone Policy	HR 2			Y	Y	28/2/11
3	Use and Care of Council Property				Y		
4	In-Service Training				Y		

Number	Policy	Ref	Ref	Ref	Drafted	Reviewed	Adopted
	Policy						
5	Staff Bursary Scheme Policy	HR 12			Y	Y	28/02/11
6	Indigent Support Policy		MAN 7		Y	Y	31/05/10
7	Performance Management Policy		MAN 5		Y	Y	
8	Rules of Order Council				Y	Y	22/07/11
9	Depreciation Policy				Y		
10	Budgetary Policy			FIN 3	Y	Y	31/05/10
11	Tariff Setting Policy			FIN 8	Y	Y	31/05/12
12	Credit Control Policy			FIN 4	Y	Y	14/02/10
13	Indigent Burial Policy (Pauper Burials)				Y		
14	Internal and External Communication Policy				Y		
15	Public Participation Policy		MAN 10		Y		
16	Internet Policy		MAN 2		Y		
17	Computer Equipment Policy inclusive of lap top policy		MAN 1		Y		
18	Acting Allowance Policy	HR 1			Y		26/02/09
19	HIV/AIDS Policy	HR 5			Y	Y	31/05/10
20	Gender Policy	HR 3			Y		26/02/09
21	Vehicle Management and locomotion Policy	HR 15			Y		/09/12
22	Delegation of Powers Policy iro		MAN 3		Y	Y	22/07/11
22.1	Council				Y	Y	22/07/11
22.2	Executive Committee				Y	Y	22/07/11
22.3	Office of the Mayor				Y	Y	22/07/11
22.4	Management Committee				Y	Y	22/07/11
22.5	Municipal Manager's Office				Y	Y	22/07/11
22.6	Head of Department				Y	Y	22/07/11
22.7	Sub-Committees				Y	Y	22/07/11
Number	Policy	Ref	Ref	Ref	Drafted	Reviewed	Adopted
23	Job Creation Policy	HR 16			Y		
24	Traffic Policy (all relative matters)				Y		
25	Review of SCM Policy				Y	Y	14/12/10
26	Property Rates Act Policy				Y	Y	14/12/10
27	Asset Management			FIN 2	Y	Y	

Number	Policy	Ref	Ref	Ref	Drafted	Reviewed	Adopted
	Policy						14/12/10
28	Labour Relations Policy	HR 7			Y		
29	Health and Safety Policy	HR 4			Y	Y	31/05/10
30	Uniforms and Protective Clothing Policy				Y	Y	31/05/10
31	Leave Policy	HR 8			Y		26/02/09
32	Termination of Services Policy				Y		
33	Recruitment, selection and appointment policy	HR 9			Y	Y	31/5/10
34	Training Policy	HR 6			Y		26/02/09
35	Usage of Telephones Policy	HR 14			Y	Y	31/05/10
36	Corporate Social Responsibility Policy		MAN 16		Y		
37	Code of Conduct and Ethics Policy				Y		22/7/11
38	Sexual Harassment Policy	HR 10			Y		
39	Smoking in the work place policy	HR 11			Y		
40	Promotion of Access to Information Policy		MAN 9		Y		
41	GAMAP Policy				Y		
42	Revenue enhancement Policy			FIN 7	Y	Y	14/12/10
43	Cash and Investment Policy			FIN 6	Y	Y	14/12/10
44	Travelling allowance	HR 13			Y	Y	31/05/12
45	Fraud Prevention - Risk Management		MAN 4		Y		30/06/08
46	Overtime Policy				Y		08/12/09
47	Standby Allowance Policy				Y		08/12/09
48	Appointment of Casual Staff				Y		31/1/11
49	Performance Management				Y		
50	Ward Committees Policy				Y		

Budget Related Municipal Policies

NO.	POLICY	DEPT.	AVAILABILITY	ADOPTION DATE
1	Debt Collection and Credit Control Policy	Budget & Treasury Office	Y	14/12/2010
2	Traffic Policy (all relative matters)	Community Services	Y	#####
3	Pety cash Policy	Budget & Treasury Office	Y	To be adopted.
4	Revenue enhancement Policy	Budget & Treasury Office	Y	14/12/2010
5	Municipal property rates policy	Budget & Treasury Office	Y	14/12/2010
6	Borrowing Policy	Budget & Treasury Office	Y	14/12/2010
7	Long Term Financial Plan Policy	Budget & Treasury Office	Y	14/12/2010
8	Supply Chain Management policy	Budget & Treasury Office	Y	14/12/2010
9	Asset management policy	Budget & Treasury Office	Y	14/12/2010
10	Indigent policy and Free Basic Services Policy	Budget & Treasury Office	Y	14/12/2010
11	Cash Management and Investment Policy	Budget & Treasury Office	Y	14/12/2010
12	Budget Policy	Budget & Treasury Office	Y	14/12/2010
13	Infrastructure and Capital Investment policy	Budget & Treasury Office	Y	14/12/2010
14	Funds and Reserves Policy	Budget & Treasury Office	Y	14/12/2010

NO.	POLICY	DEPT.	AVAILABILITY	ADOPTION DATE
15	Tariff Policy	Budget & Treasury Office	Y	14/12/2010
16	Virement Policy	Budget & Treasury Office	Y	14/12/2010
17	Human Resource Policy	Corporate Services	Y	

14.1.6 Municipal Risk Management

MFMA S62 (i) (c) requires a municipality to have and maintain an effective , efficient and transparent system of risk management.

The municipality has been assisted by the Provincial Treasury in completing and reviewing the risk register. The internal auditors have also played a significant role in this area in ensuring that the Municipality complies with the requirements of the Municipal Finance Management Act.

The Municipality currently has a draft policy on risk management and the policy will be work-shopped to all Councillors and staff of the Municipality.

The draft policy also recommends the establishment of the risk management committee and for this purpose the municipality will utilize the services of the Municipal Public Accounts Committee as well as the Audit Committee of the Municipality.

14.1.7 Municipal Bylaws

Published in the Provincial Gazette on 1 November 2010.

Table 14. Municipal Bylaws

NO.	MUNICIPAL NOTICES
108	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: Pollution Control By-laws
109	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: Parking Grounds By-laws
110	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: By-laws Relating to the Keeping of Dogs
111	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: Street Trading By-laws
112	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: By-laws Relating to the

	Removal of Refuse
113	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: Cemetery By-laws
114	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: Public Road and Miscellaneous By-laws
115	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: Encroachment on Property By-laws
116	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: Waste Management By-laws
117	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: Advertising Signage By-laws
118	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: Funeral Undertakers By-laws
119	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: Pound By-laws
120	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: By-laws for the Hire and Use of Community, Arts and Cultural Facilities
121	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: Credit Management and Debt Collection By-laws
122	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: Credit Management By-laws
123	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: Public Health By-laws
124	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: By-laws Relating to Public Meetings and Gatherings, Processions and the Like
125	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: Library and Information Services By-laws
126	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: Public Spaces By-laws
127	Local Government: Municipal Systems Act (32/2000): Richmond Municipal Council: By-laws Relating to Nuisances

14.2 PUBLIC PARTICIPATION ANALYSIS

Public participation process in the IDP preparation/review has to be institutionalized – in order to ensure that all the residents/community has equal rights to participate. Public participation is done in terms of a relevant legislative requirement, public has to be informed and give inputs on projects and programmes planned by the municipality in terms of service delivery.

The following participation mechanisms are used:

- **IDP Representative Forum:** The Forum will represent all stakeholders and will be as inclusive as possible. Additional organisations will be encouraged to participate in the Forum throughout the process.
- **Media:** Amongst other means, the local press will be used to inform the community on the progress with respect to the IDP process. (The Natal Witness, Ilanga, Echo newspaper)
- **Notices:** Notices on the IDP development will be placed on the Municipal Notice Boards and public buildings (e.g. schools, clinics, tribal/magistrate's court, etc).
- **Ward level IDP meetings:** Meetings were held in each of the seven (7) wards to ascertain the needs of the communities.

The IDP presentation process requires substantial input and support from other spheres of government i.e. National and Provincial Departments (service providers) and community at large.

The IDP public participation meetings have been conducted successfully in all wards, see the table with details below.

Ward	Date	Time	Venue	Ward Councillor
1	09-11-2016	15h00	Agriculture Hall	ClIr Ndlovu S.B
2	20-11-2016	11h00	Siyathuthukha Hall	ClIr Mkhize S.J
3	20-11-2016	14h00	Hopewell Hall	ClIr Maphumulo V
4	14-11-2016	14h00	Argosy Hall	ClIr Shange B
5	09-11-2016	09h00 and 12h00	NkumaneHall and Tusong centre	ClIr Ngcongo B.B
6	18-11-2016	10h00	Phatheni Hall	ClIr Jili J
7	06-11-2016	13h00	Ndabikhona Hall	ClIr Shange S

14.2.1 Good Government and Public Participation: SWOT Analysis

GOOD GOVERNANCE AND PUBLIC PARTICIPATION SWOT ANALYSIS

STRENGTHS

- Significant number of operational policies of the and by-laws of the municipality adopted;
- 75% of Senior Management positions and 98% of other critical positions filled;
- Clean Audit with matters – 2011/2012;2013/2014
- Best Performing Local Municipality award in 2012;
- Basic plant and equipment to undertake responsibilities;

- Fully established and functional Supply Chain Management Committees;
- Political Stability and established ward committees;
- Sound financial liquidity and viability;
- 90% of critical units established and legislated and critical support committees established;
- Strategic partnership with Sector Departments and Government Support agencies;
- Availability of critical sector plans and strategies; and
- Newsletters, annual reports.

WEAKNESSES

- Poor management practise resulting in policies, procedures, and plans not being adequately implemented include
- Limited supervisory skills (planning, people management, ineffectiveness, staff discipline & morale);
- Limited training and capacity building to Council Committees and Staff which result in poor execution of responsibilities;
- Limited funding sources resulting in slow growth of the Municipality as an organisation;
- Slow turn around in the processes of Supply Chain Management;
- Difficulty to retain adequately skilled and experienced staff;
- Ineffective approach to integrated service delivery planning and implementation between Municipality, District Municipality, Sector Departments and Parastatals;
- Lack of land for development of economic, social and infrastructure projects;
- Limited staff capacity in other critical areas to enforce compliance with legislative prescripts and implement plans resulting from limited funding sources;
- Lack of well informed plans to undertake social responsibilities (HIV/Aids, Sports, Arts and Culture);
- Limited participation of community in affairs of municipality and inadequate dissemination of written communication in a language understood by the

majority of citizens ;

- Slow progress in taking advantages presented by technological changes and outdated information on Municipal Website; and
- Percentage of outstanding policies, plans and procedures.

OPPORTUNITIES

- Enabling legislation;
- Availability of intergovernmental forums and OSS and available skills capacity opportunities;
- Potential capital infrastructure grant from Sector Departments e.g. MIG and other;
- Geographical location of the Municipality to potential strategic marketability of the town and its activities; and
- Land availability from land restitution beneficiaries.

THREATS

- Natural disasters which threaten existence of infrastructure;
- Negative impact of HIV/Aids and other chronic diseases;
- Effects of economic recession and economic growth factors like the existence of BBBEE scorecard which result in inability to respond to low economic participation of local emerging contractors;
- Delays grant approval processes by other sector Departments like DoHS;
- Negative political influence that result in services delivery protests that threaten existence infrastructure;
- Negative impact of technological advances that requires funding for training and upgrading of equipment; and
- Salary disparities among municipalities and potential competition among municipal employee and greed that result high staff turnover.

14.2.2 COMBINED SWOT ANALYSIS

Find the following:

Budget Process Plan. Intergrated Development Plan and Planning Forum. Intergrated Development Plan Steering Committee. Representative Forum: Community members give inputs on the Intergrated Development Plan.

Information Technology Disaster Recovery Plan. Information Technology Policy. Maintenance of Hardware and software.

Baseline Indicator. Creation of Database for SMME's and Co-operatives. Local Economic Development Strategy.

14.3 KEY CHALLENGES

Find the following:

There is delays in project approval , bulk infrastructure is also a challenge and land.

Procurement plan developed and tabled at MANCO monthly. However challenges are still being experienced with specifications. Training of all bid committee members was undertaken in July 2013

Due to budget constraints a permanent official could not be appointed. However an Interns are currently undertaking all asset management duties. Assets are now being barcoded as and when delivered.

Due to a shortage of permanent officials within the Budget and Treasury Office a dedicated official has not been identified. However the Expenditure Accountant is tasked with undertaking these duties.

14.4 WARD BASED PLANNING

Planning is for the community, the Municipal Systems Act of 2000 mandates community engagement as a core function of governance. Active community involvement is necessary in Ward Based Planning, the municipality, ward committee, ward councilors and the whole community has to take part in such consultations so that the community can be able to raise their daily concerns in a democratic way. Freedom of expression is also supported when the community raises their voices to inform future planning and projects. Each ward is unique hence the consultations are facilitated in all the seven different wards within a municipality. The ward based plan was developed as per community engagements/consultations.(Ward Based Plans attached)

14.5 LAND USE MANAGEMENT

SPLUMA provides a framework for spatial planning and land use management in South Africa:

- Specifies the relationship between the spatial planning and the land use management system and other kinds of planning;
- Ensures that the system of spatial planning and land use management promoted social and economic inclusion;
- Provides for development principles and norms and standards;
- Provides for the sustainable and efficient use of land;
- Provides for cooperative government and intergovernmental relations amongst the national, provincial and local spheres of government; and
- Redresses the imbalance of the past and to ensure that there is equity in the application of spatial development planning and land use management systems.

SPLUMA applies to the whole of South Africa (urban and rural areas) and governs informal and traditional land use development processes.

SPLUMA consists of 7 chapters and 3 schedules including:

1. Definitions (Chapter 1);
2. Development Principles and norms and Standards (Chapter 2);
3. Intergovernmental Support (Chapter 3);
4. Spatial Development Framework (Chapter 4);
5. Land Use Management (Chapter 5);
6. Development Management (Chapter 6); and
7. General Provisions (Chapter 7).

Chapter 6 requires municipalities to establish a municipal planning tribunal or joint municipal planning tribunal. uMngungudlovu establishment of a Joint Municipal Planning Tribunal (JMPT) and Richmond municipality forms part of that tribunal, and the Spatial Planning and Land Use By-laws were adopted by council in 2015. The Chief Planner: Development Planning Shared Services has been designated as the Municipal Planning

Officer as part of the JMPT. The municipality has adopted a wall to wall scheme and rural and land use anagement policy in December 2015.

15 VISION, GOALS, OBJECTIVES AND STRATEGIES

RICHMOND'S VISION BY 2021

Richmond municipality will be a competitive friendly and safe environment to work, do business and live in, offering a better life and access to quality service delivery to its employees, people and stakeholders by 2021

The vision, as recorded above, inspires and focuses the attention and mobilizes all residents, communities, stakeholders, politicians and officials in creating the desired future based on the implementation of projects and programmes in a sustainable manner thus creating a viable municipality focused on attaining its developmental mandate and therefore meeting the needs of all citizens in response to the requirements of legislation in that local government needs to be developmental in its approach.

The following Vision has been adopted in the KZN Growth and Development Strategy:

KWAZULU-NATAL - A PROSPEROUS PROVINCE WITH A HEALTHY, SECURE AND SKILLED POPULATION, ACTING AS A GATEWAY TO AFRICA AND THE WORLD.

By 2030, the PROVINCE OF KWAZULU-NATAL should have maximized its position as a GATEWAY to South and Southern Africa, as well as its human and natural resources so creating a safe, healthy and sustainable living environment.

Abject poverty, inequality, unemployment and current disease burden should be history, basic services must have reached all its people, domestic and foreign investors are attracted by world class infrastructure and a skilled labour force.

The people shall have options on where and how they opt to live, work and play, where the principle of putting people first and where leadership, partnership and prosperity in action has become a normal way of life.

15.1 OBJECTIVES AND STRATEGIES

To realize the Vision and to ensure sustainable growth within the municipality in accordance with its priorities aligned to national and provincial targets, the following strategies and objectives seek to unravel some of the key challenges which, if not adequately addressed will have an adverse impact in terms of improving the well being of the residents and on which the details of the key performance areas were expounded on and on which the plans, programmes and projects of the municipality are based. The development strategies of the Richmond Municipality are developed and structured according to the 5 National Key Performance Areas of the SIX YEAR LOCAL GOVERNMENT STRATEGIC AGENDA.

- Basic Service Delivery and Infrastructure Development
- Social and Local Economic Development
- Good Governance and Public Participation
- Municipal Transformation and Institutional Development
- Cross cutting key performance indicators
- Municipal Financial Viability and Management

15.1.1 Strategic Framework

KPA	INDEX	IDP REFERENCE NUMBER	STRATEGY	OBJECTIVE/GOAL	MEASURABLE OUTPUTS AND OUTCOMES	STRATEGIC INITIATIVE /ACTIVITY
KPA 1 - MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT.	MTID	MTID-001	1. Implement monitoring and evaluation mechanisms.	1. Increase performance and operational efficiency.	<ul style="list-style-type: none"> • Improved organisational and individual performance at all levels. • Improved productivity /service delivery in the municipality. • Improve Compliance with EE Act. 	1. Develop and implement integrated balanced scorecard methodology.
		MTID-002	2. Manage and allocate resources required to support the administration and operations of the municipality.	1. Optimise operational systems and processes.	<ul style="list-style-type: none"> • Quick turnaround time on request for support services. • Readily available resources. • Automated processes. • Customer satisfaction improved. • Highly trained and knowledgeable workforce. • Above average individual work performance. 	1. Implement newly refined systems and processes and monitor efficiency through customer surveys and via performance management mechanisms.

		MTID-003	1. Build workforce capacity to meet the operational requirements of the municipality through acquiring right skills and by developing and upskilling of staff.	1. Strengthen the capacity of the workforce.	<ul style="list-style-type: none"> • Prioritized posts filled on the organogram; • Skills development plan implemented; 	1. Develop and implement staff retention and management development programme.

KPA	INDEX	IDP REFERENCE NUMBER	STRATEGY	OBJECTIVE/GOAL	MEASURABLE OUTPUTS AND OUTCOMES	STRATEGIC INITIATIVE /ACTIVITY
KPA 2 – BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT.	BSDID	BSDID-001	1. Increase the capacity of municipal infrastructure and extend the services rendered by the municipality.	1. Facilitate universal access to high quality services and happy communities living in a safe and healthy environment sustained by fruitful local economy, clean governance and performance driven municipality.	<ul style="list-style-type: none"> • Poverty alleviation; • Public safety; • Reduction of social evils; and • Healthy living environment. 	1. Implement service delivery programmes and reduce services and infrastructure backlogs.
		BSDID-002	1. Improve provision of social development services.	1. Promote health and safety and provide disaster relief.	<ul style="list-style-type: none"> • Healthy communities; • Safe environment; • Provide relief for disaster incidents 	1. Implement social, safety and security and disaster management programmes
		BSDID-003	1. Facilitate improved literacy rate and better standard of living	1. Increased opportunities for better life and improved standard of living.	<ul style="list-style-type: none"> • Improve pass rate for matric in local schools; • Improve knowledge sharing amongst youth; • Improve opportunities for better livelihood 	1. Promote use of Library facilities and dissemination of information through use of local youth office

KPA	INDEX	IDP REFERENCE NUMBER	STRATEGY	OBJECTIVE/GOAL	MEASURABLE OUTPUTS AND OUTCOMES	STRATEGIC INITIATIVE /ACTIVITY
KPA 3 – LOCAL ECONOMIC DEVELOPMENT.	LED	LED-001	1. Grow economy and expand investments and business opportunities which will result in job creation.	1. Stimulate and promote local economy.	<ul style="list-style-type: none"> Job creation Investor attraction Improve tourism industry Business growth 	1. Implement LED and Tourism Strategies and Programmes.
		LED-002	2. Provide support to SMME's Co-Operatives and Other Local Businesses.	1. Increase support to local economy role players.	<ul style="list-style-type: none"> Developing the local economy. Increasing the number of entrepreneurs in the within the municipal area. 	1. Develop and implement SMME and Cooperatives support programme.
		LED-003	3. Create functional LED structures and mobilize LED stakeholders.	1. Strengthen LED Capacity and Governance.	<ul style="list-style-type: none"> Functional and effective Led Structures 	1. Establish and coordinate LED Structures.

KPA	INDEX	IDP REFERENCE NUMBER	STRATEGY	OBJECTIVE/GOAL	MEASURABLE OUTPUTS AND OUTCOMES	STRATEGIC INITIATIVE /ACTIVITY
KPA 4 – MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	MFV M	MFVM-001	1. Improve systems for demand and supply chain management.	1. Optimise demand and supply management of goods and services and maximise value for money.	<ul style="list-style-type: none"> SCM Efficiency Compliance to SCM policy of the municipality 	1. Enforce compliance with SCM Policy in the implementation of procurement plan to control expenditure and supply management of goods and services to maximise value for money.
		MFVM-002	2. Reduce dependency on grants and increase revenue collection and alternative revenue generation sources.	1. Optimise revenue generation and maximise income collection.	<ul style="list-style-type: none"> Reduction in debtors book, Increase revenue collection, Increase revenue base for the municipality 	1. Ensure maximum implementation of Credit Control policy, enhance billing systems and implement revenue enhancement strategy to maximise revenue generation.
		MFVM-003	3. Prepare financial plans and provide reports in terms of applicable legislation.	1. Improve financial planning and reporting.	<ul style="list-style-type: none"> Unqualified audit opinion' Credible budgets' Compliance. 	1. Develop and implement financial compliance plans, AG and IA action plans to improve financial planning and reporting.

KPA	INDEX	IDP REFERENCE NUMBER	STRATEGY	OBJECTIVE/GOAL	MEASURABLE OUTPUTS AND OUTCOMES	STRATEGIC INITIATIVE /ACTIVITY
KPA 5 – GOOD GOVERNANCE AND PUBLIC PARTICIPATION.	GGPP	GGPP-001	1. Establish governance structures and develop protocols for all processes and participate in all IGR to share knowledge best practises and promote integrated development.	1. Strengthen governance and IGR Structures.	<ul style="list-style-type: none"> Fully functional governance structures, Policies and by-laws developed, Full participation in IGR, Effective risk management in place, and Continuous monitoring and evaluation of progress and compliance. 	1. Develop and implement an anti-corruption strategy and communication plan.
		GGPP-002	1. Ensure compliance to all legislative mandates and implementing processes and programmes to promote public awareness.	1. Improve compliance and public participation and awareness.	<ul style="list-style-type: none"> Legislative compliance, Public participation increased, and Fully functional ward committees. 	1. Develop and implement public participation policy and monitoring and evaluation.
		GGPP-003	1. Implement systems and processes which ensure clean audits, compliance to legislation and high performance.	1. Improve compliance efficiencies and the audit opinion.	<ul style="list-style-type: none"> Clean audit opinion, Compliance, Reduced risk, Efficient systems, and Effective PMS. 	1. Implement al municipal policies and performance systems.

KPA	INDEX	IDP REFERENCE NUMBER	STRATEGY	OBJECTIVE/GOAL	MEASURABLE OUTPUTS AND OUTCOMES	STRATEGIC INITIATIVE /ACTIVITY
KPA 6 – CROSS CUTTING KEY PERFORMANCE INDICATORS	CC	CC-001	1. Develop and maintain municipal infrastructure and facilities including the capacity to extend the provision of mandated functions.	1. Improve development and implementation of credible IDP, SDF and LUMS.	<ul style="list-style-type: none"> Credible IDP, Improved IDP rating that is compliant. 	1. Develop credible IDP with up-to-date sector plans of the Municipality to improve services and infrastructure provision.

		CC-002	1. Implement measures for the safeguarding of assets for the municipality and community facilities to promote efficiency and accountability.	1. Promote accountability and efficiency in the use of municipal assets and community facilities	<ul style="list-style-type: none"> Accountability Efficient use of municipal resources 	1. Safeguard assets of the municipality and community facilities.
		CC-003	1. Unleash talent and promote healthy lifestyles through encouraging participation in sports and recreation and arts and culture.	1. Unleash local talent and healthy styles through sports and arts and culture.	<ul style="list-style-type: none"> Credible IDP, Improved IDP rating that is compliant. 	1. Promote participation of local youth in Sports and Recreation and Arts and Culture Programmes.

16 STRATEGIC MAPPING AND IMPLEMENTATION PLAN

This section of the IDP is obtained from the Spatial Development Framework developed in 2012. The Spatial Development Framework is an all-inclusive strategic spatial guiding tool, that directs development and the implementation thereof.

This component of the IDP is intended to outline briefly the spatial key components that form as anchors on which development shall be based. The following will be presented:-

- Key Spatial Structuring Elements
- Environmental Sensitive Areas
- Nodes and Corridors
- Key Spatial Development Issues
- Alignment with Neighbouring municipalities
- Desired Spatial Outcome -Strategic Guidance

16.1 STRUCTURING ELEMENTS

The main road linkages within the Municipality are along R56 which forms the north south corridor linking Pietermaritzburg, Richmond and Ixopo. R56 transerves the middle of municipal area in northsouth direction The R624 links Richmond to the south coast and the R603 to the N3 corridor. In terms of Public Transport there are eleven routes which transport passengers within and outside of Richmond. Richmond's location in terms of major transport routes and corridor development serves as a link between eThekwini and Gauteng and its location therefore creates numerous benefits and should work towards strengthening the economy of the area.

Mkomazi River which is located on the southwestern boundary of themunicipality. This is one of the major rivers within the province and the Municipal Demarcation Board used it to demarcate the southern boundary of Richmond Municipality.

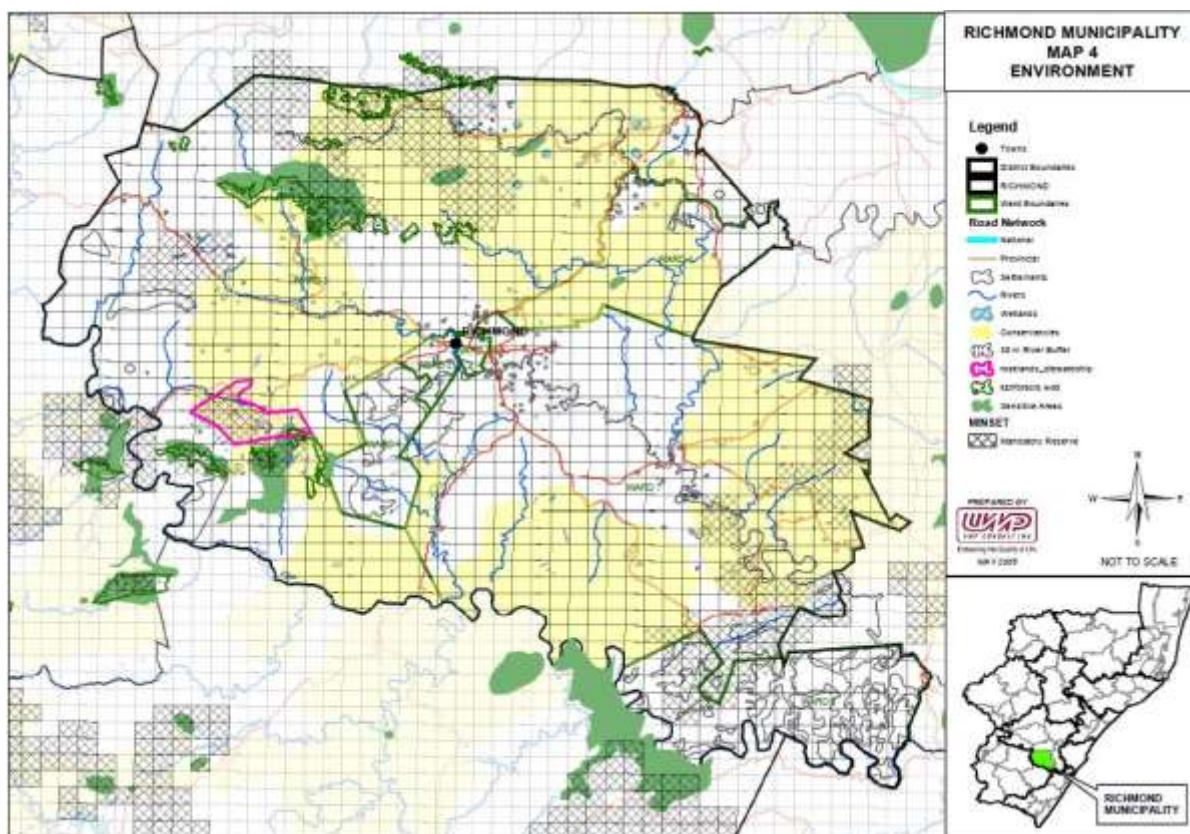
Richmond Local Municipality is predominantly rural in nature. The rural settlments within Richmond are those that house the majority of the municipalities population. Richmond Town is the only urban centre that services the surrounding rural settlements. Dense settlements exist around the Richmond Village, Greater Ndaleni and Hopewell. Settlements in other parts of the municipal area are sparsely scattered. Ownership of landin the municipality occurs in three forms namely:-

- Privately owned land
- State-owned
- traditional authority (Ingonyama Trust)

The majority of privately owned land is utilised by agricultural practises and traditional authority used as settlements. The remaining areas consist of grasslands which are on the south-western edge of the municipiity.

16.2 ENVIRONMENTAL SENSITIVE AREAS

Figure 5. Environmental Context



The District is characterised by a rich biodiversity and consists of various topographical features, ecosystems and habitat types. The topography of the region descends from the Drakensburg Mountains towards the Indian Ocean in a series of terraces which separate escarpments such as the Karkloof range, Townhill and Table Mountain.

The following are the environmental categories of land that have been identified:-

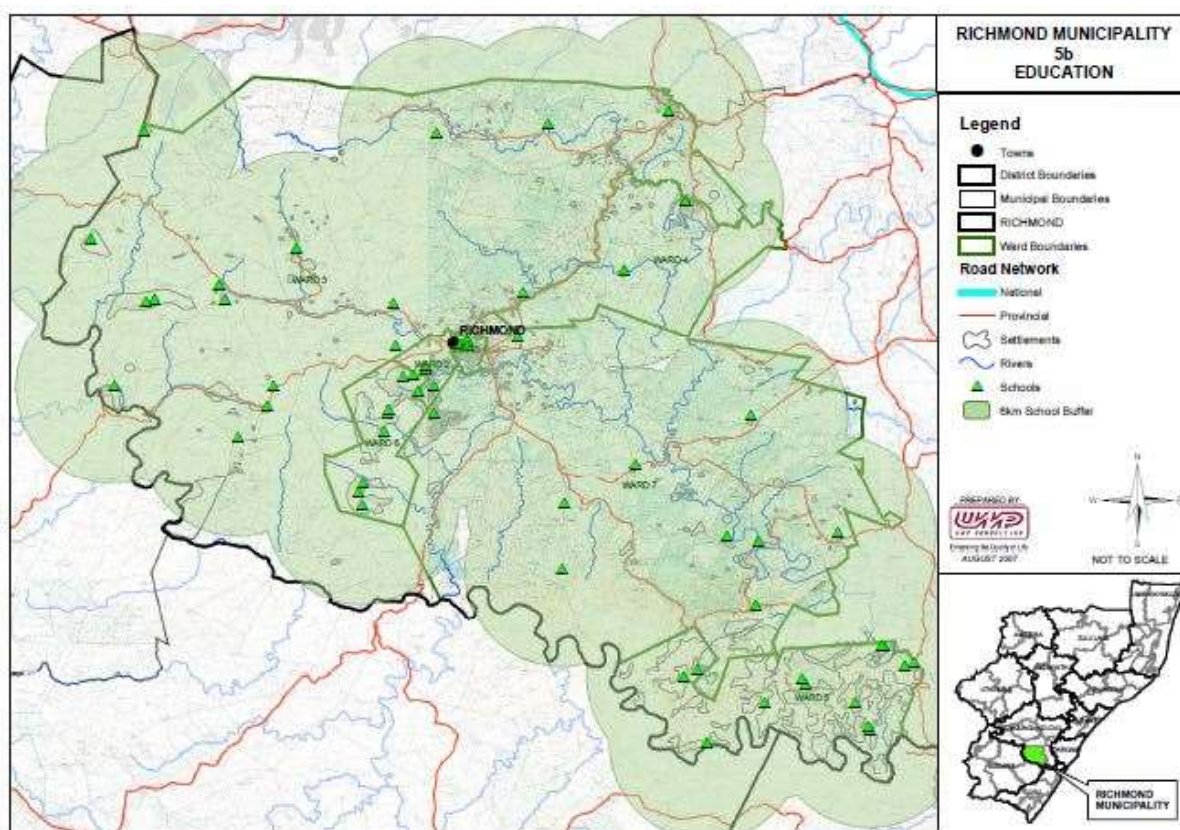
- National Parks and Equivalent Reserves, (Cobham State Forest)
- Natural Monuments and areas of Cultural Significance (Natural Heritage sites, sites of Conservation Significance and Sanctuaries)
- Habitats and Wildlife
- Protected land/Seascapes, protected landscapes, protected natural environments
- Important Environmental Management Areas

The Richmond Municipality is located in a summer rainfall area and is therefore has various hydrological features. It is with many perennial rivers, streams, wetlands and a large number of farm dams.

Commercial agriculture is the main land use and this is due to the high agricultural potential that has been identified within the municipal area. Forestry plantations occur throughout the municipal area and sugarcane is grown along the eastern boundary. Smaller pockets of land which are irrigated for commercial purposes are dispersed throughout the municipality. Subsistence farming particularly within rural settlements is prevalent and this also is reinforced by the nature of the municipality.

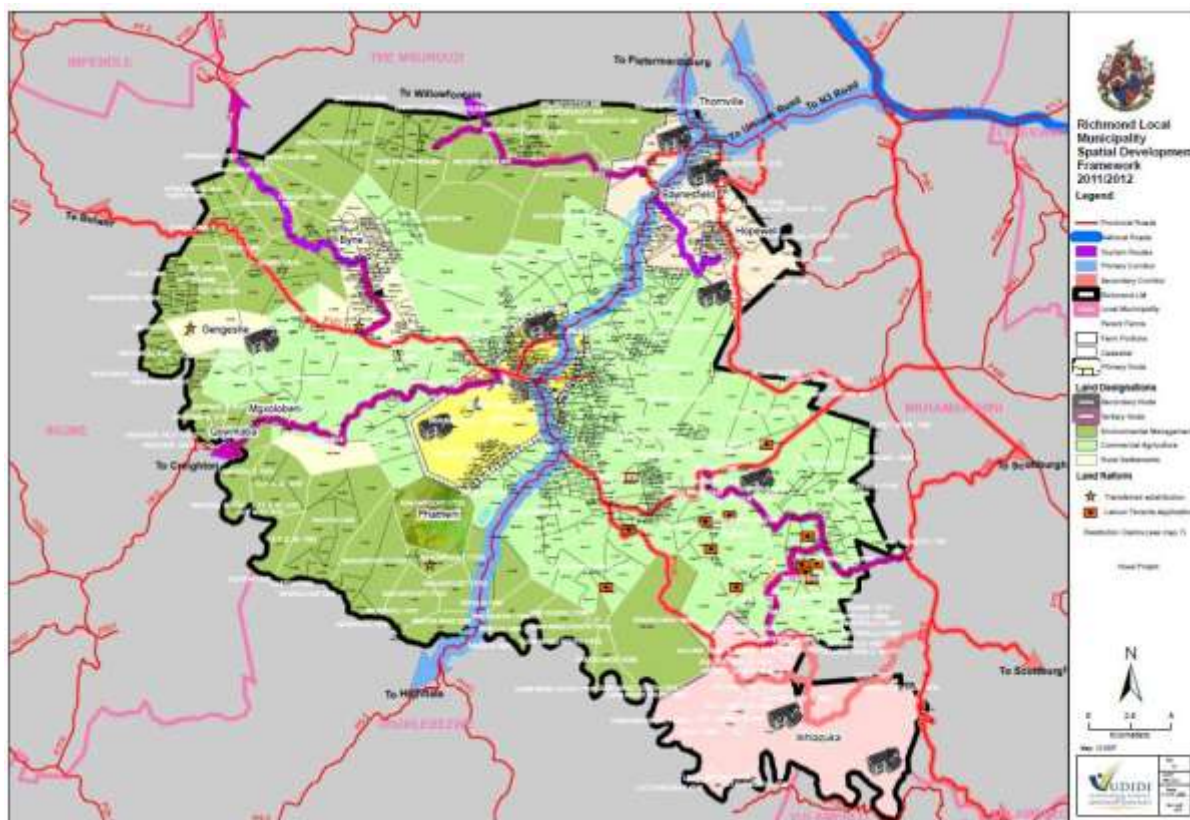
The agricultural potential is entirely dependant upon soil and climatic conditions. The central, western and northern areas of the municipality are characterised by high potential land. This portions of the municipality account for approximately 60% of the entire municipal area. This implies generally that the municipalities soils and climatic conditions favour agricultural practices and therefore agricultural potential within Richmond is quite high.

Figure 6. Access to Education



The figure above represents spatially the location of educational facilities within Richmond LM. There are 37 schools within the municipal area. These are well distributed throughout the municipality and they generally meet the recommended planning standards.

Figure 7. Richmond Spatial Development Framework



The figure above is the spatial representation of all strategies and objectives that have been outlined clearly within this IDP. It is a spatial expression that aims to guide development and links all development perspectives of the municipality. Richmond Municipality does not exist in a vacuum and therefore its counterparts (neighbouring municipalities) are integral components to consider. According to the Districts and Richmonds LED strategies, it is clear that the focus for development in Richmond is based on its agricultural potential, agro processes, nature based tourism and Box Four Farming. It has also been highlighted the potential for special manufacturing, service opportunities and mid to lower residential property development parks that should be exploited within Richmond for optimal economic gain.

16.3 DEVELOPMENT NODES AND CORRIDORS

Nodal areas are defined in the latest SDF guidelines of July 2010 as areas where there is high intensity of land uses and where activities will be supported and promoted. The development of nodal points helps to improve efficiency since it provides easy access and creates thresholds for a variety of uses and public transport services. Richmond like any given municipality accommodates a hierarchy of nodes which shows the relative intensity of development anticipated for the various nodes, and the dominant nature and activity of the nodes.

The SDF 2012, identifies the following nodes:-

- Primary Node Main Hub- Richmond Town- Administrative and Economic Centre
- Secondary Node– Thornville,Byrne and Inhlazuka
- Tertiary Node - Hopewell, Ndaleni, Kwamagoda, Simozomeni and Mgxoleni

The following are development corridors which were identified:-

- Urban/Residential, Primary- P5
- Agricultural/Residential, Secondary-P121, P24 AND P115
- Agricultural, Tertiary- P334, D58, P8 and P116
- Tourism Corridor- Along the Southern boundary of the Municipality

16.4 DESIRED SPATIAL OUTCOME

The assignment's objective is to formulate a Municipal (Richmond Municipality) SDF to produce an SDF which addresses the following key issues:

- Overall spatial distribution of current and desirable land usages within the municipality
- Ensure that the urban form supports an efficient transport system, especially public transport, and will improve movement and accessibility.
- Manage the development of strong, viable nodes that are directly linked with the transport system and will ensure the clustering of appropriate activities and densities.
- Enhance and protect residential environments through clear policy guidelines for new residential development, what activities, including economic activities, are deemed to be appropriate in residential areas and sustainable delivery of environmental, social and engineering infrastructure.
- Ensure that the urban form will support the provisions of a functional and sustainable open space system and will through a more efficient urban structure, facilitate the reduction of pollution, the management of water run-off and the protection of ecologically sensitive areas.
- Facilitate urban restructuring and focused development through appropriate corridor development.
- Ensuring environmentally sustainable development through managing the

environmental impact of development activities.

- To inform the development of the Richmond Land Use Management System (LUMS) in terms of desired land uses.
- To ensure alignment with the neighbouring local municipalities.

16.4.1 PLANNING STRATEGIES

16.4.2 Access Routes as Investment Lines

- Developing a district structure (see establishment of structure above)
- Establishing a clear framework which facilitates access in its wider context
- Creating a framework to direct public and private investment
- Developing a network of opportunity on the basis of existing roads, settlement, natural resources and features
- These routes represent the spines around which existing development has been attracted to and potentially also represent opportunities for future development
- A hierarchy of investment lines can be distinguished consisting of primary, secondary and tertiary routes
- The identification of this hierarchy provides guidance for the location of relevant land uses.

16.4.2.1 A Service Centre Strategy

- Creating a hierarchy of service centres (nodes) offering a range of facilities and activities throughout the district.
- Four levels of areas are suggested to include a district centre, primary, secondary and satellite service nodes.
- The centres are conceptualised as serving different catchments and offering a range of services and opportunities
- In general higher order centres will at the same time serve as the relevant lower order centres
- The principles suggested will have to be adjusted to specific local circumstances.

16.4.2.2 Natural Resource as Primary Asset and Structuring Element

- Acknowledging, protecting and enhancing the inherent qualities of the landscape and managing the natural environment as a prime asset and resource base for the district.
- Environmental sustainability, restoration and rehabilitation and appropriate usage forms the basis for this
- The sustainable utilization of natural resources is suggested to *inter alia* promote the development of agriculture as a key driver of the rural economy incorporating currently underutilized agricultural land
- The identification of new inherent opportunities to be found within the picturesque landscape which characterizes much of the district including developing latent potential particularly with regards to tourism opportunities.

16.4.2.3 Integration

- Integrate Low Income residential areas to high order centres
- New economic opportunities in growth area and adjacent to major roads

16.4.2.4 Compaction

- New and Infill development focused to create coherent system, mainly in urban and peri-urban areas of Greater Indaleni/ Richmond and Thornville.

16.4.2.5 Meeting Land Use Needs and Identification of areas of economic development potentials

- New Residential areas
- New economic opportunity areas, especially those areas which were previously excluded from the main stream economy
- New nodal points
- Restructure CBD

16.4.2.6 Restructuring of the LM

- Creation of new nodes and new economic opportunity areas
- Limited mixed-use activity spines between focus points
- Redressing imbalances with improved infrastructure and new economic opportunities

16.4.2.7 Sustainability

- Protecting environmentally sensitive areas
- Coherent and reinforcing infrastructure
- Protecting agriculture potential areas
- Upgrade residential areas with appropriate infrastructure
- In situ upgrading of Informal settlements

16.4.2.8 Establishing a Management Framework

- Having established an investment framework and a natural resource base, it is possible to identify an overall management framework to guide future development.
- Such guidance will include the identification of primary land use zones such as environmental conservation zones, agricultural zones, areas for residential settlement etc.

16.4.3 Alignment with Neighbouring Municipalities

16.4.3.1 DISTRICT SPATIAL DEVELOPMENT FRAMEWORK:

An overview of the UMDM SDF reveals the following as key spatial features that may impact on Richmond:

- Dominance of Pietermaritzburg as the provincial administrative centre, regional economic hub and a primary service centre.
- Importance of high potential agricultural land particularly areas that fall within the midlands mist belt.
- Provincial north-south linkages that knit a number of towns from Kranskop in the north through UMDM to Kokstad and beyond in the south.
- Catchment management given the provincial significance of Umngeni River Catchment and Mkhomazi River catchment to the south.

UMDM SDF identifies Richmond town as a tertiary node and a municipal administrative centre. It defines a municipal centre as an appropriate area for the location of services such as police, administrative functions, hospitals, training, diverse commercial and economic functions and a variety of residential uses

16.4.3.2 MKHAMBATHINI SPATIAL DEVELOPMENT FRAMEWORK:

The interface along both boundaries aligns in terms of Zonation as both sides have agriculture zones. P624 from Eston to Richmond and P117 to Hopewell are aligned as they

are both Secondary Corridors. Cross Border Linkages in terms of access need to be strengthened

16.4.3.3 MSUNDUZI SPATIAL DEVELOPMENT FRAMEWORK:

Richmond Local Municipality proposes Residential Expansion on the boundary of Msunduzi while on Msunduzi the interface is existing residents. Road Linkages are also aligned.

16.4.3.4 INGWE SPATIAL DEVELOPMENT FRAMEWORK:

P121 to Indaleni and P8.2 linking from P8-1 as Tertiary Corridors align to Richmond proposals of Corridors. Agriculture and tourism zones on Ingwe Local Municipality also align to Richmond's.

16.4.3.5 UBUHLEBEZWE SPATIAL DEVELOPMENT FRAMEWORK:

Rural / Traditional Areas along Richmond Municipal Boundary. These areas along Umkomaas River are environmentally sensitive and the main activities include agriculture and tourism.

17 IMPLEMENTATION PLAN

Table 15. Implementation Plan

12.1 STRATEGIC GOAL 1: INCLUSIVE ECONOMIC GROWTH

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	5 Year Target					Budget and Source	Responsibility in LM	Evidence	
					Baseline (16/17)	Yr 1	Yr 2	Yr 3	Yr 4				Yr 5
Develop and promote agricultural potential of Richmond and the district	SG1 - CP2 – SDBIP Ref: LED 20: LED 21:	Direct support to emerging commercial farmers	Develop and implement SMME and Cooperatives Support Programme	Number of SMME and Coops development programmes conducted	10	2	4	7	4	2	RLM OPEX R20,000.00	RLM – Manager: LED DARD, EDTEA, uMDM, SEDA, UKZN, NYDA, Ithala, Private Sector	Invitations for training, Training Manual, Signed attendance registers
		Diversification of agricultural production and identification of niche markets and agri-processing opportunities	Strategic Partnerships concluded to provide technical farming assistance	Partnership with UKZN: Technical Farming Assistance to Land Reform Beneficiaries	0 (new)	1	1	1	1	1	0.00	RLM – Manager: LED, uMDM – Manager: Economic Development and Tourism UKZN (Foundation)	Signed Strategic Partnership Agreement
				Number of cooperatives / Land Reform or Land Recap Beneficiaries assisted with access to technical farming and implements	0 (new)	10	20	30	40	50	RLM OPEX R20,000.00 uMDM OPEX R100,000.00		UKZN Operational Reports Offtake agreements concluded
				Number of new emerging commercial farmers contributing to regional economy	0 (new)	10	20	30	40	50			

			Implementation: FPSU to respond to agri-processing wrt economic diversification and value-add throughout value-chain	Number of emerging commercial farmers given access to confirmed markets	0 (new)	TBD					R2,617,527.12 (proposed as per Urban Econ Report)	FPSU	FPSU Entity
				Number of Youth amongst economically active employment	Straight growth rate	10	10	10	10	10	As above	FPSU	FPSU Entity

Objective	Obj Ref	Indicators	Interventions	Strategies / Projects	Performance Indicator	5 Year Target					Budget and Source	Responsibility in LM	Evidence	
						Baseline (16/17)	Yr 1	Yr 2	Yr 3	Yr 4				Yr 5
Develop and promote agricultural potential of Richmond and the district	SG1 - CP2 – SDBIP Ref: LED 20: LED 21:	Total employment in agricultural sector	Direct support to emerging commercial farmers	Develop and implement SMME and Cooperatives Support Programme	Number of SMME and Coops development programmes conducted	10	2	4	7	4	2	RLM OPEX R20,000.00	RLM – Manager: LED DARD, EDTEA, uMDM, SEDA, UKZN, NYDA, Ithala, Private Sector	Invitations for training, Training Manual, Signed attendance registers
		Value of agricultural contribution to regional economy	Diversification of agricultural production and identification of niche markets and agri-processing opportunities	Strategic Partnerships concluded to provide technical farming assistance	Partnership with UKZN: Technical Farming Assistance to Land Reform Beneficiaries	0 (new)	1	1	1	1	1	0.00	RLM – Manager: LED, uMDM – Manager: Economic Development and Tourism UKZN (Foundation)	Signed Strategic Partnership Agreement
		Number of emerging commercial farmers assisted			Number of cooperatives / Land Reform or Land Recap Beneficiaries assisted with access to technical farming and implements	0 (new)	10	20	30	40	50	RLM OPEX R20,000.00 uMDM OPEX R100,000.00		UKZN Operational Reports Offtake agreements concluded

				Number of new emerging commercial farmers contributing to regional economy	0 (new)	10	20	30	40	50				
				Implementation: FPSU to respond to agri-processing wrt economic diversification and value-add throughout value-chain	Number of emerging commercial farmers given access to confirmed markets	0 (new)	TBD					R2,617,527.12 (proposed as per Urban Econ Report)	FPSU	FPSU Entity

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	Baseline (16/17)	5 Year Target					Budget and Source	Responsibility in LM	Evidence
						Yr 1	Yr 2	Yr 3	Yr 4	Yr 5			
Develop and promote agricultural potential of Richmond and the	SG1 - CP2 – SDBIP Ref: LED 20: LED 20: LED 21.	Protection and rehabilitation of agricultural resources	Implementation of Umngeni Resilience Project	Number of farmers supported	10	2	4	7	4	2	uMDM	RLM – Manager: LED	Umngeni Resilience Project Progress Reports
			Expand irrigation and water-efficiency	% of DARD and DRDLR projects implemented	Unknown	TBD					DARD and DRDLR	uMDM – Manager: Economic Development and Tourism	
Enhance sectoral development through trade and investment and		Enhance value-adding and new investment	Revitalise extension services to provide support to commercial agricultural	Number of Strategic Partnerships signed with existing identified industry (e.g. Gateway Holdings, Baynesfield Estate, Katope, SAPPI, Mondli)	1	2	2	2	2	-	FPSU OPEX	RLM – Manager: LED and identified stakeholders	Signed strategic partnerships to assist emerging commercial farmers
			Establishment of Business Incubation Centre as One-Stop-Shop	Number of Mentorship programmes conducted	New	2	3	3	4	4	RLM – OPEX, R60,000.00	RLM: Manager – LED	Attendance Registers

		Enhance special economic development	Support job creation and retention prospects of firms	Review of EPWP Policy to provide for labour subsidy	New	5	10	10	15	25	RLM – EPWP R1,4m	RLM: Municipal Manager and Manager: LED	Labour Subsidy Agreements signed, Labour Reports from industry
			Implementation of Business Retention, Expansion and Attraction methods	Number of new businesses attracted to the area	1	2	2	2	2	2	RLM – OPEX	RLM: Municipal Manager through the Office of the Mayor and supported by Manager: LED	Partnership agreements signed
			Release of Municipal Owned land for development	Number of municipal residential sites rezoned to commercial / special use	New	10	10	15	-	-	RLM – OPEX	RLM: Municipal Manager, Development and Planning and Manager: LED	Number of Sale Agreements concluded
			Implementation of Catalytic Projects	Value of funding obtained or directed to implement Catalytic projects	New	R1m	R2m	R5m	R10m	R10m	RLM – OPEX – R60,000.00		Business Plans developed and approved
			PPP	Number of PPP partners identified and PPP signed	New	1	1	1	1	1	As above		Advert wrt PPP, SCM Processes and Signed PPP

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	5 Year Target					Budget and Source	Responsibility in LM	Evidence	
					Baseline (16/17)	Yr 1	Yr 2	Yr 3	Yr 4				Yr 5
Improve the efficiency, innovation and variety and government-led job creation programmes		Cumulative Number of WO's created through CWP and EPWP	Implementation of EPWP and CWP	Number of CWP WO created and sustained	190	455	490	490	490	490	CoGTA – CWP	RLM – Manager: LED CoGTA and IA	Signed CWP Business Plan and Labour Reports
	Number of EPWP WO created and sustained			219	259	279	TBD	TBD	TBD	RLM EPWP	RLM – Manager: LED	EPWP Reports (Labour and Quarterly in line with DORA compliance)	
	Number of EPWP FTE's created and sustained			75	88	96	TBD	TBD	TBD				
	Expenditure of goods and services procured locally	Review of SCM Policy	Percentage RLM Budget spent on local procurement	20%	30%	30%	TBD	TBD	TBD	RLM OPEX – Entire	RLM – Municipal Manager, CFO, Manager: LED	Reviewed SCM Policy to determine set aside targets in local procurement	

			Sub-contracting to local contractors as a Condition of Tender	Percentage of each capital project spend directed to local contractors	20%	30%	30%	30%	TBD	TBD	RLM CAPEX – MIG and other projects	RLM – Municipal Manager, CFO, Manager: PMU and Manager: LED	Agreements between Contractor and Sub-contractor
			Emerging contractor development	Number of emerging contractors mentored and trained (SEDA, CIDB, NHRBC)	New	50	50	100	120	150	RLM – OPEX R50,000.00	RLM – Manager: LED and strategic partners	Attendance registers, certificates with regulatory bodies
				Increase in number of jobs generated by SMME's and Cooperatives	New	10	10	20	20	25	Private Funding		

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	5 Year Target					Budget and Source	Responsibility in LM	Evidence	
					Baseline (16/17)	Yr 1	Yr 2	Yr 3	Yr 4				Yr 5
Promote SMME and Entrepreneurial Development		Sustain inclusive economic growth	Review of Informal Economy Policy	Number of CWP WO created and sustained	190	455	490	490	490	490	CoGTA – CWP	RLM – Manager: LED CoGTA and IA	Signed CWP Business Plan and Labour Reports
				Number of EPWP WO created and sustained	219	259	279	TBD	TBD	TBD	RLM EPWP	RLM – Manager: LED	EPWP Reports (Labour and Quarterly in line with DORA compliance)
				Number of EPWP FTE's created and sustained	75	88	96	TBD	TBD	TBD			
		Expenditure of goods and services procured locally	Review of SCM Policy	Percentage RLM Budget spent on local procurement	20%	30%	30%	TBD	TBD	TBD	RLM OPEX – Entire	RLM – Municipal Manager, CFO, Manager: LED	Reviewed SCM Policy to determine set aside targets in local procurement
			Sub-contracting to local contractors as a Condition of Tender	Percentage of each capital project spend directed to local contractors	20%	30%	30%	30%	TBD	TBD	RLM CAPEX – MIG and other projects	RLM – Municipal Manager, CFO, Manager: PMU and Manager: LED	Agreements between Contractor and Sub-contractor
			Emerging contractor development	Number of emerging contractors mentored and trained (SEDA, CIDB, NHRBC)	New	50	50	100	120	150	RLM – OPEX R50,000.00	RLM – Manager: LED and strategic partners	Attendance registers, certificates with regulatory bodies

				Increase in number of jobs generated by SMME's and Cooperatives	New	10	10	20	20	25	Private Funding		
			Review and implement Informal Economy Policy	Value of municipal budget to support projects to support informal economy infrastructure development	R100,000.00	0.00	R200k	R200k	TBD	TBD	RLM – CAPEX	RLM – Municipal Manager, CFO and Manager LED	CAPEX Budget, Demand Management Plan
				Number of municipal officials capacitated to support the informal economy sector	1	2	2	2	TBD	TBD	RLM – OPEX		Actual positions filled
			Implementation of Red Tape Reduction Strategies	Number of IE actors assisted with access to services, finance and trading permits	100	100	100	100	TBD	TBD			Informal Economy Policy, Trading permits issued

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	5 Year Target					Budget and Source	Responsibility in LM	Evidence	
					Baseline (16/17)	Yr 1	Yr 2	Yr 3	Yr 4				Yr 5
Enhance the Knowledge Economy		Enhance availability of technical training in municipal area	Partnership with TVET College to ensure Skills development in practical skills	Number of local youth receiving identified skills	New	0	150	180	230	TBD	TVET	RLM	Student Enrolment
			Establishment of Technical Trade School	Partnership Agreement with identified Trade School through SED programme of parastatal	New	0	1	0	1	0	SED – PARASTAL	RLM	Signed partnership and access to land

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	5 Year Target					Budget and Source	Responsibility in LM	Evidence	
					Baseline (16/17)	Yr 1	Yr 2	Yr 3	Yr 4				Yr 5
Enhance the Knowledge		Enhance availability of technical training in municipal area	Partnership with TVET College to ensure Skills development in practical skills	Number of local youth receiving identified skills	New	0	150	180	230	TBD	TVET	RLM	Student Enrolment

			Establishment of Technical Trade School	Partnership Agreement with identified Trade School through SED programme of parastatal	New	0	1	0	1	0	SED – PARASTAL	RLM	Signed partnership and access to land
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7.2 STRATEGIC GOAL 2: HUMAN RESOURCE DEVELOPMENT

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	Baseline (16/17)	5 Year Target					Budget and Source	Responsibility in LM	Evidence
						Yr 1	Yr 2	Yr 3	Yr 4	Yr 5			
Improve Early Childhood Development, Primary and Secondary Education		Develop and implement programme to support school programmes	Underpinning importance of education amongst parents and the continuous involvement of parents in school system	Number of back to school programmes	2 (per annum)	2	2	2	2	2	RLM – OPEX, DSD, DOE	RLM – HW the Mayor, LED and Community Services (Youth)	Attendance Registers for campaigns and sustained enrolment throughout year
				Number of children with special needs and “at risk” children whose educational needs being catered for	9	15	18	20	25	30	RLM – CWP and EPWP	RLM – MM, LED	Number of caregivers engaged through EPWP and CWP
	Counselling and career and social guidance at schools	Number of Career Expo's hosted	Number School “Open Days” and Career Expo	1 per year	1	1	1	1	1	RLM, DOE	RLM and OSS Stakeholders	Number of events and number of children enrolled in higher learning institutions	
			Minimise drop-out rate of learners in the system incl focus on girl child challenges	Number of Teenage Pregnancy Campaigns	1 per year	1	1	1	1	1		RLM and identified stakeholders	Number of events held and number of challenges cascaded to applicable NGO's or structures
		Number of Substance Abuse Campaigns		1 per year	1	1	1	1	1	RLM and SRSA		Number of massification programmes - 17 high schools	
		Partnership with SRSA for sports massification programme		New	17	17	17	17	17				
Support skills alignment to economic growth		Skills development for informal sector, township and rural economies	Improve skills development planning and implementation	Adopted Youth Development Strategy in line with KZN HRD Strategy and Youth Accord	New	1	1	1	1	1	RLM	RLM: LED and Community Services	Signed Youth Development Strategy
				Number of Youth participating in Youth Bursary programme	New	10	10	20	20	30	RLM OPEX	Enrolment with institutions of higher learning	
				Partnership with Rhd TVET College and post school institutions to inform curricular	New	1	2	2	3	TBD	RLM	Signed partnership agreement	
				Signed partnerships with SETAs for identified skills provision	New	1	8	10	10	TBD	RLM	Signed partnership agreements and number of persons trained	

			Database as a result of skills audit	New	1	1	1	1	1	RLM		Approved Database informing TVET Curricula
		Enhance opportunities for Youth to obtain employment	Database of graduates for employers to access	New	1	1	1	1	1	RLM		Number of accessed from database to receive gainful employment

7.3 STRATEGIC GOAL 3: HUMAN AND COMMUNITY DEVELOPMENT

Object ive	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	5 Year Target					Budget and Source	Responsibility in LM	Evidence	
					Baseline (16/17)	Yr 1	Yr 2	Yr 3	Yr 4				Yr 5
Eradicate poverty and improve social welfare		Promote and accelerate roll-out of Sakuma Sakhe	Monitoring and Evaluation of impact of Poverty Eradication Master Plan and Sukuma Sakhe	Number of Ward Based Plans adopted	TBD	7	7	7	7	7	RLM and OSS	Development and Planning, Community Services and other dept units	Adopted Ward Based Plans
				Number of Operation Mbo's conducted	TBD	14	14	14	14	14			Actual campaigns held
				Number of indigent householders assisted	New	20	30	50	100	200			Reduced number of households living below poverty line
				Number of community gardens established	100	100	200	250	210	TBD	RLM – EPWP, DARD	RLM _ LED	Number of community gardens established
Enhance the health of communities and citizens		Implementation of 90-90-90 strategy for HIV; AIDS; TB and Non-communicable diseases	Develop 90-90-90 Strategy	Hosting of World Food Day	1	1	1	1	1	TBD	RLM and uMDM	Community Services	Attendance register
				Number of Awareness campaigns hosted	1	1	1	1	1	TBD	RLM and uMDM	Community Services	Attendance register
				Number of AIDS/HIV free testing campaigns hosted	1	1	1	1	1	TBD	RLM and uMDM	Community Services	Attendance register
Safeguard and enhance sustainable livelihoods and food security		Facilities for local markets, production/processing and retail facilities	Adequate management of Retail Market Unit	Number of units occupied	14	14	14	14	14	RLM and identified stakeholders	RLM LED	Number of lease agreements in place	
			Increase packaging, provision of logistics, storage and processing	Partnership agreement for packaging, storage and processing	New	2	2	2	2			2	Actual partnership agreement
			Establishment and support to logistics cooperative	New	1	1	1	1	TBD				

				Partner with ADA for establishment of Packhouse (see FPSU)	New	1	1	1	1	1			
				Access to markets and signature of off take agreements	New	1	1	1	1	1			

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	Baseline (16/17)	5 Year Target					Budget and Source	Responsibility in LM	Evidence
						Yr 1	Yr 2	Yr 3	Yr 4	Yr 5			
Promote sustainable Human Settlements		Improve number of households with registrable form of tenure	Relocation of Bhongoza Informal Settlement	Survey of Bhongoza to determine actual number of beneficiaries	New	TBD	TBD	-	-	-	RLM and DHS	Development and Planning, Community Services, LED and other dept units DHS	Actual survey undertaken and submitted to DHS for verification
				Number of Housing Units constructed for the relocation of the informal settlement	TBD	TBD	TBD	-	-	-			Number of title deeds issued
Enhance the health of communities and citizens		Improve number of households with registrable form of tenure	Implementation of Housing Projects	Argosy Farm	TBD	TBD	TBD	TBD	-	-	RLM and DHS	Development and Planning, Community Services, LED and other dept units DHS	Number of units constructed and title deeds issued
				Siyathuthuka Phase 2	TBD	TBD	TBD	-	-	-			
				Inhlazuka Housing Project	TBD	TBD	TBD	TBD					
				Address housing shortages and eliminate "back-yard living"	Middle Income Housing	New	190	190	190	-			
Enhance Safety and security		Implementation of Community Safety and Security Measures	Community Safety and Security Strategy	Development and Implementation of Strategy	New	1	1	1	1	1	RLM – OPEX	RLM LED, Community, Protection, Disaster Dept of Comm Safety and Security	Adopted Strategy with budget allocated
				Number of Road Safety Campaigns	3 per year	3	3	3	3	3	RLM, RTI	RLM Protection Services and RTI	Number of fines / vehicles impounded
				Men against Abuse Campaign	New	TBD	TBD	TBD	TBD	TBD	RLM	RLM Community Services	Actual Number of campaigns
				Monitor success of CPFs	New	TBD	TBD	TBD	TBD	TBD	RLM	RLM, SAPS, Community Services	TBD

				Establish Agricultural Forum to address livestock theft, vaccination of animals, etc	New	1	1	1	1	1	RLM	RLM, DARD, DRDLR	Attendance register, minutes, registers of vaccination
				Number of victim empowerment campaigns	New	TBD	TBD	TBD	TBD	TBD	RLM	RLM Community Services	Actual Number of campaigns
				Scholar Patrol Programme	13 schools	13	13	13	20	20	RLM – EPWP		Attendance Registers of EPWP Scholar Patrol Beneficiaries

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	Baseline (16/17)	5 Year Target					Budget and Source	Responsibility in LM	Evidence
						Yr 1	Yr 2	Yr 3	Yr 4	Yr 5			
Advance social cohesion and social capital		Moral Regeneration Strategy	Development of Strategy	Number of industry-orientated arts and culture and sports programmes implemented	New	TBD	TBD	-	-	-	RLM OPEX	RLM Community Services	Number of programmes
				Number of strategic partnerships with NGOs	NEW	TBD	TBD	-	-	-			Number of partnerships signed
Promote youth, gender and disability advocacy and the advancement of youth		Targeted Sectors Development Strategy	Development of Strategy	Number of persons from targeted sectors given access to employment opportunities	New	TBD	TBD	TBD	TBD	TBD	RLM OPEX	RLM Community and LED	Number of persons given access to opportunities
				Ward Committees capacitated to understand participatory programme	New	TBD	TBD	TBD	TBD	TBD			RLM Community and Corporate

7.4 STRATEGIC GOAL 4: STRATEGIC INFRASTRUCTURE DEVELOPMENT

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	5 Year Target					Budget and Source	Responsibility in LM	Evidence	
					Baseline (16/17)	Yr 1	Yr 2	Yr 3	Yr 4				Yr 5
Develop Road Networks		Implement road-building and maintenance programmes and improve rural accessibility	Update and implement Integrated Public Transport services applicable to Richmond	Adopted Infrastructure and Maintenance Strategy	New	1	1	1	1	1	RLM – OPEX	Technical and DOT Services	Adopted Strategy
			Minimum secondary road network and extend rural road access	Number of kilometres of road providing access to communities	TBD	TBD	TBD	TBD	TBD	TBD	RLM – CAPEX (MIG) and OPEX (Maintenance)	Technical Services	Number of kms of roads constructed and maintained
			Partnership with Taxi Associations to take advantage of DOT National Programme	Number of Rural Roads and Passages Maintained	TBD	4km per ward					RLM – OPEX		Number of kms of roads and passages maintained
		Improve public transport	Safer Public Transport with reduced number of accidents	TBD	10	10	15	10	10	DOT – National Govt	Technical and Community Services	Number of Operators give access to funding for new transport assets	
		TBD	TBD	TBD	TBD	TBD	TBD	% reduction in accidents reported					
Develop ICT Infrastructure		Expand Community Access to broadband services	Develop Broadband Strategy and Implementation Plan	Adopted Strategy and Implementation Plan	New	1 plan adopted	1 plan reviewed	1 plan reviewed	1 plan reviewed	1 plan reviewed	RLM Opex	Corporate Services	Adopted Strategy with funded Implementation Plan
				Reduction in average cost of data per megabyte	New	TBD	TBD	TBD	TBD	TBD	As above		Reduced cost
			Facilitate Access of Provincial Broadband interventions for local benefit	Number of households that penetrate the internet	New	5%	20%	40%	60%	70%	Provincial Government	Corporate Services	Increased access to internet
			Expand the number of public Wi-Fi hotspots	Number of schools connected	New	TBD	TBD	TBD	TBD	TBD	As above	As above	
				Number of health facilities connected	New	TBD	TBD	TBD	TBD	TBD	As above	As above	

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	Baseline (16/17)	5 Year Target					Budget and Source	Responsibility in LM	Evidence
						Yr 1	Yr 2	Yr 3	Yr 4	Yr 5			
			Facilitate access to increased bandwidth for economic competitiveness	Number of public Wi-Fi hotspots	New	TBD	TBD	TBD	TBD	TBD	As above	As above	
Ensure availability and sustainability management of water and sanitation for all		Research and promote skills development for more localised water harvesting where communities can store water	Facilitate extension of uMDM Water Sector Investment Strategy with focus on rural areas	% households with access to potable drinking water, within 200m of dwelling	New	TBD	TBD	TBD	TBD	TBD	uMDM	Technical Services	Sufficient water is available for growth and development needs
			Develop and implement water harvesting methodologies (JoJo tanks)	% households with access to 75 litres of water per person per day	New	TBD	TBD	TBD	TBD	TBD	uMDM	Technical Services	% increase in access to water for livelihood sustainability
		Restoration and sustainable management of water catchment areas (CWP)	Implementation of Working for Water programme throughout RLM	% of water catchment areas cleared	New	TBD	TBD	TBD	TBD	TBD	uMDM	Technical Services	% reduction of water demand
		Determination and maintenance of the ecological reserve for key rivers and dams			New	TBD	TBD	TBD	TBD	TBD	uMDM	Technical Services	
		Ensure access to affordable, reliable, sustainable and modern energy for all		Develop and implement an Integrated Energy Sector Plan	Electrification Projects in determined wards	Number of households with access to electricity	TBD	TBD	TBD	TBD	TBD	TBD	DOE
Alignment of Renewable Energy Plan to District and Provincial Energy Strategy	Implementation of Solar Street Lights Project			Number of solar street lights established	New	1000	1000	2000	2000	3000	DOE and R20 – European Union	Technical Services and LED Unit	Number of solar street and high mast lights
	Implementation of Solar Water Geysers			Number of Households provided with solar water geysers	New	500	500	500	1000	1000	DOE	Technical Services and LED Unit	Number of solar water geysers installed
Programme and funding for operations and maintenance	Regular maintenance of lighting and geysers			Number of units maintained	New	TBD	TBD	TBD	TBD	TBD	RLM	Technical Services	Number of units maintained
	Support to Emerging enterprise for maintenance of units			Number of work opportunities created	New	TBD	TBD	TBD	TBD	TBD	RLM	Technical Services and LED Unit	Number of work opportunities per annum

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	5 Year Target					Budget and Source	Responsibility in LM	Evidence	
					Baseline (16/17)	Yr 1	Yr 2	Yr 3	Yr 4				Yr 5
Enhance Waste Management capacity		Develop and implement Integrated Waste Management Plan	TBD	TBD	New	TBD	TBD	TBD	TBD	TBD	RLM and uMDM	Technical Services	TBD
		Municipal capacity building in waste and environmental management	TBD	TBD	New	TBD	TBD	TBD	TBD	TBD			

7.5 STRATEGIC GOAL 5: ENVIRONMENTAL SUSTAINABILITY

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	5 Year Target					Budget and Source	Responsibility in LM	Evidence	
					Baseline (16/17)	Yr 1	Yr 2	Yr 3	Yr 4				Yr 5
Enhance Resilience of Ecosystems		Promote sustainable land use practises to preserve and enhance agricultural potential	Develop annual environmental implementation and management plans	% of land rehabilitated annually	New	TBD	TBD	TBD	TBD	TBD	Agriculture and Environmental Affairs	TBD	TBD
		Incentives for sustainable agriculture land management practices must be within acceptable norms and standards	Awareness campaigns	Licensing, upgrading and monitoring of wastewater treatment works	New	TBD	TBD	TBD	TBD	TBD	Agriculture and Environmental Affairs	TBD	TBD
		Sustainability objectives and criteria must be integrated into all relevant policies, programmes and plans	Development of relevant policy	Number of compliance inspections conducted	New	TBD	TBD	TBD	TBD	TBD	Agriculture and Environmental Affairs	TBD	TBD

		Land use management must be integrated and coordinated through cooperative structures and strategies	A community based natural resource management strategy must be developed and implemented	% of agricultural land use practises promoted	New	TBD	TBD	TBD	TBD	TBD	Agriculture and Environmental Affairs	TBD	TBD
Expand application of green		Develop and implement Renewable Energy Action Plan	Implementation of renewable energy projects	% Biomass collected for energy renewal	New	TBD	TBD	TBD	TBD	TBD	TBD	TBD	Volume of biomass for gasification
				Units of energy produced through alternative energy	New	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	Baseline (16/17)	5 Year Target					Budget and Source	Responsibility in LM	Evidence
						Yr 1	Yr 2	Yr 3	Yr 4	Yr 5			
Adapt to Climate Change		Climate change policy, planning and monitoring	Review Disaster Management Plan	Disaster Management Plan to be all inclusive in respect to climate change	To be reviewed	1	1	1	1	1	RLM	Community Services	Adopted Disaster Management Plan incl of Climate change
			Enhance disaster management planning and monitoring	Implementation of Disaster Management Plan	Reduced % of events due to early warning systems	New	TBD	TBD	TBD	TBD	TBD		RLM
		Average time taken to respond to disaster events			New	TBD	TBD	TBD	TBD	TBD	RLM		TBD
		Implementation of Umgeni Resilience Project	% agricultural projects implementing climate resistant methodologies	New	10	10	23	28	30	RLM and uMDM Umgeni Resilience Project	LED	Number of agricultural projects resistant to climate change	
Working towards a green economy		Develop and implement a Green Economy Strategy	Implement skills development in green economy	Number of community trained in green economy methodologies	New	10	10	10	10	10	RLM	Corporate and LED	Number of persons trained
				Number of persons engaged in green economy	New	10	10	10	10	10	RLM	Corporate and LED	Number of persons employed

			Establish investment incentives to support green industries	% Incentives determined	New	TBD	TBD	TBD	TBD	TBD	RLM	Finance and LED	% incentives awarded
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7.6 STRATEGIC GOAL 6: GOVERNANCE AND POLICY

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	Baseline (16/17)	5 Year Target					Budget and Source	Responsibility in LM	Evidence
						Yr 1	Yr 2	Yr 3	Yr 4	Yr 5			
Strengthen Policy, Strategy and Coordination and IGR		Develop inventory of Policy instruments and a strategy alignment framework	Alignment of LGDS and IDP to PGDS	Successful rating of IDP and LGDS as a percentage	New	60	65	75	80	85	RLM	Development and Planning and LED	MEC Letter
		Strengthen effectiveness of OSS and IGR	Functionality of OSS	New	12 meetings	12 meetings	12 meetings	12 meetings	12 meetings	RLM and Sector Departments	All – led by Community Services	Number of OSS meetings, Operation Mbo	
		Develop Integrated Funding and Implementation Management Framework for various funding sources	% budget spent on implementation of IDP and LGDS	New	TBD	TBD	TBD	TBD	TBD	RLM and sector departments	ALL	Number of catalytic projects implemented	
		Functionality of uMDM EPWP Forum, LIEC, DIEC. PIEC	Number of reports to Manco	4 per forum	4	4	4	4	4	RLM	LED	Number of reports to Manco on functionality of Fora	
		Develop and implement Red Tape Reduction	% of development applications that meet time norms for processing	New	100%	100%	100%	100%	100%	RLM	Development and Planning	Turn-around time to consider applications	
			% of Business License applications that meet time norms for processing	New	100%	100%	100%	100%	100%	RLM	LED	Turn-around time to consider applications	

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	5 Year Target					Budget and Source	Responsibility in LM	Evidence		
					Baseline (16/17)	Yr 1	Yr 2	Yr 3	Yr 4				Yr 5	
Build Government Capacity		Develop an integrated HRD and professional support programme for the public sector	Develop and Adopt Strategy	Adopted Strategy	1	1	1	1	1	1	RLM	Corporate Services	Adopted Strategy	
			Reviewed Staff Bursary with qualifications levels to a PhD	Adopted Bursary Policy	1	1	1	1	1	1	1		RLM	Adopted Policy
				Number of staff benefiting from reviewed policy	10	15	15	30	45	50	RLM		Statement of Results from staff	
			Fully funded organogram	% reduction in vacancies	TBD	10%	10%	10%	20%	30%	RLM		Fully fledged organogram with Nil vacancies	
				Clean Audit obtained	0	1	1	1	1	1	RLM	MM and HoDS		
			Alignment of SDBIP with LGDS	% of LGDS interventions to staff performance agreements	New	4	5	5	5	5	RLM	MM	% of LGDS implemented	
				% Business Plans approved for conditional funding	4	6	9	14	11	-	RLM and Sector Departments	LED	% business plans approved	
Eradicate Fraud and Corruption		% reduction in audit disclaimers and qualifications	Develop and implement Fraud and Corruption Strategy	Fast-track disciplinary processes and effective criminal prosecution	New	TBD	TBD	TBD	TBD	TBD	RLM	MM and Corporate	% of cases effectively addressed	
				Implement proactive integrity management programmes	New	TBD	TBD	TBD	TBD	TBD	TBD	RLM	MM and Corporate	Number of programmes implemented
Promote participative, facilitative and accountable governance		Improve relationship and stakeholder management between spheres of government, traditional authorities, private sector and community	Citizens Participation	Adopt Citizens Participation Charter	1	1	1	1	1	1	RLM	Corporate Services	Adopted Citizens Participation Charter	
			Establishment of Municipal Wide LED Forum	Adopted and functional Forum	1	1	1	1	1	1	RLM and Stakeholders	HW the Mayor and LED	Functional Forum	
				Number of PPP Concluded	0	1	1	1	-	-	RLM and stakeholder	MM and LED	Signed PPP's with committed funding	
			Ward Committee system functional	Number of functional Ward Committees	7	7	7	7	7	7	RLM	Honourable Speaker and Corporate Services	Number of reports to Council	

7.7 STRATEGIC GOAL 7: SPATIAL EQUITY

Objective	Obj Ref	Interventions	Strategies / Projects	Performance Indicator	5 Year Target					Budget and Source	Responsibility in LM	Evidence		
					Baseline (16/17)	Yr 1	Yr 2	Yr 3	Yr 4				Yr 5	
Enhance the resilience of new and existing cities, towns and rural nodes, ensuring equitable access to resources, social and economic opportunities		Develop, implement and monitor Densification Strategy	Review SDF	Established hierarchy of nodes with clearly defined functions and interventions per node							RLM and COGTA	Development and Planning and LED unit	Approved funding for plans	
			Develop Precinct Plans		2	3	3	-	-	-				
			Formulate Catalytic project interventions	Develop, implement and monitor Catalytic project interventions	1	1	1	1	1	1				
			Number of strategic nodes that have been formalised	New	TBD	TBD	TBD	TBD	TBD	TBD				
Ensure integrated Land Use Management use, ensuring equitable access to goods and services and attracting social and financial investment		Implementation of LUMS and Wall-to-Wall Schemes	Formulation of Land Reform Areas Based Plans	Number of Land Reform Area based plans formulated	New	TBD	TBD	TBD	TBD	TBD	RLM	Development and Planning	% funding approved wrt Recap / Reform	
			Development and Implementation of Ward based plans	Number of plans development and implemented	New	TBD	TBD	TBD	TBD	TBD	TBD		RLM	Number of plans funded
		Ensure functionality and Development and Planning Unit	SDF aligned with PSDF	Improved alignment for integrated planning	100%	100%	100%	100%	100%	100%	100%		RLM	% alignment
			Shared Service with uMDM for functional GIS	Improved evidence based decision making	New	TBD	TBD	TBD	TBD	TBD	TBD		RLM and uMDM	% improvement

18 FINANCIAL PLAN

18.1 MUNICIPAL BUDGET OVERVIEW

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and „nice to have“ items.

It is about sticking to our plans despite challenging circumstances. The municipality's aim is to eliminate wasteful spending and reduce it on non-critical items so as to sustain service delivery and maintain strong public finances.

The Municipality will embark on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers by implementing the debt collection and credit control policy as well as the implementation of the approved revenue enhancement strategy.

National Treasury's MFMA Circular No. 51,54, 55,57,58,59,66,67,70,72, 74, 75,78,79, 82, 85 and 86 were used to guide the compilation of the 2017/18 MTREF.

The main challenges experienced during the compilation of the 2017/18 MTREF can be summarised as follows:

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained roads and other infrastructure assets;
- The need to reprioritise projects and expenditure within the existing resource envelope given the available sources of funding;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies which makes it difficult to maintain the salaries budget within the acceptable norm as a percentage of the total operating budget; and
- Affordability of capital projects – original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2017/18 MTREF process.

The following budget principles and guidelines directly informed the compilation of the 2017/18 MTREF:

- The 2016/17 Adjustments Budget priorities and targets;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- Local Government budget and Financial reforms: Regulation of a “Standard Chart of Accounts’ (SCOA) for local government; and
- Local Government elections held in August 2016.
- In view of the aforementioned, the following table is a consolidated overview of the proposed 2017/18 Medium-term Revenue and Expenditure Framework:

Table 1: Consolidated Overview of the 2017/18 MTREF

R thousand	Adjustment Budget 2016/17	Budget Year 2017/18	Budget Year+1 2018/19	Budget Year+2 2019/20
Total Operating Revenue	90.834.424	94.592.230	94.802.643	101.728.667
Total Operating Expenditure	103.559.674	104.581.821	103.563.143	112.275.316
Surplus / (Deficit) for the year	-12.725.250	-9.989.591	-8.760.500	-10.546.649
Total Capital Expenditure	39.856.152	21.005.250	18.566.800	19.418.000

Total operating revenue has increased by 4 per cent or R3.7 million for the 2017/18 financial year when compared to the 2016/17 Adjustments Budget. For the two outer years, operational revenue will increase by 0 per cent and 7 per cent respectively, equating to a total revenue growth of R10, 8 million over the MTREF when compared to the 2016/17 financial year.

Total operating expenditure for the 2017/18 financial year has been appropriated at R104.5 million and translates into a budgeted deficit of R9, 9 million. When compared to the 2016/17 Adjustments Budget, operational expenditure has increased by 1 per cent in the 2017/18 budget, decreased by 1 per cent for 2018/2019 and increases by 8 per cent for 2019/2020, the two outer years of the MTREF. The operating deficit for the two outer years steadily decreases to R8.7 million for 2018/2019 and increases to R10.5 million for 2019/2020.

The capital budget of R 21.0 million for 2017/18 is 47 per cent less when compared to the 2016/17 Adjustment Budget. The reduction is due to various projects being finalised in the previous financial year and the availability of own funding. The capital programme decreases to R 18.5 million in the 2018/19 financial year and increases to R19.4 million in the 2019/2020 financial year. A substantial portion of the capital budget will be funded from government grants (MIG). The balance will be funded from internally generated funds.

Operating Revenue Framework

The municipality's revenue strategy is built around the following key components;

- National Treasury's guidelines and macroeconomic policy;
- Efficient revenue management which aims to ensure a 80% percent annual collection rate for rates and other service charges;
- The municipality's Property Rates Policy approved in terms of the Municipal Property rates Act, 2004 (Act 6 of 2004)(MPRA);
- Increase ability to extend new services and recovers costs;
- The municipality's Indigent Policy and rendering of Free Basic Services;
- The Tariff Policy of the municipality; and
- The establishment of a Drivers Testing Licence Centre.

Management have further adopted a conservative approach when projecting revenue and cash receipts. Council has also carefully considered the affordability of tariff increases, especially as it relates to domestic consumers whilst considering the level of service versus the associated cost. Particular attention was paid to managing revenue effectively and evaluating all spending decisions.

Table 2: The following table is a summary of the 2017/18 MTREF (classified by main revenue source):

Description	Adjustment Budget 2016/17	Budget Year 2017/18	Budget Year+1 2018/19	Budget Year+2 2019/20
Property rates	11.500.000	15.040.000	15.942.400	16.898.944
Property rates- penalties and collection charges	900.000	450.000	450.000	450.000
Service charges- refuse revenue	500.000	1.100.000	1.166.000	1.235.960
Rental of facilities and equipment	2.929.854	739.480	730.463	775.229
Interest earned - external investments	4.060.000	3.040.000	3.540.000	3.540.000
Interest earned - outstanding debtors	90.000	70.000	72.400	74.944
	352.000	400.000	424.000	449.440

Fines				
Licences and permits	272.500	343.000	363.580	385.395
Income from agency services	515.570	570.000	604.200	640.452
Government Grants and Subsidies	69.113.000	72.462.750	71.131.200	76.891.000
Other income	601.500	377.000	378.400	387.304
TOTAL OPERATING REVENUE(excluding capital transfers and contributions)	90.834.424	94.592.230	94.802.643	101.728.668

Table 3: Percentage growth in revenue by main revenue source

Description	Adjusted 2016/2017 Budget	%	Budget Year 2017/2018	%
REVNUE BY SOURCE				
Property Rates	11.500.000.00	0.13	15.040.000.00	0.16
Property rates - Interest	900.000.00	0.01	450.000.00	0.00
Service Charges - refuse removal	500.000.00	0.01	1.100.000.00	0.01
Rental of facilities and equipment	2.929.854.00	0.03	739.480.00	0.01
Interest earned - external investments	4.060.000.00	0.04	3.040.000.00	0.03
Interest earned - outstanding debtors	90.000.00	0.00	70.000.00	0.00
Fines	352.000.00	0.00	400.000.00	0.00
Licences and Permits	272.500.00	0.00	343.000.00	0.00
Income from Agency Services	515.570.00	0.01	570.000.00	0.01
Government Grants and Subsidies	69.113.000.00	0.76	72.462.750.00	0.77
Other Income	601.500.00	0.01	377.000.00	0.00
Total Revenue (excluding capital transfers and contributions)	90.834.424.00	1.00	94.592.230.00	1.00
Total revenue from rates and service charges	12.900.000.00	14.20	16.590.000.00	17.54

In line with the formats prescribed by the Municipal Budget and Reporting regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus / deficit.

Revenue generated from rates and service charges forms 16% of the revenue basket of the municipality. Operating grants and transfers totals R 72.4 million.

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the municipality. National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. The municipality has increased rates and domestic refuse charges by 6.4% and all other service charges by 6.

Commercial refuse charges have been increased with new tariffs introduced in line with the guidelines to ensure that the refuse tariff is cost effective.

1.4.1 Property Rates

In accordance with Section 32 (1) of the Municipal Property rates Act No. 6 of 2004, the municipality had compiled a new valuation roll effective 1 July 2017. 2017/2018 Would be the first year of implementation of the new valuation roll.

Property rates contribute towards covering the costs of the provision of general services. National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the MPRA, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non residential categories, public service infrastructure and agricultural properties relative to residential properties to be 0,25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the municipality has been amended accordingly.

The tariffs have not been increased for certain categories and increased by 6 per cent in other categories. However the rand value shows an increase of R3.5 million. This is mainly due to the compilation of a new valuation roll. The previous General Valuation roll was undertaken with an effective date of 01/07/2012, which means all values relate to a fixed date of 01/07/2011, some 5 years ago. Most properties have therefore experienced an increase in value due to time. Research has also indicated that the values placed on agricultural properties in particular may have been on the generously low side and appear to

have escalated substantially in some cases due to the previous values being low.

The Property Rates Policy has been amended in order to implement the provisions of Section 93A of the Municipal Property Rates Amendment Act, 2014 (MPRA) on Transitional arrangement: Public Service Infrastructure; which states:-

- (1) The prohibition on the levying of rates on public service infrastructure referred to in section 17(1)(a)(A) must be phased in over a period of five municipal financial years, with effect from the date of commencement of this Act.
- (2) The rates levied on property referred to in subsection (1) must-
 - (a) In the first year, be no more than 80 per cent of the rate for that year otherwise applicable to that property;
 - (b) In the second year, be no more than 60 per cent of the rate for that year otherwise applicable to that property;
 - (c) In the third year, be no more than 40 per cent of the rate for that year otherwise applicable to that property;
 - (d) In the fourth year be no more than 20 per cent of the rate for that year otherwise applicable to the property; and
 - (e) In the fifth year, be no more than 10 per cent of the rate for that year otherwise applicable to that property

The municipality has budget for income against Public Service Infrastructure in terms of (2)(b) – third year of implementation.

The following stipulations in the Property Rates Policy are highlighted:

- The first R 15 000 of the market value of a residential property is excluded from the rateable value (Section 17h of the MPRA). In addition to this rebate, a further R 35 000 reduction on the market value of a residential property will be granted in terms of the municipality's property rates policy;
- Rebates will be granted to registered indigents in terms of the Indigent Policy;
- For the aged a maximum rebate of 80 per cent will be granted to the owners of residential rateable property. In this regard the following stipulations are relevant:
 - The rateable property concerned must be occupied only by the applicant and his/her spouse, if any.(Other stipulation are contained in the policy)
- The municipality may grant a 100 per cent grant-in-aid on the assessment rates of rateable properties of certain classes such as registered welfare organisations provided they are registered and comply with the requirements as referred to in the Property rates Policy.

Table 4: Comparison of the proposed rates to be levied for the 2017/2018 financial year

Category	Current Tariff (1 July 2016)	Proposed Tariff (from 1 July 2017)	% Increase	Rate Ratio
	c	c		
RESIDENTIAL	0.0072645	0.0072645	0.00%	1
BUSINESS,COMMERCIAL AND INDUSTRIAL	0.0146662	0.0146662	0.00%	2

VACANT LAND	0.0217935	0.0231011	6.00%	3
AGRICULTURAL	0.0018161	0.0018161	0.00%	0.25
PUBLIC SERVICE PURPOSES	0.0146662	0.0155461	6.00%	2
PUBLIC SERVICE INFRASTRUCTURE	0.0018161	0.0018161	0.00%	0.25
PUBLIC BENEFIT ORGANISATION	0.0018161	0.0018161	0.00%	0.25
OTHER	0.0042588	0.0045143	6.00%	0.62
UNAUTHORISED USE	0.0217935	0.0231011	6.00%	1.58

Refuse Removal

Currently waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long term. The municipality has therefore reviewed the tariffs in respect of commercial users and attempted to apply an increase that would address this issue. Further to the above the tariff charge will be raised per unit and not per property. In order to align the service rendered with the tariffs, new tariffs for commercial users have been introduced.

A 6.4% increase in the waste removal tariff for domestic and commercial users is proposed from 1 July 2017. Currently indigent residential consumers are subsidised in full for refuse removal.

Although the municipality has affected a 6.4% increase on the refuse tariff, the income has increased by 120 per cent for 2017/2018 when compared to 2016/2017. This is largely due to the following:

- Extending the service to Siyathuthuka (Ward 2);
- Formalising and introducing new tariffs for commercial users where applicable

Table 5: Comparison between current refuse removal fees and increases

	CURRENT TARIFFS 2016/17	PROPOSED TARIFFS 2017/18	% INCREASE
Refuse removal residential once a week	40,15	42,72	6.4%
Refuse – Residential complex	New	625,00	New
Commercial twice a week	303,47	322,89	6.4%
Commercial five times a week	893,26	1250,00	6%
Commercial bulk	New	2500,00	New

Commercial daily	New	5000,00	New
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The Waste Management (Refuse) trading service is budgeted at a deficit. We would fund the deficit through the equitable share.

Transfers recognised- operational

Transfers recognised operational contributes to 77 per cent of the total operating income of the municipality.

The municipality needs to investigate other sources of revenue through updating and reviewing its revenue enhancement strategy. Raising income continues to be a challenge for the municipality as we do not render services such as water, sanitation or electricity.

The municipality has also taken cognisance of the fact that its tariffs are not cost reflective and would need to align tariffs accordingly.

Other income

Other income has been increased per the request of department heads and has been aligned to the 2016/2017 forecast.

Operating Expenditure Framework

The municipality's expenditure framework for the 2017/18 budget and MTREF is informed by the following;

- The asset management plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash backed reserves to fund any deficit;
- Funding of the budget over the medium term as informed by Section 18 and 19 of the MFMA.

Table 6: The following table is a high level summary of the 2017/18 budget (classified per main type of operating expenditure);

Description	Adjusted Budget 2016/17	%	Budget Year 2017/18	%
<u>Expenditure By Type</u>				
Employee related costs	39,657	38.29	45,900	44.28
Remuneration of councillors	4,544	4.39	5,106	4.93

Debt impairment	1,350	1.30	1,050	1.01
Depreciation & asset impairment	11,517	11.12	11,867	11.45
Finance charges	148	0.14	18	0.02
Bulk purchases	–	-	–	
Other materials	–	-	–	
Contracted services	8,832	8.53	24,275	23.42
Transfers and subsidies	940	0.91	1,443	1.39
Other expenditure	36,572	35.31	13,989	13.50
Loss on disposal of PPE	–	-	–	
Total Expenditure	103,560		103,647	

Employee Related Costs

The budgeted allocation for employee related costs for the 2017/18 financial year totals R 45, 9 million, which equals 44 per cent of the total operating expenditure. Salary increases have been factored into this budget at a percentage increase of 7.5 per cent for the 2017/18 financial year. An annual increase of 6 per cent has been included for the 2018/2019 financial year and 6 per cent for the 2019/2020 financial year. The budget has also been drawn up considering the budgeting for applicable annual notch increases.

There appears to be a vast increase compared to the adjustment budget against salaries, however this is largely due to resignations/ death or vacant positions during the 2016/2017 financial year. We budget for a full year for all approved positions.

In addition, expenditure against overtime was significantly reduced, with provisions against this budget item only being provided for emergency services and other critical functions. Essential services departments are expected to introduce the “Shift System” to curb overtime and ensure compliance with relevant legislation.

All Senior Management positions have been budgeted for a full year in 2017/2018. Further to the above and analysing the trend and historical performance it is evident that performance bonuses had not been paid out to any senior manager for the past 3 years. Performance bonuses have been budgeted for in terms of the Local Government Municipal Performance regulations; however, affordability would be assessed during the adjustment process as required by regulation 32.

The municipality understands that sustainable job creation remains a national priority and in drafting the 2017/2018 budget and MTREFs, the municipality has explored opportunities to

promote labour intensive approaches to delivering services, and more particularly to participate fully in the Expanded Public Works Programme.

Remuneration of Councillors

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). A 6 per cent increase has been factored into the budget for the 2017/18 financial year. The Position of Mayor, Speaker and Deputy Mayor have been budgeted as full-time and all other positions are part-time.

The overall increase against 2016/2017 adjusted equates to 12 per cent. The municipality is legislated to have a mayor, speaker, deputy mayor, member of the executive committee and councillors. For 2016/2017 there was no councillor elected as Deputy Mayor for the period April 2017 to June 2017. The 2017/2018 budget has been aligned to legislation requirements.

Depreciation

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R11,8 million for the 2017/18 financial year and equates to 11 per cent of the total operating expenditure.

Finance Charges

The finance charges budgeted for under Table A4 relates to bank charges and finance charges on the lease of Photocopiers.

The contract for the photocopiers expires early in the new-year, Thus the decrease in expenditure when compared to the adjusted 2016/2017 budget.

Debt Impairment

The municipality has budgeted for a collection rate of 90 per cent for rates and 80 per cent for refuse. Impairment of traffic fines has also been considered. An additional provision of R1.3 million has been made towards debt impairment. This provision would be reviewed during the adjustment budget.

The collection rate on average for rates is 87 per cent however we have implemented strict debt collection mechanisms to increase this percentage. We are therefore confident that we will improve to 90 per cent. On average the collection rate on refuse between 75 per cent and 80 per cent.

Contracted Services

In the 2017/18 financial year, contracted services totals R24.2 million and has escalated by 15 per cent. This is due in the main to annual increases by service providers as well as the introduction of operational costs arising from previous year's infrastructure projects. Further to the aforementioned and with the introduction of mSCOA more expenditure items have been classified as contracted services. Further details relating to contracted services can be seen in SA1.

General Expenditure

General expenditure comprises various line items relating to the daily operations of the municipality. This group of expenditure has been identified as an area in which cost savings and efficiencies can be achieved. General expenditure totals R13.9 million in the 2017/18 financial year and has decreased by 23 per cent when compared the revised 2016/2017 budget.

In order to improve its sustainability, the municipality has adopted routine business practices in the day to day running of the municipality and has also implemented cost containment measures to eliminate wastage during the provision of services. The municipality understands that expenditure management is fundamental to the sustainability of the municipality.

A detailed breakdown can be seen in the Consolidated Budget summary.

Repairs and Maintenance

In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. During the compilation of the 2017/2018 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure. Repairs and Maintenance has increased to 26% per cent in the 2017/2018 financial year.

The level of budgeted Repairs and Maintenance expenditure, expressed as a percentage of the asset values is 26 per cent. This is above the norm of 8 per cent as required by MFMA circular 55. The municipality budgets as per the maintenance plans and is confident that the budget would adequately secure the on-going health of the municipalities' infrastructure and assets.

1.5.9 Municipal Standard Chart of Account (mSCOA)

The Municipal Standard Chart of accounts (mSCOA) is the biggest reform to be implemented in local government reform since the introduction of the MFMA.

The mSCOA regulations apply to all municipalities with effect from 1 July 2017. This budget has thus been prepared in terms of mSCOA. The first draft was duly uploaded on the National Treasury Portal by 31 March 2017.

A working papers file, in line with Provincial Treasury circulars and guidance, has been opened.

The Municipality had to also change financial systems and it is expected that his exercise would be completed by June 2017.

Operating Budget Surplus / Deficit

The municipality has budgeted for an Operating deficit of R9,9 million in 2017/2018 and deficits of R8,7 and R10.4 million in the two respective outer years. MFMA circular No.72 requires all municipalities to adopt a surplus position. The deficit for the two outer years is lower than the non-cash items expenditure reflected on the budgets (e.g. Depreciation). The deficit would be funded from accumulated funds.

This may indicate that the tariffs and rates are insufficient to ensure that the community is making a sufficient contribution towards the economic benefits they are consuming over the medium-term budget period.

Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services households are required to register in terms of the Municipality Indigent Policy. The municipality has in the 2017/2018 year undertaken to register all indigents and thereby create an updated indigent register.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

The amount under transfers and grants made by municipalities includes;

- Free basic electricity;
- Free Basic Refuse;
- Rebates on Rates offers to indigent
- Rebates on Rates offered to Pensioners

Capital expenditure

Table 7: The following table provides a breakdown of budgeted capital expenditure per vote:

Vote	Adjustment Budget 2016/17	Budget Year 2017/18	Budget Year+1 2018/19	Budget Year+2 2019/20
Executive and Council	942.687	25.000		
Finance and Administration	3.422.582	35.000		
Planning and Development	3.536.500	0		
Community & Social Services	455.000	425.000		
Public Safety	664.300	2.160.000		
Sport & Recreation	5.013.500	5.386.968		
Waste Management	0	0		
Road Transport	25.609.366	12.973.282	18.566.800	19.418.000
Total Capital Budget	39.643.935	21.005.250	18.566.800	19.418.000

For 2017/18 an amount of R20 million has been appropriated for the development of infrastructure which represents 95 per cent of the total capital budget. Roads receives the highest allocation of R12,9 million.

Management acknowledges that capital programmes needs a balanced funding structure addressing not only backlogs in services but also investment in new infrastructure as well as the renewing of current infrastructure.

Total new assets represents 32 per cent or R6,6 million of the total capital budget while asset renewal equates to 68 per cent or R 14,3 million. Further detail relating to asset classes and proposed capital expenditure is contained in table A9 (Asset Management). In addition to the MBRR table A9, MBRR table SA34a, b and c provides a detailed breakdown of the capital programme relating to new asset construction, capital asset renewal as well as operational repairs and maintenance by asset class.

The accepted norm for renewal of assets is 40 per cent. The municipality however has the challenge of maintaining roads that have never been attended to such that communities can have access to basic services. The roads infrastructure has huge backlogs which the 2017/2018 budget is attempting to address.

Some of salient projects to be undertaken over the medium-term includes, amongst others:-

- Asphaltting of Smozomeni road Ward 6
- Construction of KwaBualwayo Sportsfield
- Tarring of internal roads Ward 4
- 2 x Sport Facilities

Transfer recognised – Capital

Transfers recognised capital contributes to 85 per cent or R17.7 million to the total capital expenditure.

The municipality is highly dependent on grants for the delivery of capital projects.

As an alternative source of funding the municipality has gone out to tender for service providers to source alternate funding for the municipality.

Cash Flow

As per table A8, all statutory requirements (PAYE, Pension, Medical Aid etc.) are met at month end.

The following provisions have been accounted for:-

- Post-retirement medical aid; and
- Long service provision
- Housing development fund

The budget will be funded from cash backed accumulated reserves.

Part of the Cash and Cash investments includes investment's less than three months which are captured under call investments in Table A6.

Annual Budget Tables - Parent Municipality

The following present the main budget as required.

Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Mayor, Members of the Executive Committee, Municipal Manager and senior officials of the municipality. The primary aim of the Budget Steering Committee is to ensure:-

-that the process followed to compile the budget complies with legislation and good budget practices;

-that there is proper alignment between the policy and service delivery priorities set out in the municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;

-that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and

-that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2015) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required budget time schedule on 31 August 2015.

Key dates applicable to the process were:-

- **August 2016** : Adoption of Budget and IDP Schedule of Key deadlines;
- **September 2016** : Engagement with Sector Departments on sector specific programmes ;
- **October 2016** : S52(d) Mayoral report on the implementation of the 2016/2017 budget and SDBIP;
- **November and December 2016**: Review of IDP strategies to ensure relevance;
- **January 2017** : First community consultative process, tabling of annual report 2015/2016 and Mid-Year review of Budget and SDBIP 2016/2017;
- **February 2017**: Adoption of adjustment budget 2016/2017 and Budget steering meeting to discuss input for first draft Budget 2017/2018;
- **March 2017** : Oversight report on the annual report, First draft budget to Budget steering committee, Exco and table to Council to seek approval before community participation;
- **April 2017** : Community Participation / Budget Izimbizos
- **May 2017** : Input from Provincial Treasury , consideration of all comments received and finalisation of budget in mSCOA format; Adoption of final budget 2017/2018;
- **June 2017** :Submission of budget to National and Provincial Treasuries; Uploading of Budget returns, Mayor to Sign SDBIP and submission of Budget / IDP and SDBIP to relevant structures and departments.

IDP and Service Delivery and Budget Implementation Plan

This is the first IDP of the newly elected council. It started in August 2016 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2017/18 MTREF.

The municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan.

The IDP has been taken into a business and financial planning process leading up to the 2017/18 MTREF, based on the approved 2016/17 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2017/18 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year performance against the 2016/17 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

Financial Modelling and Key Planning Drivers

As part of the compilation of the 2017/18 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2017/18 MTREF:

- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e inflation, household debt, migration patterns)
- Performance trends
- The approved 2016/17 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels

- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery
- The FMCMM assessment as tabled at council

In addition to the above, the strategic guidance given in National Treasury' MFMA Circulars 66 ,67, 70 72,74,75, 78 ,79, 80 and 85 has been taken into consideration in the planning and prioritisation process.

Community Consultation

Once the draft budget was approved by council the following community consultation process took place:-

- The draft 2017/18 MTREF was published on the municipality's website;
- Hard copies were made available at all municipal offices and libraries;
- Notices were placed on municipal notice boards and various libraries;
- In addition the budget was taken out to all wards by the process of Budget and IDP Imbizo's. The applicable dates and venues were published in two local newspapers and were scheduled as follows:

<u>Ward</u>	<u>Proposed Date</u>	<u>Venue</u>	<u>Time</u>	<u>Comments</u>
1	12/04/2017	Agricultural Hall	16H00	Meeting was well attended
2	11/04/2017	Slahla Hall	12H00	Meeting was well attended
3	09/04/2017	Tsongeni Hall	14H30	Meeting was well attended
4	19/04/2017	Argossy Hall	15H00	Meeting was well attended
5	20/04/2017	Mpofana Ground	10H00	Meeting was well attended
6	13/04/2017	Smozomeni Hall	10H00	Did not take place. No community members in attendance
7	23/04/2017	Ndabikona High School	14H00	Did not take place.

- No written communication or input was received from community members;
- All minutes and attendance registers for budget imbizo's are available in the working papers files.

All documents in the appropriate format (electronic and printed) will be provided to National Treasury and Provincial Treasury in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process. Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the municipality strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

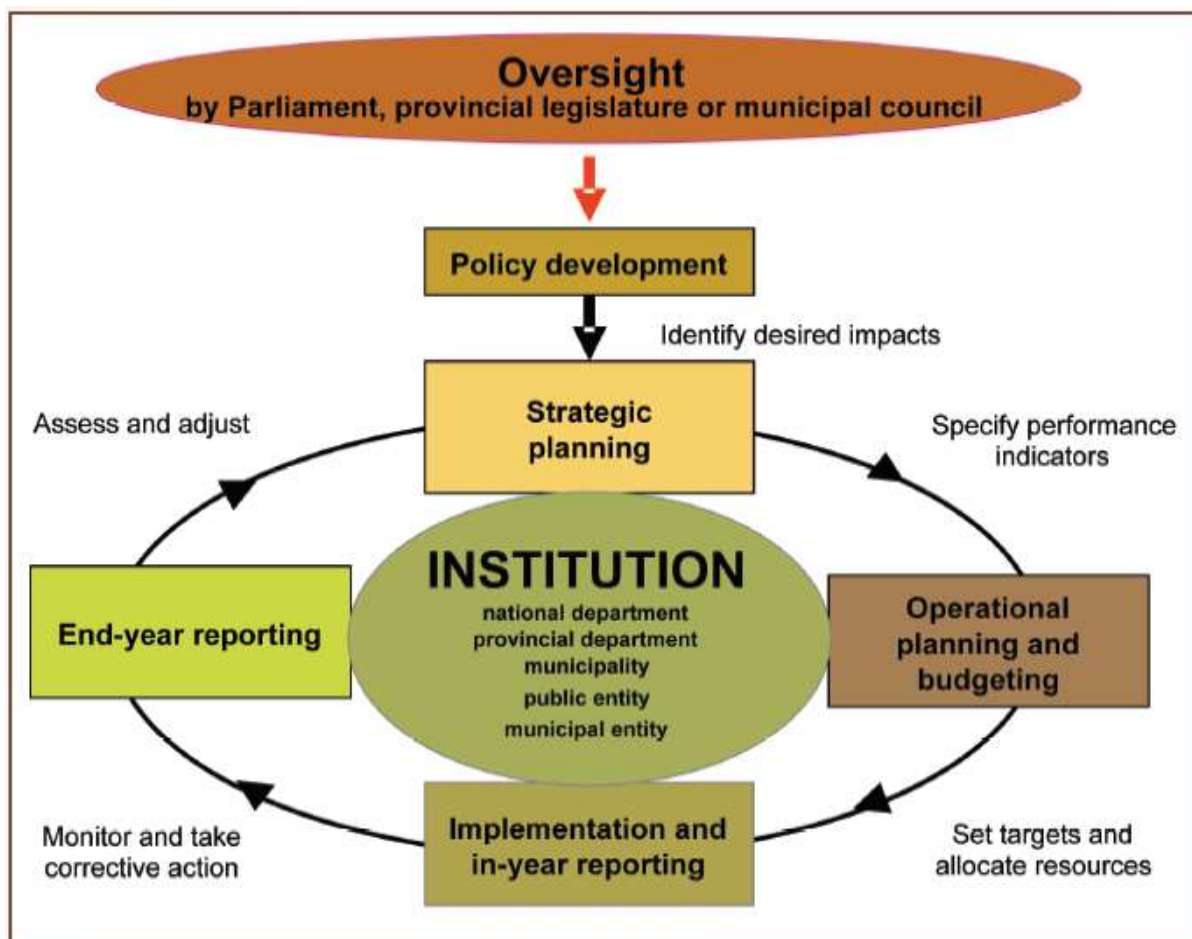
The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP.

Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assess and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages.

The planning, budgeting and reporting cycle can be graphically illustrated as follows:



Planning, budgeting and reporting cycle

Performance indicators and benchmarks

- Liquidity

Current ratio is a measure of the current assets divided by the current liabilities and as a benchmark the municipality has set a limit of 1, hence at no point in time should this ratio be less than 1. Going forward it will be necessary to maintain these levels.

The liquidity ratio is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations.

- Revenue Management

As part of the financial sustainability strategy, the debt collection and credit control policy has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days.

- Creditors Management

The municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice. The municipality has managed to ensure a 100 per cent compliance rate to

this legislative obligation. This has had a favourable impact on suppliers' perceptions of risk of doing business with the municipality, which is expected to benefit the municipality in the form of more competitive pricing of tenders, as suppliers compete for the municipality's business.

Free Basic Services: basic social services package for indigent households

In terms of the municipality's Indigent and Free Basic Services Policy registered households are entitled to 50kwh of electricity and free waste removal equivalent to once a week as well as a rebate on their property rates.

Overview of budget related-policies

The municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

All policies as listed hereunder, are available on the municipality's website.

The Following policies have been amended for the 2017/2018 financial year (copies attached):-

NO.	POLICY	DEPT.	AVAILABILITY	ADOPTION DATE	
2.4.1	Debt Collection and Credit Control Policy	Budget & Treasury Office	Y	Not amended	14/12/2010
2.4.2	Property Rates Act Policy	Budget & Treasury Office	Y	Amended	30/05/2017
2.4.3	Revenue enhancement Policy	Budget & Treasury Office	Y	Not amended	14/12/2010
2.4.4	Petty Cash Policy	Budget & Treasury Office	Y	Not amended	29/04/2011
2.4.5	Borrowing Policy	Budget & Treasury Office	Y	Not amended	14/12/2010
2.4.6	Long Term Financial Plan Policy	Budget & Treasury Office	Y	Not amended	29/04/2011
2.4.7	Supply Chain Management policy	Budget & Treasury Office	Y	Not amended	31/05/2016
2.4.8	Asset management policy	Budget & Treasury Office	Y	Not amended	14/12/2010
2.4.9	Indigent policy and Free Basic Services Policy	Budget & Treasury Office	Y	Amended	30/05/2017

2.4.10	Cash Management and Investment Policy	Budget & Treasury Office	Y	Not amended	14/12/2010
2.4.11	Budget Policy	Budget & Treasury Office	Y	Not amended	14/12/2010
2.4.12	Infrastructure and Capital Investment policy	Budget & Treasury Office	Y	Not amended	14/12/2010
2.4.13	Funds and Reserves Policy	Budget & Treasury Office	Y	Not amended	14/12/2010
2.4.14	Tariff Policy(including Property Rates Tariff, Refuse Removal / Solid Waste Tariff)	Budget & Treasury Office	Y	Not amended	14/12/2010
2.4.15	Virement Policy	Budget & Treasury Office	Y	Amended	14/12/2010
2.4.16	Budget Implementation and Management Policy	Budget & Treasury Office	Y	Not amended	14/12/2010

Property rates Act Policy

The property Rates Act Policy has been amended in accordance with applicable legislation and comments as received from National COGTA. Whilst the policy is credible, sustainable and manageable there has been a need to review certain components to achieve a higher customer satisfaction and to take cognisance of community input.

Indigent Policy

All municipalities within the district are attempting to align their indigent policies. The policy has been amended to address the above.

Overview of budget assumptions

External factors

Owing to the economic slowdown, there are reduced payment levels by consumers. This is being addressed by the implementation of the debt collection and credit control policy.

The MTBPS highlights that South Africa's economic performance has deteriorated over the past several years. The 2016 Medium Term Budget Policy Statement emphasised that the global recovery from the 2008 financial crisis remains precarious, with growth forecast at 3.1 per cent in 2016 and 3.4 per cent in 2017. In developed economies, the combination of weak economic growth, low or negative interest rates, and elevated asset prices has increased the likelihood of renewed financial volatility. Gross Domestic Product (GDP)

growth for 2016 was forecasted at 0.9 per cent and at the time of the 2016 Budget it has since been revised to 0.5 per cent.

General inflation outlook and its impact on the municipal activities

The following factors have been taken into consideration in the compilation of the 2017/18 MTREF

- National Government macro economic targets’;
- The general inflationary outlook;
- The increase in the cost of remuneration;
- The increase in the cost of services by service providers;
- Annual increases in contracted services;
- Building the capacity of local government through the **“Back to Basics”** which will focus on improving service delivery

In the 12 months to June 2016, employment fell by 112 000 jobs although employment growth was achieved in larger urban municipalities.

These economic challenges continue to pressurise municipal revenue generation and collection hence a conservative approach has been implemented when projecting revenue.

Headline inflation forecasts

As per the MFMA circular 85, municipalities were requested to take the following macro-economic forecasts into consideration when preparing the 2017/2018 budgets and MTREF:-

<i>Fiscal Year</i>	<i>2015/16 Actual</i>	<i>2016/17 Estimate</i>	<i>2017/18</i>	<i>2018/19 Forecast</i>	<i>2019/20</i>
CPI Inflation	4.6%	6.4%	6.1%	5.9%	5.8%
Real GDP growth	0.5%				

Collection rate for revenue services

The base assumption is that tariff and rating increases will increase by 6.4 per cent respectively. It is also assumed that the current economic conditions, will continue for the forecaster term.

The rate of revenue collection is currently expressed as a percentage (90 per cent) of annual billings. There should also be an increased collection of arrear debt from the appointment of new debt collectors. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

2.5.5 Salary increases

The South African Local Government Bargaining Council recently entered into a three-year Salary and Wage Collective agreement for the period 01 July 2015 to 30 June 2018. The agreement reached is as follows:-

“ Subject to clause 6.3, in respect of this financial year, all employees covered by this agreement shall receive, with effect from 1 July 2017, an increase based on the average CPI percentage for the period 1 February 2016 until 31 January 2017, plus one per cent. In the event that the average CPI percentage for the period as contemplated in clause 6.2 above is less than 5 per cent, the average CPI for this period will be deemed to be 5 per cent, and in the event that the average CPI for this period is above 10 per cent, the average CPI will be deemed to be 10 per cent. ”

2.5.6 Remuneration of Councillors

The municipality has considered the gazette on the Remuneration of Public Office bearers Act: Determination of Upper limits of Salaries, allowances and Benefits of different members of municipal council for the 2016/2017 financial year.

During 2016/2017 the municipal council had not had an elected Deputy Mayor in office since April 2017 to June 2017. The 2017/2018 budget includes the election of a Full time speaker, Full time Deputy Mayor and Full time Mayor.

Ability of the municipality to deliver and spend on the programmes

It is estimated that a spending rate of 100 per cent is achieved on operating and capital expenditure for the 2017/2018 MTREF of which performance has been factored into the cash flow budget.

Service Level standards

Service level standards have been formulated and are annexed hereto.

Overview of budget funding

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity.

Description	MFMA section	2017/18 Medium Term Revenue & Expenditure Framework		
		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Funding measures	-			
Cash/cash equivalents at the year beg - R'000	18(1)b	47,736	59,902	77,363
Cash + investments at the yr end less applications - R'000	18(1)b	-	-	-
Cash year end/monthly employee/supplier payments	18(1)b	0.6	0.5	0.5
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	-	-	-
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	0.0%	0.0%	0.0%

Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	0.0%	0.0%	0.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c;19	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	0.0%	(0.7%)	(0.8%)
Long term receivables % change - incr(decr)	18(1)a	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	0.0%	0.0%	0.0%
Asset renewal % of capital budget	20(1)(vi)	0.0%	0.0%	0.0%

Cash and Cash Equivalents: The municipality's cash position was discussed as part of the cash flow statement. A positive cash position, for each of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash backing of reserves and working capital requirements.

The forecasted Cash and Cash Equivalents for the 2017/2018 financial year shows R47 million rand.

The municipality has budgeted to receive an amount of R13 million rand for Property rates penalties and collection charges in the 2017/18 budget year. The historic trend reflects that the rates collection rate is between 87 per cent and 90 per cent. The municipality has implemented debt collection strategies and we are therefore confident the collection rate will improve to 90%.

The refuse average collection rate is between 75 per cent and 80 per cent. The municipality has again improved debt collection strategies and has therefore considered a collection rate of 80 per cent for the 2017/18 budget year.

The municipality has budgeted R85 million rand for Suppliers and employees which is calculated as follows:-

Employee Related costs	: R 40 310
Less : Non- cash Items	
- Long service awards	:(R 400)
- PRMB	:(R 1 000)
- Leave	:(R 900)
	<u>R 38 010</u>
Remuneration of councillors	R 4 642
Contracted services	R 8 527
Other Expenditure	R 33 825

Cash plus investments less application of funds: The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement.

Cash Flow from financing activities

The municipality has budgeted for repayment of the finance lease as calculated from the amortisation schedule.

Medium-term outlook: operating revenue

The following table is a break-down of the operating revenue over the medium-term:-

Description R thousands	2017/18 Medium Term Revenue & Expenditure Framework					
	Budget Year 2016/17	%	Budget Year +1 2017/18	%	Budget Year +2 2018/19	%
Property rates	11,500,000.00	13%	15040000	16%	15942400	17%
Service charges	500000.00	1%	1100000	1%	1166000	1%
Investment revenue	4060000.00	4%	3040000	0%	3540000	4%
Transfers recognised - operational	69113000.00	76%	72426750	77%	71131200	75%
Other own revenue	5661424.00	6%	3975480	4%	3023043	3%
Total Revenue (excluding capital transfers and contributions)	90,834,424.00		94592230		94802643	
Total Operating Expenditure	103559674		104581821		103563143	
Surplus / (Deficit)	12,725,250.00		9,989,591.00		8,760,500.00	

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The municipality derives most of its income from grants and property rates.

The revenue strategy is a function of key components such:

- Growth in the Municipalities economic development;
- Revenue management and enhancement;
- Achievement of a 90% annual collection rate;
- National Treasury guidelines;
- Achievement of a full cost recovery on service charges;
- The Property rates policy in terms of the Municipal Property Rates Act, 2004; and
- The ability to extend services and obtain cost recovery

For the medium term, the funding strategy has been informed directly by ensuring financial sustainability and continuity.

Medium term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2017/2018 MTREF capital programme:

Funded By	Budget year 2016/2017	%	Budget year +1 2017/2018	%
National Government	27 656 371	69	17 760 000	85
Provincial Government	3 297 217	8	0	0
Internally generated Funds	8 862 563	22	3 245 000	15
TOTAL CAPITAL FUNDING	39 816 152	100	21 005 000	100

Capital grants and receipts equates to 85 per cent of the total funding source which represents R 17.7 million for the 2017/2018 financial year.

Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understand ability for councillors and management.

Description	2017/18 Medium Term Revenue & Expenditure Framework		
	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand			
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts			
Property rates	15,040	15,942	16,899
Service charges	170	180	191
Other revenue	2,879	2,951	3,088
Government – operating	71,528	70,154	75,869
Government – capital	17,760	18,567	19,418
Interest	3,110	3,612	3,615
Dividends	–	–	–
Payments			
Suppliers and employees	(75,856)	(75,361)	(82,432)
Finance charges	(18)	(17)	(19)
Transfers and Grants	(1,443)	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	33,171	36,028	36,629

CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Proceeds on disposal of PPE	-	-	-
Decrease (Increase) in non-current debtors	-	-	-
Decrease (increase) other non-current receivables	-	-	-
Decrease (increase) in non-current investments	-	-	-
Payments			
Capital assets	(21,005)	(18,567)	(19,418)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(21,005)	(18,567)	(19,418)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts			
Short term loans	-	-	-
Borrowing long term/refinancing	-	-	-
Increase (decrease) in consumer deposits	-	-	-
Payments			
Repayment of borrowing	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD	12,166	17,461	17,211
Cash/cash equivalents at the year begin:	47,736	59,902	77,363
Cash/cash equivalents at the year end:	59,902	77,363	94,574

Cash backed reserves/accumulated surplus reconciliation

Description	Current Year 2015/16		2016/17 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand					
<u>Cash and investments available</u>					
Cash/cash equivalents at the year beg	41 999	57 900	59 061	70 171	79 686
Other current investments > 90 days	601	(15 300)	(0)	(24 571)	(34 086)
- Long-term receivables	-	-	-	-	-
Cash and investments available:	42 600	42 600	59 061	45 600	45 600
<u>Application of cash and investments</u>					
Trade and other creditors	-	-	4 878	4 878	4 878
Unspent borrowing	-	-	-	-	-
Statutory requirements					
Other working capital requirements	(1 114)	(589)	1 434	2 665	3 031
Other provisions					
Long term investments committed	-	-	-	-	-
Reserves to be backed by cash/investments			282	301	322
Total Application of cash and investments:	(1 114)	(589)	6 594	7 845	8 232
Surplus(shortfall)	43 714	43 189	52 467	37 755	37 368

From the above table it can be seen that the cash and investments available total R52,4 million.

The following is an application of this funding:-

- Unspent conditional grants are automatically assumed to be an obligation. The municipality is however budgeting to spend all unspent conditional grants;
- The reserves to be cash barked is the funds in respect to the Housing Development fund

Funding Compliance Measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the table above. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding measurement table essentially measures the degree to which the proposed budget complies with the funding requirement of the MFMA.

Expenditure on grants and reconciliations of unspent funds

Description	2017/18 Medium Term Revenue & Expenditure Framework		
	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand			
RECEIPTS:			
-			
<u>Operating Transfers and Grants</u>			
National Government:	71,531	70,152	75,368
Local Government Equitable Share	59,253	62,275	64,446
Finance Management	1,900	1,900	1,900
Integrated National Electrification Programme	8,000	5,000	8,000
EPWP Incentive	1,443		
MIG (PMU -Operational)	935	977	1,022
Provincial Government:	932	979	1,523
	744	782	821
	188	197	202
			500
District Municipality:	-	-	-
<i>[insert description]</i>			
Other grant providers:	-	-	-
<i>[insert description]</i>			
Total Operating Transfers and Grants	72,463	71,131	76,891

Capital Transfers and Grants			
National Government:	17,760	18,567	19,418
Municipal Infrastructure Grant (MIG)	17,760	18,567	19,418
Provincial Government:	-	-	-
District Municipality:	-	-	-
Other grant providers:	-	-	-
Total Capital Transfers and Grants	17,760	18,567	19,418
TOTAL RECEIPTS OF TRANSFERS & GRANTS	90,223	89,698	96,309

The municipality commits to spending all grants received. Every attempt will be made to avoid an application for roll-overs.

Allocations on grants made by the municipality

Description	Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand					
Total Non-Cash Grants To Organisations	-	-	-	-	-
Cash Transfers to other Organs of State					
<i>Eskom</i>	500	890	900	950	1000
Total Non-Cash Grants To Groups Of Individuals:	500	890	900	950	1000
TOTAL NON-CASH TRANSFERS AND GRANTS	500	890	900	950	1000
TOTAL TRANSFERS AND GRANTS	500	890	900	950	1000

Grants to individuals are in respect to Free Basic Electricity.

2.6 Councillor and employee benefits

R thousand	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
-	G	H	I
Councillors (Political Office Bearers plus Other)			
Basic Salaries and Wages	3,296	3,494	3,704
Pension and UIF Contributions	100	105	100
Medical Aid Contributions	138	147	155
Motor Vehicle Allowance	-	-	-
Cellphone Allowance	336	355	375
Housing Allowances	-	-	-
Other benefits and allowances	1,235	1,309	1,388
Sub Total - Councillors	5,106	5,410	5,721
% increase	-	5.9%	5.8%

Other Municipal Staff			
Basic Salaries and Wages	38,173	39,261	41,589
Pension and UIF Contributions	261	275	291
Medical Aid Contributions	1,633	1,731	1,835
Overtime	140	148	157
Performance Bonus	2,527	2,577	2,731
Motor Vehicle Allowance	1,116	1,037	1,094
Cellphone Allowance	-	-	-
Housing Allowances	50	53	57
Other benefits and allowances	-	-	-
Payments in lieu of leave	1,000	1,060	1,124
Long service awards	500	530	562
Post-retirement benefit obligations	500	530	562
Sub Total - Other Municipal Staff	45,900	47,202	50,001
% increase	-	2.8%	5.9%
Total Parent Municipality	51,006	52,612	55,722
	-	3.1%	5.9%
TOTAL SALARY, ALLOWANCES & BENEFITS			
	51,006	52,612	55,722
% increase	-	3.1%	5.9%
TOTAL MANAGERS AND STAFF	45,900	47,202	50,001

The increase in respect to staff is more than 7.5 per cent as per the collective agreement.

This is due to the following:-

- The municipality has incorporated a 7.5% increase;
- The budget is being compared to the 2016/2017 financial year. During the 2016/2017 adjustment budget process, this budget was reduced due to savings realised as a result of resignations/deaths etc.

Annual budgets and SDBIPs – internal departments

- As per Attached draft SDBIP. (Final SDBIP to be approved by the MAYOR)

Contracts having future budgetary implications

In terms of the Municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years - 36 months).

The municipality will have to consider the Financial Management System Contract on award under this section.

2.12 Capital expenditure details

<u>DEPARTMENT</u>	<u>DESCRIPTION</u>	<u>FUNDING</u>	<u>2017/2018</u>
<u>Municipal Manager</u>	Speakers	RM	25.000.00
<u>Finance</u>	3 Desktops	RM	35.000.00
<u>Community - Admin</u>	SM Community Services : laptop	RM	15.000.00
	Disaster Light	RM	10.000.00
<u>Community - Halls</u>	Ntsongeni Sport field Fencing	RM	400.000.00
<u>Traffic</u>	Dash Camera x 3	RM	10.000.00
	Completion of Drivers Testing Ground	RM	2.000.000.00
<u>Security unit</u>	Guard House and Toilets at Play Ground	RM	100.000.00
	4 9mm Fire Arms	RM	50.000.00
<u>Technical</u>	Solar Street Lights	RM	600.000.00

TOTAL BASIC
CAPITAL

3.245.000.00

DEPARTMENT
ADHOC

FUNDING

2017/2018

Mig funded projects

Resurfacing of residential Roads Ward 3	MIG	2.856.060.00
Tarring of internal roads - Ward 4	MIG	1.529.750.00
Construction of KwaBulawayo Sporstfield - Ward 5	MIG	1.386.968.00
Asphalting of Smozomeni Main road - Ward 6	MIG	7.587.472.00
Richmond Multi Purpose Sports Centre Ward 1	MIG	4.000.000.00
Roads Ward 2 and Ward 7	MIG	
Bus Shelter Ward 2	MIG	400.000.00

17.760.250.00

21.005.250.00

Reconciliation

Richmond Municipality

3.245.000.00

MIG

17.760.250.00

21.005.250.00

Departmental**Executive and Council**

	Council	-
	Municipal Manager	25.000.00
Budget and Tresury		
	Finance	35.000.00
	Corporate	-
Community and Social Services		
	Library	
	Community - Admin	25.000.00
	Sportsfields and Halls	400.000.00
Police		
	Traffic	10.000.00
	Security	150.000.00
	Learners and Drivers Centre	2.000.000.00
Grass Cutting		5.386.968.00
Roads		12.973.282.00
		21.005.250.00

Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) is undertaken on a monthly basis.

2. Internship programme

The municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Budget and Treasury Office. Since the introduction of the Internship programme the municipality has successfully employed and trained 15 interns through this programme.

3. Budget and Treasury Office

The Budget and Treasury Office has been established in accordance with the MFMA.

4. Audit Committee

An Audit Committee has been established and is fully functional.

5. Service Delivery and Implementation Plan

The detailed SDBIP document is at a draft stage and will be finalised after approval of the 2017/18 MTREF in May 2017 directly aligned and informed by the 2017/18 MTREF.

6. Annual Report

Annual report is compiled in terms of the MFMA and National Treasury requirements.

7. MFMA Training

The MFMA training module is available in electronic format.

8. Policies

All financial policies are reviewed and adopted annually as part of the budget process.

18.1.1 AG COMMENTS AND RESPONSES

Table 16: Adequacy of Audit Response:

Audit Query	Response from Municipality Action to resolve query	Person Responsible	Target Date	Progress
Restatement of corresponding figures An adequate management, accounting and information system was not in place as required by Section 63(2)(a) of the MFMA.	The audit finding is noted and concurred with	Chief Financial Officer	28 November 2016	All corrections were subsequently made to the Assets register and AFS.

Predetermined objectives Reliability of reported performance information. Adequate and reliable corroborating evidence could not be provided for the reported achievements against planned targets of important indicators.	The audit finding is noted and concurred with	Municipal Manager	30 June 2017	POE files will be scrutinised to ensure compliance herein as from the second quarter 2016/2017.
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18.2 MANAGEMENT LETTER

Audit Query	Response from Management Action to resolve query	Person Responsible	Target Date	Progress
1.Assets identified not on the fixed assets register	The finding is noted	Chief Financial Officer	15 November 2016	All relevant changes were processed with the final AFS 2015/2016 submitted to the AG.
2.Performance indicators in not valid, accurate and complete	The finding is agreed and concurred with	Municipal Manager	28 February 2016	Management have subsequently adjusted the annual report, however the information in the SDBIP will not change. Management will attempt to amend the 2016/2017 SDBIP during the adjustment process to address the issue raised.

1. The Bid Evaluation committee is not in line with SCM regulations and the SCM policy	The finding is not agreed with	Chief Financial Officer	06/11/2016	SCM regulation 28-2(b) states that the Evaluation committee must as far as possible contain a SCM practitioner. The Manage Finance is the chairperson of the evaluation committee. SCM reports to this Manager as per the approved organogram. The municipality have thus attempted to comply with the regulations within the limited capacity. The AG accepted and agreed with managements response herein.
3.Internal Transfer incorrectly recorded as a grant receipt and disclosed as zero rated supply on the VAT return	The finding is agreed with and the recommendation noted.	Chief Financial Officer	15 November 2016	Completed
4.Suppliers Vat registration could not be verified	Ilanga had informed the auditor that they had subsequently changed ownership and their VAT number which was verified. MKT had provided an original tax clearance certificate and advised that they are registered on the Central suppliers database.	Chief Financial Officer	28 November 2016	Suppliers will have to be verified on the CSD and the municipality will attempt to check VAT numbers on SARS website. Ongoing

18.3 SECTOR DEPARTMENTS

The following sector departments and stakeholders contributed to the sector alignment process i.e. conducted by the Richmond Municipality and the District Municipality.

18.3.1 Department of Economic Development and Tourism

Project name	Budget	Project status
Highover Wildlife Sanctuary Project-Hela Hela	R1.4 million	Currently been implemented
Sizabantu Small Growers Forestry Project	R1.6 million	Currently been implemented
Afro-Zonke Cleaning Detergent	R2.6 million	Completed

18.3.2 Department of Human Settlements

PROJECTS	Slums / Informal Upgrade	NO.OF UNITS	AREA	WAR DS	PROJECT STATUS
Phatheni Housing Project	-	700	Phatheni	6	Completed
Zwelethu Housing Project	-	120	Baynesfield	5	Construction Phase
Siyathuthuka Phase 2 Housing Project	-	1000	Siyathuthukha	2	Planning Stage
St Bernard's Housing project (Land Reform Projects)	Informal Upgrade	360	Nhlazuka	5	Planning stage
Amandus Hill Housing Project (Land Reform Projects)	Informal Upgrade	40	Nhlazuka	5	Planning stage
Nhlazuka Housing Project	No	1000	Nhlazuka	5	Construction Phase
Middle income Housing	No	400	Richmond Village	1	Planning Stage
Bhongoza Informal Settlement	Slums Clearance	200	Siyathuthuka	1	Planning Stage
Hopewell Housing Projects	No	1000	Hopewell	4	Planning Stage
Tedan housing project	No	100	Tedan Farm	6	New project
Gengeshe Housing project	Slums Clearance	400	Gengeshe	6	New project
Mzinolovu Housing project	Slums Clearance	300	Mzinolovu	1	New project
kwaMagoda Housing project	No		Magoda area	7	New project

18.3.3 Umgungundlovu municipality

Strategic Integrated Project (SIP)	KZN PGDP Strategic Objective	Umgungundlovu PRIORITIES	SERVICE DELIVERY PLANS (CATALYTIC PROJECTS)	Progress to Date	BUDGET	LOCALITY	OUTCOME (AS PER 14 OUTCOMES)	Sub-Outcome (of the 14 Outcomes)
SIP 18 - Water and Sanitation	Strategic Objective 4.5: Improve Water Resource Management and Supply	- Address backlogs in terms of the MDG. - Operation and maintenance of assets with relation to water.	The uMkhomazi Water Supply Project Current water demand from the Mgeni System has already exceeded the 99% assurance of supply level that will be achieved with the commissioning of the MMTS-2. Further augmentation of the Mgeni System is therefore already required. Water resource development on the uMkhomazi River has been identified as the next likely major project to secure long-term water resources for the Umgungundlovu and eThekweni municipal areas. The purpose is therefore to augment the water resources.	Technical study is complete. Technical Study is complete. Water use licence application (WULA) in progress. The earliest possible commissioning for Phase 1 is 2024.	Total Project Cost for Infrastructure Component: R4,728,196,000 (subject to review). Budget (subject to review): 2016/2017 - R25,000,000 2017/2018 - R25,000,000 2018/2019 - R25,000,000 2019/2020 - R45,000,000 2020/2021 - R45,000,000 Cashflows Beyond 5 Years 2021/2022 - R4,565,552,000	Ingwe, Richmond, Mkhambathini and Impendle Municipalities.	Outcome 6: An efficient, competitive and responsive economic infrastructure network	Sub-outcome 4: Maintenance and supply availability of our bulk water resources ensured

Project name	Description	Status
Richmond Special Development Initiative	To identify economic sectors	Operationalized
Small Town Rehabilitation Richmond	CBD upgrade	Completed

18.3.4 Department of Education

Category	No	Project Name	Municipality	Current Status
New	1	Ndaleni community skills Development Centre	Richmond	In progress
New	2	Indala High School	Richmond	In progress
New	3	Richlea Primary School	Richmond	Planning

18.3.5 Eskom

Status of Electrification

Number	Municipality Name	Total no of Households	No of Households Electrified	No of Households Not Electrified
KZ 227	Richmond	16440	13395	3045

Observing from the table above Richmond has 13395 No of households that have been electrified leaving 3045 households not electrified.

18.3.6 Umngeni water

Richmond municipality water projects

No	Project Name	Project Description	Project Value	Expenditure to Date	Population Served	Contract Start Date	Contract Completion Date	% Completion	Local Municipality	Job creation	Ward	Anticipated tender advertising date	Anticipated tender briefing meeting date	Anticipated tender closing date	EIA Status	Comments
1	Embutheni Water Supply Phase 1	Construction of bulk water and reticulation, a water treatment works, reservoirs, pumpstations and communal standpipes	R 33 798 448	R 33 798 448	11000 people	complete	complete	100	Richmond LM	75,00	5	Done	Done	Done	EIA In Place	Project complete.
2	Nhlazuka Water Supply Phase 3	Construction of a 900m of uPVC and 300m Klambon steel pipe with diameters ranging from 110mm to 160mm. Construction of 89 communal standpipes and	R 2 532 926	R 2 425 797,09	800 people	Jun-15	Sep-15	100	Richmond LM	10,00	5	Done	Done	Done	EIA In Place	Project complete

		associated valves, chambers and fittings.														
3	Embuthweni Water Supply Phase 4	3 no Of Pump upgrades, reticulation extension , additional standpipe, storage reservoirs.	estimated at R 9.5million	NIL	Still to be determined.	design stage	design stage	Design & tender stages	Richmond & Mkhambathi ni LM	0,00	5	Design & tender stages	Design & tender stages	Design & tender stages	EIA In Place	Design stage and tender stage . Reticulation network is at tender stage. It will only be advertised once funds becomes available. While pumps contract is in Design stage will be considered at later stages after completion of Reticulation network.
4	EPhatheni Bulk Water Supply Scheme Phase 1- Bulk	Construction of 7.2km of bulk pipeline (160 diameter) and 2830m long PVC pipe (150 diameter) and 2660m long Klambon steel (80 diameter) and 3810m long of Klambon steel pipe. Construction of associated chambers(meters,air valves,scour valves and isolation valves chambers).	R 59 233 935,00	R 41 265 825,92	18,056 people and 2,257 households	Mar-14	Feb-14	100	Richmond LM	61	4	Done	Done	24/08/2012	EIA In Place	Project complete
5	EPhatheni Water Supply Scheme Phase 3 - Reservoirs	Construction of a 1.5 MI (Ephatheni) reservoir. Construction of associated chambers(meters,air valves,scour valves and isolation valves chambers).		SEE ABOVE	18056	construction stage	construction stage	99	Richmond	26,00	4	October 2013	October 2013	November 2013	EIA In Place	Project in Construction stage. Overall work complete is 99% . Work progress being grass seeding, and rehabilitation
6	EPhatheni Water Supply Scheme Phase 2 - Reticulation	The construction of MPVC and HDPE pipeline with diameters ranging from : - 63mm diameter, 15000m long HDPE, - 75mm diameter, 3000m long HDPE, - 90mm diameter, 2000m long HDPE, -		SEE ABOVE	4344	Feb-14	Aug-15	100	Richmond	100	4	July 2014	July 2013	August 2014	EIA In Place	Project complete

		110mm diameter, 50m long HDPE, - 200mm diameter, 2000m long HDPE, - 110mm diameter, 2000m long Mpv, - 160mm diameter, 400m long Mpv, - 200mm diameter, 5650m long Mpv, - 200mm diameter, 950m long Klambon steel pipes, -250mm diameter, 1000m long of Mpv. Construction of associated chambers (PRV, meters, air valves, scour valves and isolation valves). Installation of 512 yard meter connections and 512 yard taps.														
7	EPhathe ni Water Supply Scheme Phase 4- Pump station	Construction of a new pumpstation at Richmond water works, new 8ML Command reservoir in Ndalen. Construction of associated chambers (meters, air valves, scour valves and isolation valve chambers).		SEE ABOVE	18056	Design stage	Design stage	0	Richmond	Project not implemented as yet	4	October 2014	October 2014	November 2014	EIA amendment	Await finalisation of Reservoir position and storage sizes from both Umgeni/UMDM.
8	Gengesh e Water Supply Scheme	Construction of 20km bulk water pipeline gravity/pumping main from the command reservoir off-take to Byrne village. Reticulation to 422 households, house connections, booster pumpstation, 2x 500m ³ reservoirs, and 60 communal	R 29, 884,93 0.00	R 2 282 031,61	3,085 people and 422 households	Design stage	Design stage	0	Richmond LM	Project not implemented as yet	4	30/08/2012	05/09/2012	21/09/2012	EIA Still Outstanding	The consolidated Geo-hydrological report has been submitted to UMDM for approval and presentation by Ngcolosi Consultant was held by 22 July 2016 at Technical boardroom.

		standpipes.														
9	Richmond Town - AC pipe replacement/ Upgrade	Phase1: Upgrade of Richmond reticulation network .construction of 30273m long 50mmuPVC pipeline,6868m long 74mm Upvc, 120m long 200mm Upvc and 199m long 300mm Upvc pipelines and accessories. Installation of +500 valve chambers, installation of 50 fire hydrant, 20 pressure reducing valves, 1000 house connections and accessories, 1000 water meters.	R 83 000 000	R 5 446 842	422 households and 3389 people	Design & Tender Stage	Design & Tender Stage		Richmond LM	Project not implemented as yet	1	Project still at design stage	Project still at design stage	Project still at design stage	EIA not required	Phase 1A: The Phase is currently at the Design and Tendering stage. The Umgeni/UMDM agreed in principle to build a command reservoir in Richmond. However UMDM and Umgeni are yet to finalize the funding requirements.
10	Upgrade of Ndaleni, Siyathuthuka, Smozomeni and Magoda water reticulation.	Phase 2: Upgrade of Ndaleni, Siyathuthuka, Smozomeni and Magoda water reticulation. Upgrade/extension of existing 40-63mm HDPE class 12.5 of 10km length water reticulation pipelines in Smozomeni, 30km length in Syathuthuka ,40km length in Ndaleni and 20km length in Magoda. Upgrade of existing 10km long 50-160mm uPVC class 12 distribution water mains in Ndaleni, Smozomeni, Magoda and Syathuthuka . Provision of +5200 yard	R 77 910 619		34172 people of Ndaleni ,Magoda, Smozomeni and Syathuthuka	design stage & assessment stage	design stage & assessment stage	0	Richmond LM	Project not implemented as yet	1,3,4,5	Project still at design stage	Project still at design stage	Project still at design stage	EIA not required	The overall project is in assessment and design stage.

		connections and accessories. Provide +5200 Ester Kent V110 KSM water meters in Ndaleni.														
1 1	Richmond Bulk Pipeline	Construction of a 32km bulk water supply to Richmond (Contract 1) Lilliefontein pump station (Contract 2) and Lilliefontein Reservoir(Contract 3)	R 163 000 000	R 163 000 000	For the whole town of Richmond and surrounding areas.	11-Apr-13	Mar-15	100	Richmond LM	0	1,3,4,5	Done	Done	Done	Being Implemented by Umgeni Water	This project is now complete and functional.
1 2	Zwelethu Housing Development	Construction of bulk water infrastructure to supply Human Settlement Development (120 units). Construction of 110mm dia UPVC gravity pipeline of 150m length, 63mm dia HDPE pressure pipeline of 420m long, 63mm and 25 mm dia HDPE gravity pipeline approximately 80m to connect to the existing network. Construction of valve chambers, fittings and water meter manholes. Construction of a booster pump station. Provision of yard connection to the 99 built households. Installation of a 150kl pressured steel elevated tank on a 10m high stand.	R 2 201 792	R 2 201 792	600 people and 120 households	Aug-13	2014/11/31	100	Richmond LM	15	3	Complete	Complete	Complete	No EIA required - only EMP	This project is now complete and functional.

13	Amanda's Hill Housing Development	Construction of bulk water infrastructure to supply Human Settlement Development (60 units)	Project still at BP stage	Project still at BP stage	300 people and 60 households	Project still at BP stage	Project still at BP stage	0	Richmond LM	Project not implemented as yet	3	Project still at BP stage	Project still at BP stage	Project still at BP stage	EIA Required	This project is currently at a business plan stage. (No funding confirmed for implementation)
14	St Bernard Housing Development	Construction of bulk water infrastructure to supply Human Settlement Development (360 units)	Project still at BP stage	Project still at BP stage	1,800 people and 360 households	Project still at BP stage	Project still at BP stage	0	Richmond LM	Project not implemented as yet	3	Project still at BP stage	Project still at BP stage	Project still at BP stage	EIA Required	This project is currently at a business plan stage. (No funding confirmed for implementation)
15	St Bernard Housing Development	Construction of bulk water infrastructure to supply Human Settlement Development (360 units)	Project still at BP stage	Project still at BP stage	1,800 people and 360 households	Project still at BP stage	Project still at BP stage	0	Richmond LM	Project not implemented as yet	4	Project still at BP stage	Project still at BP stage	Project still at BP stage	EIA Required	This project is currently at a business plan stage. (No funding confirmed for implementation)
16	Mzinolovu-borehole emergency relief-Upper Part	Construction of standpipe level of service reticulation network in Mzinolovu. With 10 communal standpipes. Drilling and equipping a boreholes, construction of meter chambers and borehole chamber.	R 1 000 000	completion stage	51 households and 255 people	Apr-16	Mar-16	100	Richmond LM	10,00	1	DONE	DONE	DONE	EIA not required	Project completed and functioning
17	Mzinolovu-borehole emergency relief-Lower Part	Construction of standpipe level of service reticulation network in Mzinolovu. With 10 communal standpipes. Drilling and equipping a boreholes, construction of meter chambers and borehole chamber.	R 1 000 000	operation stage	60 households and 300 people	operation stage	operation stage		Richmond LM	Project not implemented as yet	1	Design stage	Design stage	Design stage	EIA not required	The existing pump has been replaced and the pump is running smooth. O&M has re-installed a new pump on the existing borehole

18.3.7 Department of Health

Category	No	Level of Care	Name	Municipality	Current Status
	1	Hopewell Clinic	Richmond	Richmond	Planning

18.3.8 Department of Transport

MPUMALANGA KZ 226-7 Local Roads 2017/18

DESCRIPTION	BUDGET	L/ COUNCIL
Construction of Vela Maria Road-0.0-1.295km	R 550 000.00	KZ226
Construction of Nonzila Road-0.0-0.646km	R 500 000.00	KZ226
Construction of Majeza Road- 0.00-1.1km	R 700 000.00	KZ227
Construction of Mabhalishi Road-0-1km	R 500 000.00	KZ226
Construction of Lubhaqa Road-o-2.363km	R 900 000.00	KZ227
Construction of Jobe Road-0-1.753km	R 800 000.00	KZ226
Construction of Ndlovu Road-L1116-0-3.331km	R 1 500 000.00	KZ227
Construction of Chamane Road-0-2.548km	R 1 000 000.00	KZ227
Construction of Sontweni Road-from 0.00-0.525km	R 500 000.00	KZ226
Construction of Tehuis Causeway	R 2 000 000.00	KZ227
Construction of P116 Causeway	R 2 000 000.00	KZ227
Concrete works-D2169	R 1 000 000.00	KZ227
Concrete works-D977	R 1 000 000.00	KZ227
Construction of D59 Causeway	R 100 000.00	KZ227
Construction of L341 Causeway	R \$100 000.00	KZ226

MPUMALANGA KZ 226-7 GRAVELLING 2017/18

DESCRIPTION	BUDGET	L/COUNCIL
Re-gravelling of D 545 (0.0-5.2km), D72 (0-6.8km)	R 2 900 000.00	KZ226
Re-gravelling of L674 (0-7.1km), D1066 (0-4.534km)	R 3 200 000.00	KZ227
Re-gravelling of P 26 (20-23km), L1314(0-2.5km), D1026(0-6.1km), L2100(0-2.31km), L1684(0-.970km), L2553(0-2.279km)	R 4 600 000.00	KZ226
Re-gravelling of D 1065-0-1.781km-1.781km+P728(28.2-40)+L818(2-2.9)+D274(0-9.427)	R 6 000 000.00	KZ227
Re-gravelling of L654-0.0-2.4km+L2554	R 650 000.00	KZ226

ANNUAL OPERATIONAL PLAN

18.4 THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The SDBIP provides the vital link between the mayor, council (executive) and the administration, and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, senior managers and community.

It is the intention of the Richmond Municipality to formulate a well informed SDBIP in order to ensure that appropriate information is circulated internally and externally for purposes of monitoring the execution of the budget, performance of senior management and achievement of the strategic goals of the municipality as set out in the Integrated Development Plan 2017/18. It will ensure that the Administrative Head (Municipal Manager) is able to monitor the performance of senior managers, the Mayor, in turn, to monitor the performance of the municipal manager and more importantly, it will ensure that the community is able to monitor the performance of the municipality. In order to achieve this, the SDBIP should therefore determine the performance agreements between the Mayor and the Municipal Manager and, again in turn, between the Municipal Manager and senior managers (Strategic Managers) formulated and signed at the start of every financial year and approved by the mayor.

18.4.1 The Concept of the SDBIP

Whilst the budget, which is informed by the IDP, sets the yearly service delivery and budget targets (revenue and expenditure per vote), it is imperative that in-year mechanisms are able to measure performance and progress on a continuous basis. Hence, the end-of-year targets must be based on quarterly and monthly targets, and the Municipal Manager must ensure that the budget is built around quarterly and monthly information. Being a start-of-year planning and target tool, the SDBIP gives meaning to both in-year reporting in terms of section 71 (monthly reporting), section 72 (mid-year report) and end of year annual reports.

The SDBIP is essentially the management tool which links each service delivery output to the budget of the municipality and also indicates the responsibilities and outputs for each of the senior managers in the top management team.

Being a management and implementation plan (and not a policy proposal), the SDBIP is not required to be approved by Council – HOWEVER it is required to be tabled before Council and made public for information and for purposes of monitoring.

18.4.2 Process of Formulation

Section 1 of the MFMA defines the SDBIP as:

“a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c)(ii) for implementing the municipality’s delivery of services and the execution of its annual budget and which must include (as part of its top layer) the following:

- (a) *Projections for each month of –*
- (i) *Revenue to be collected, by source: and*
- (ii) *Operational and capital expenditure, by vote:*

Service delivery targets and performance indicators for each quarter”.

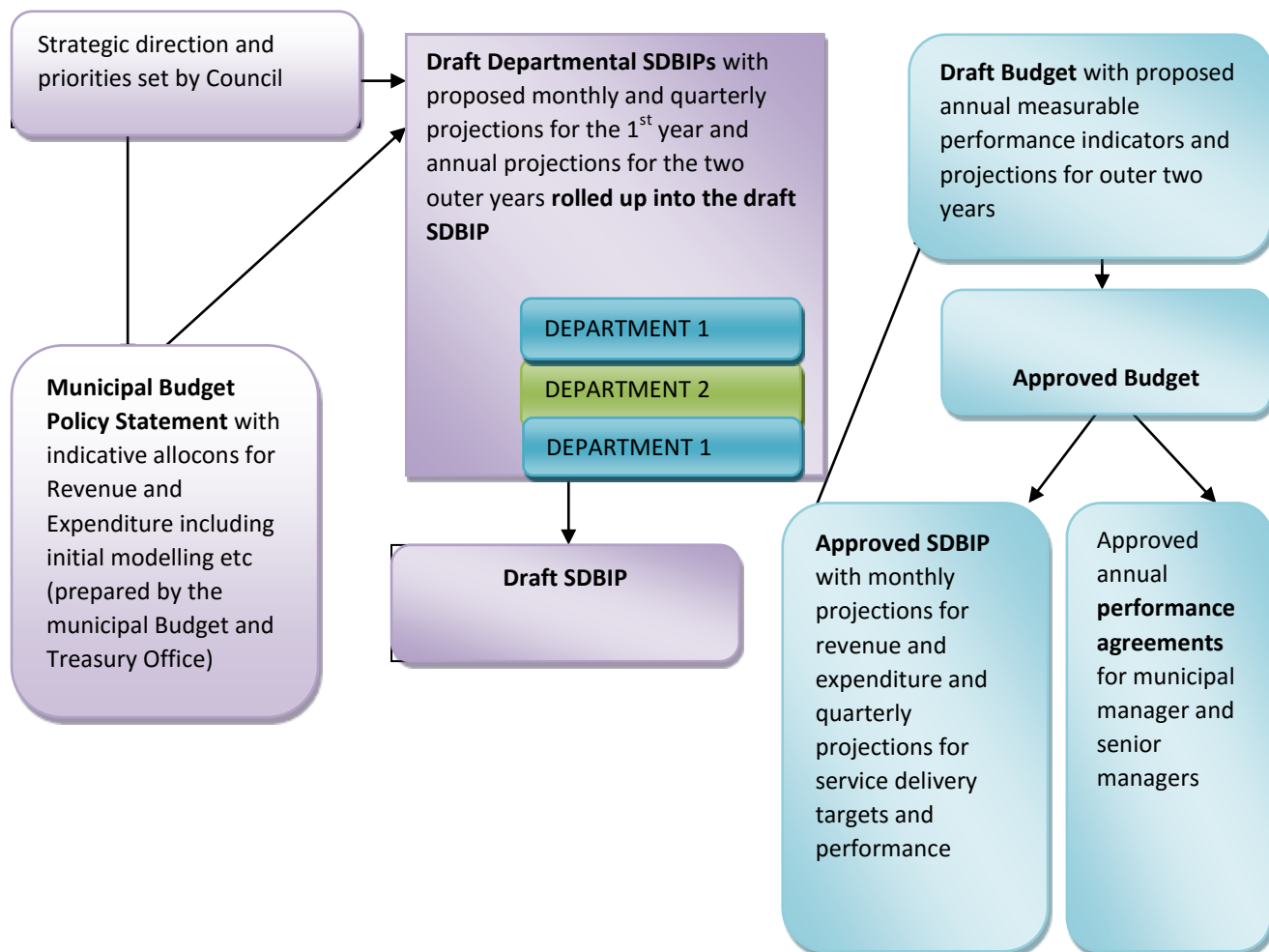
The Municipal Manager is responsible for the preparation of the SDBIP, which must be legally submitted to the mayor for approval once the budget has been approved by the council (around end-May or early-June of any financial year). Once the budget is approved by Council, the Municipal Manager should submit to the Mayor, the SDBIP together with the necessary performance agreements for final approval within 14 days after the approval of the budget.

Upon approval of the SDBIP and the performance agreements by the Mayor, it is imperative that the plan and agreements are made public within 14 days, preferably before 01 July of only financial year. It is noted that it is only the top layer (or high-level) details of the SDBIP that is required to be made public.

18.4.3 Timing and Methodology for Preparation of Service Delivery and Budget Implementation Plan (SDBIP)

The Municipal Finance Management Act, Act 56 of 2003, in specific, Section 69(3) (a) of the MFMA requires the Accounting Officer to submit a draft SDBIP to the mayor no later than 14 days after the approval of the budget and draft of the performance agreement as required in terms of Section 57(1) (b) of the Municipal Systems Act. The mayor must subsequently approve the SDBIP no later than 28 days after the approval of the budget in accordance with section 53(1) (c) (ii) of the MFMA.

18.4.4 Process for preparing and approving the SDBIP



19 ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

19.1 GUIDING PRINCIPLES

Although the Richmond Municipality has developed a Performance Management System, practice has indicated that the System may not be as user-friendly as was intended. It is now fundamental that the Municipality review the entire System to ensure that it is understood and implementable thus ensuring that the Citizens Participation Charter is well informed. To date no organizational performance review has taken place although it is the intention to ensure that the performance of the organisation as well as applicable Managers is undertaken.

The objectives of the Municipality, as set out in the Constitution of the Republic of South Africa, are recorded as follows:

- **To provide democratic and accountable government for local communities**
- **To ensure the provision of services to communities in a sustainable manner**
- **To promote social and economic development**
- **To promote and safe and healthy environmental, and**
- **To encourage the involvement of communities in matters of local government**
- **In line with the above, the formulation of the Integrated Development Plan to inform the Budget of the Municipality which is aligned to the PMS and the processes in terms of Mayoral Integrated Development Plan/Budget Izimbizo, participation by Ward Committees and Communities together with the developed Communication Strategy and resultant Citizens Participation Charter is responsive to the above objectives.**

In order to address any inherent risks which may be identified, it is imperative that the following receives the necessary attention:

- **Refined SDBIP catering for activities and deliverables with associated milestones, SMART indicators with more realistic targets**
- **Bi-Monthly high-level departmental report indicating departmental and organizational performance in terms of indicators and targets set**
- **Action, in terms of reports submitted, to be undertaken to ensure that any hint of non-performance can be addressed timeously**
- **Quarterly appraisals to be undertaken for the Municipal Manager and each Departmental Head**
- **The Municipality must consider the establishment of a PMS Unit or alternatively Good Government Unit to ensure that the strategic approach (Integrated Development Plan) in terms of delivery through the PMS is achieved (the necessary**

provisions in terms of finances and human capacity must be made in order to ensure that any audit does not deliver negative results)

- Skills training together with capacity building must be undertaken for officials appointed or seconded to PMS / Good Governance Unit
- Capacity Building for the Mayor in terms of the SDBIP formulated for the Municipal Manager

On a lighter note, the following can be recorded as the Municipality's accomplishments to date:

- 2015/2016 Annual Report formulated and adopted by Council together with the Oversight Report
- Signature of Performance Agreements by Section 57 Employees
- Development of Communication Strategy together with Citizens Participation Charter
- Formulation and implementation of SDBIP

The following key outputs are identified:

- Assess and review current PMS and refine to current realities and expected implementation in terms of targets to be met
- The outcome of the assessment in terms of any gaps identified must be analysed in terms of Integrated Development Plan and PMS requirements
- Development of the Municipal Scorecard as well as the development of Municipal Indicators in order to address backlogs in terms of the SMART principles
- Stakeholder input on the draft scorecard
- Finalised scorecards for Council approval as a performance planning and measurement tool

The annual reports have been developed for the last three years. 2013/2014, 2014/2015 and 2015/2016. 2008/2009 financial year was the first year that the Richmond had produced an oversight report. The Richmond Municipality, in terms of the outcome of the audit of the accounts of the Municipality for the 2010/2012 financial year as conducted by the Auditor-General received an UNQUALIFIED with no matters (**CLEAN AUDIT**) audit report. Below is the annual report.

19.2 ANNUAL PERFORMANCE REPORT OF PREVIOUS YEAR

The annual report has been attached

19.3 ORGANISATIONAL KEY PERFORMANCE INDICATORS LINKED TO DEPARTMENTAL INDICATORS (REFER BELOW)

19.4 DEPARTMENTAL INDICATORS LINKED TO OUTPUTS IN THE PERFORMANCE AGREEMENTS (REFER BELOW)

19.5 OUTPUTS IN THE PERFORMANCE AGREEMENTS LINKED TO ACTIVITIES IN THE OPERATIONAL PLANS AND INDICATORS (REFER BELOW)

ORGANISATIONAL SCORECARD

After a detailed and careful analyses of the current organisation scorecard it was found that the Municipality needs to review its Organisation scorecard and ensure that it is aligned to the IDP and to what the Municipality needs to achieve and focus on.

The following key performance indicators are proposed for the Organisation scorecard.

KPA	INDEX	IDP REFERENCE NUMBER	STRATEGY	OBJECTIVE/GOAL	MEASURABLE OUTPUTS AND OUTCOMES	STRATEGIC INITIATIVE /ACTIVITY
KPA 1 - MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT.	MTID	MTID-001	2. Implement monitoring and evaluation mechanisms.	2. Increase performance and operational efficiency.	<ul style="list-style-type: none"> Improved organisational and individual performance at all levels. Improved productivity /service delivery in the municipality. Improve Compliance with EE Act. 	2. Develop and implement integrated balanced scorecard methodology.

		MTID-002	2. Manage and allocate resources required to support the administration and operations of the municipality.	1. Optimise operational systems and processes.	<ul style="list-style-type: none"> • Quick turnaround time on request for support services. • Readily available resources. • Automated processes. • Customer satisfaction improved. • Highly trained and knowledgeable workforce. • Above average individual work performance. 	2. Implement newly refined systems and processes and monitor efficiency through customer surveys and via performance management mechanisms.
		MTID-003	2. Build workforce capacity to meet the operational requirements of the municipality through acquiring right skills and by developing and upskilling of staff.	2. Strengthen the capacity of the workforce.	<ul style="list-style-type: none"> • Prioritized posts filled on the organogram; • Skills development plan implemented; 	2. Develop and implement staff retention and management development programme.

KPA	INDEX	IDP REFERENCE NUMBER	STRATEGY	OBJECTIVE/GOAL	MEASURABLE OUTPUTS AND OUTCOMES	STRATEGIC INITIATIVE /ACTIVITY
KPA 2 – BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT.	BSDID	BSDID-001	2. Increase the capacity of municipal infrastructure and extend the services rendered by the municipality.	2. Facilitate universal access to high quality services and happy communities living in a safe and healthy environment sustained by fruitful local economy, clean governance and performance driven municipality.	<ul style="list-style-type: none"> • Poverty alleviation; • Public safety; • Reduction of social evils; and • Healthy living environment. 	2. Implement service delivery programmes and reduce services and infrastructure backlogs.

		BSDID-002	2. Improve provision of social development services.	2. Promote health and safety and provide disaster relief.	<ul style="list-style-type: none"> • Healthy communities; • Safe environment; • Provide relief for disaster incidents 	2. Implement social, safety and security and disaster management programmes
		BSDID-003	2. Facilitate improved literacy rate and better standard of living	2. Increased opportunities for better life and improved standard of living.	<ul style="list-style-type: none"> • Improve pass rate for matric in local schools; • Improve knowledge sharing amongst youth; • Improve opportunities for better livelihood 	2. Promote use of Library facilities and dissemination of information through use of local youth office

KPA	INDEX	IDP REFERENCE NUMBER	STRATEGY	OBJECTIVE/GOAL	MEASURABLE OUTPUTS AND OUTCOMES	STRATEGIC INITIATIVE /ACTIVITY
KPA 3 – LOCAL ECONOMIC DEVELOPMENT.	LED	LED-001	1. Grow economy and expand investments and business opportunities which will result in job creation.	1. Stimulate and promote local economy.	<ul style="list-style-type: none"> • Job creation • Investor attraction • Improve tourism industry • Business growth 	2. Implement LED and Tourism Strategies and Programmes.
		LED-002	2. Provide support to SMME's Co-Operatives and Other Local Businesses.	1. Increase support to local economy role players.	<ul style="list-style-type: none"> • Developing the local economy. • Increasing the number of entrepreneurs in the within the municipal area. 	2. Develop and implement SMME and Cooperatives support programme.
		LED-003	3. Create functional LED structures and mobilize LED stakeholders.	1. Strengthen LED Capacity and Governance.	<ul style="list-style-type: none"> • Functional and effective Led Structures 	2. Establish and coordinate LED Structures.

KPA	INDEX	IDP REFERENCE NUMBER	STRATEGY	OBJECTIVE/GOAL	MEASURABLE OUTPUTS AND OUTCOMES	STRATEGIC INITIATIVE /ACTIVITY
KPA 4 – MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	MFVM	MFVM-001	1. Improve systems for demand and supply chain management.	1. Optimise demand and supply management of goods and services and maximise value for money.	<ul style="list-style-type: none"> SCM Efficiency Compliance to SCM policy of the municipality 	2. Enforce compliance with SCM Policy in the implementation of procurement plan to control expenditure and supply management of goods and services to maximise value for money.
		MFVM-002	2. Reduce dependency on grants and increase revenue collection and alternative revenue generation sources.	1. Optimise revenue generation and maximise income collection.	<ul style="list-style-type: none"> Reduction in debtors book, Increase revenue collection, Increase revenue base for the municipality 	2. Ensure maximum implementation of Credit Control policy, enhance billing systems and implement revenue enhancement strategy to maximise revenue generation.
		MFVM-003	3. Prepare financial plans and provide reports in terms of applicable legislation.	1. Improve financial planning and reporting.	<ul style="list-style-type: none"> Unqualified audit opinion' Credible budgets' Compliance. 	2. Develop and implement financial compliance plans, AG and IA action plans to improve financial planning and reporting.

KPA	INDEX	IDP REFERENCE NUMBER	STRATEGY	OBJECTIVE/GOAL	MEASURABLE OUTPUTS AND OUTCOMES	STRATEGIC INITIATIVE /ACTIVITY
KPA 5 – GOOD GOVERNANCE AND PUBLIC PARTICIPATION.	GGPP	GGPP-001	1. Establish governance structures and develop protocols for all processes and participate in all IGR to share knowledge best practises and promote integrated development.	1. Strengthen governance and IGR Structures.	<ul style="list-style-type: none"> Fully functional governance structures, Policies and by-laws developed, Full participation in IGR, Effective risk management in place, and Continuous monitoring and evaluation of progress and compliance. 	2. Develop and implement an anti-corruption strategy and communication plan.

		GGPP-002	1. Ensure compliance to all legislative mandates and implementing processes and programmes to promote public awareness.	1. Improve compliance and public participation and awareness.	<ul style="list-style-type: none"> Legislative compliance, Public participation increased, and Fully functional ward committees. 	2. Develop and implement public participation policy and monitoring and evaluation.
		GGPP-003	1. Implement systems and processes which ensure clean audits, compliance to legislation and high performance.	1. Improve compliance efficiencies and the audit opinion.	<ul style="list-style-type: none"> Clean audit opinion, Compliance, Reduced risk, Efficient systems, and Effective PMS. 	2. Implement all municipal policies and performance systems.

KPA	INDEX	IDP REFERENCE NUMBER	STRATEGY	OBJECTIVE/GOAL	MEASURABLE OUTPUTS AND OUTCOMES	STRATEGIC INITIATIVE /ACTIVITY
KPA 6 – CROSS CUTTING KEY PERFORMANCE INDICATORS	CC	CC-001	1. Develop and maintain municipal infrastructure and facilities including the capacity to extend the provision of mandated functions.	1. Improve development and implementation of credible IDP, SDF and LUMS.	<ul style="list-style-type: none"> Credible IDP, Improved IDP rating that is compliant. 	2. Develop credible IDP with up-to-date sector plans of the Municipality to improve services and infrastructure provision.
		CC-002	2. Implement measures for the safeguarding of assets for the municipality and community facilities to promote efficiency and accountability.	2. Promote accountability and efficiency in the use of municipal assets and community facilities	<ul style="list-style-type: none"> Accountability Efficient use of municipal resources 	2. Safeguard assets of the municipality and community facilities.
		CC-003	2. Unleash talent and promote healthy lifestyles through encouraging participation in sports and recreation and arts and culture.	1. Unleash local talent and healthy styles through sports and arts and culture.	<ul style="list-style-type: none"> Credible IDP, Improved IDP rating that is compliant. 	2. Promote participation of local youth in Sports and Recreation and Arts and Culture Programmes.

Richmond Municipality SDBIP for 2017/18 financial year

RICHMOND MUNICIPALITY																												
REGULATED INDICATORS IN TERMS OF MUNICIPAL PLANNING AND PERFORMANCE REGULATIONS OF 2006.																												
QUARTERLY PROJECTIONS FOR SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS FOR EACH VOTE - SDBIP 2017/2018 FINANCIAL YEAR.																												
INDEX NO.	IDP REF NO.	SDBIP REF NO.	STRATEGIC INITIATIVE /ACTIVITY	OUTPUTS AND OUTCOMES	INDICATOR	UNIT OF MEASUREMENT	ANNUAL TARGET	TARGET DATE	QUARTER ENDING 30 SEPTEMBER 2017			QUARTER ENDING 31 DECEMBER 2017			QUARTER ENDING 31 MARCH 2018			QUARTER ENDING 30 JUNE 2018			REASON FOR DEVIATION	CORRECTIVE MEASURE	BUDGET ALLOCATED	SOURCE DOCUMENT				
									PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT								
1			MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT																									
MTID	D-001	RI 1	Implement newly refined systems and processes.	Highly trained and knowledgeable workforce.	Budget Spent on Implementation of WSP.	Budgeted Amount	R 100 000,00	30-Jun-17	R 25 000			R 50 000			R 75 000			R 100 000							Expenditure Report			
						Actual Amount	R 100 000		R 25 000			R 50 000			R 75 000			R 100 000									100 000	
						Percentage Spent	100%		25%			25%			25%			25%										
MTID	MTID-001	RI 2	Develop and Implement integrated balanced scorecard	Improve compliance with Employment	Date of consolidation and submission of WSP for 2018-19 Financial year.	Date	31-Mar-18	31-Mar-18									31-Mar-18							No Budget allocated	Copy of WSP & Submission Letter			
MTID	MTID-001	RI 3			Number of documents developed	Number	1	30-Sep-17	1																No Budget allocated	Approval Resolution from Council		

BS DI D	BSDI D- 001	RI 8			Percent age number of househ olds approv ed for Free Basic Electrici ty Based on Applica tion.	Percent age	100%	Quate rly	100%			100%			100%						No Budget allocated	Applica tions for free electrici ty
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT																						
MF V M	MFV M- 002	RI 11	Enforce complianc e with SCM Policy in the implem entation of procurem ent plan to control expenditur e and	Efficienc y in the Supply Chain Manage ment Processe s.	Percent age of Capital Budget Spent on project s identifi ed in the IDP.	Percent age	100%	30- Jun- 18	25%			25%			25%						Capital Expendi ture Reports	
MF V M	MFV M- 002	RI 12	supply of goods to maximise value for money.	Increase revenue collectio n, Improve revenue base and improve debt recovery ratio.	Percent age of Own Revenu e against grants Receive d from Govern ment.	Percent age	70%	30- Jun- 18							70%						Revenu e Reports	
MF V M	MFV M- 002	RI 13			Percent age of debtors collecte d against	Percent age	75%	Quart erly	75%				75%			75%						No Budget allocated

RICHMOND MUNICIPALITY																								
OFFICE OF THE SPEAKER AND OFFICE OF THE MAYOR																								
QUARTERLY PROJECTIONS FOR SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS FOR EACH VOTE - SDBIP 2017/2018 FINANCIAL YEAR.																								
INDEX NO.	IDP REF NO.	SDBIP REF NO.	STRATEGIC INITIATIVE/ACTIVITY	OUTPUTS AND OUTCOMES	INDICATOR	UNIT OF MEASUREMENT	ANNUAL TARGET	TARGET DATE	QUARTER ENDING 30 SEPTEMBER 2017			QUARTER ENDING 31 DECEMBER 2017			QUARTER ENDING 31 MARCH 2018			QUARTER ENDING 30 JUNE 2018			REASON FOR DEVIATION	CORRECTIVE MEASURE	BUDGET ALLOCATED	SOURCE DOCUMENT
									PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT				
1 GOOD GOVERNANCE AND PUBLIC PARTICIPATION																								
GGPP	GGPP-001	OTS01	Strengthen governance and IGR Structures and Improve Compliance and Public Participation.	Fully Functional Ward Committees	Number Schedules of Ward Committee meetings	Number	1	31-Aug-16	1													No Budget Allocated	Schedule of Meetings Submitted to CoGTA	
GGPP	GGPP-001	OTS02		Functioning of Ward Committees	Number of Reports submitted to MANCO	Number	21	Quarterly	21				21				21						No Budget Allocated	Ward Committee Reports/
GGPP	GGPP-001	OTS03		Fully Functional Ward Committees	Minutes of Ward Committee Meetings submitted to CoGTA	Number	21	Quarterly	21				21				21						No Budget Allocated	Ward Committee Minutes of Meetings
GGPP	GGPP-001	OTS04		Anti-Corruption Strategy Developed, Workshoped and	Date of Approval By Council	Date	31-Dec-17	31-Dec-17					31-Dec-16										No Budget Allocated	Council Resolution and Minutes of

RICHMOND MUNICIPALITY																										
DEPARTMENT - TECHNICAL SERVICES - PROJECT MANAGEMENT UNIT																										
QUARTERLY PROJECTIONS FOR SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS FOR EACH VOTE - SDBIP 2017/2018 FINANCIAL YEAR.																										
INDEX NO.	IDP REF NO.	SDBIP REF NO.	STRATEGIC INITIATIVE/ACTIVITY	OUTPUTS AND OUTCOMES	INDICATOR	UNIT OF MEASUREMENT	ANNUAL TARGET	TARGET DATE	QUARTER ENDING 30 SEPT 2017			QUARTER ENDING 31 DEC 2017			QUARTER ENDING 31 MARCH 2018			QUARTER ENDING 30 JUNE 2018			REASON FOR DEVIATION	CORRECTIVE MEASURE	BUDGET ALLOCATED	SOURCE DOCUMENT		
									PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT						
2			BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT																							
BS DID	BSD ID-001	PM U 01	Implement service delivery programmes and reduce services and infrastructure backlogs.	Porvert y alleviation, reduction of social evils and healthy living environment.	Percentage Stage of Completion of Bulawayo Sportsfield	Percentage	100 %	30-Sep-17	25%														R 1386 968,00	Completion Certificate		
BS DID	BSD ID-001	PM U 02			Date of appointment of contract or for Smozomeni Road Tarring Project P2.	Date	30-Sep-17	30-Sep-17	30-Sep-17																R 7587 472,00	Letter of Appointment and Minutes of Bid Adjudication Committee.
BS DID	BSD ID-001	PM U 03			Number of Gravel Layers completed for Smozomeni Tarring Project	Number	4 Layers	30-Jun-18	1 Layer					1 Layer											No Budget Allocated	Project Implementation Report certified by Project Consultant.

BS DID	BSD ID- 001	PM U 07	environ- ment.	Date of appointment of contract or for Bus Shelters in Ward 2	Date	30-Sep-17	30-Sep-17	30-Sep-17												R 400 000,00	Letter of Appointment and Minutes of Bid Adjudication Committee.	
BS DID	BSD ID- 001	PM U 08		Percentage stage of completion of Bus Shelters in Ward 2	Percentage	100 %	31-Mar-18	25%			25%			25%						No Budget Allocated	Completion Certificate	
BS DID	BSD ID- 001	PM U 09		Date of appointment of contract or - Multipurpose Sport Project	Date	30-Sep-17	30-Sep-17	30-Sep-17													R 4 000 000,00	Letter of Appointment and Minutes of Bid Adjudication Committee.
BS DID	BSD ID- 001	PM U 10		Percentage Stage of Completion - Multipurpose Sport Project	Percentage	100 %	30-Jun-18	25%			25%			25%							No Budget Allocated	Project Implementation Report certified by Project Consultant.
BS DID	BSD ID- 001	PM U 11		Date of Review of Infrastructure Development Plan.	Date	30-Dec-17	30-Dec-17	30-Dec-17														Minutes of MANCO, Infrastructure Portfolio Committee and Exco

						T				PROJ ECTE D	ACT UAL	BUD GET SPE NT	PROJ ECTE D	ACT UAL	BUD GET SPE NT	PROJ ECTE D	ACT UAL	BUD GET SPE NT	PROJ ECTE D	ACT UAL	BUD GET SPE NT	TION	URE				
2 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT																											
BS DI D	BS DI D- 00 1	O M U 01	Implement service delivery programmes and reduce services and infrastructure backlogs.	Porverty alleviation, reduction of social evils and healthy living environment.	Numbe r of work schedul es implem ented for mainte nance of verges and grass cutting.	Numbe r	12 Work Sched ules	Mont hly	12 Wor k Sche dules				12 Work Sche dules						3 Work Sche dules							54305 12,00	Grass cutting Worksc hedule s signed by Supervi sor and Senior Techni cian
BS DI D	BS DI D- 00 1	O M U 02			Numbe r of work schedul es signed for mainte nance of public open spaces.	Numbe r	12 Work Sched ules	Mont hly	3 Wor k Sche dules				3 Work Sche dules						3 Work Sche dules								Work Schedu les Signed by Supervi sor and Senior Techni cian for mainte nance of public open spaces.

BS DI D	BS DI D- 00 1	O M U 03			Number of work schedules signed for grass maintenance of Municipal Premises.	Number	24 Work Schedules	2 Weekly	6 Work Schedules			6 Work Schedules			6 Work Schedules							Work schedules signed by Supervisor and Senior Technician for maintenance of municipal premises.
BS DI D	BS DI D- 00 1	O M U 04			Number of New Households with Access to refuse removal as opposed to conventional ways of disposing.	Number	3300	30-Jun-17	1500			3300									12653 95,00	List of House holds serviced through the new skips purchase by the Municipality.
BS DI D	BS DI D- 00 1	O M U 05			Number of Work schedules signed for weekly refuse collection in	Number	48 Weekly Schedules	Weekly	12 Work Schedules			12 Work Schedules			12 Work Schedules							Work Schedules for weekly refuse collection signed by the Supervisor and

BS DI D	BS DI D- 00 1	O M U 08	Implement service delivery programmes and reduce services and infrastructure backlogs.	Porverty alleviation, reduction of social evils and healthy living environment.	Number of work schedules signed for daily maintenance of Landfill site.	Number	48 Weekly Schedules for daily maintenance of landfill site.	Weekly	12 Work Schedules			12 Work Schedules			12 Work Schedules						22355 40,00	Work Schedules for daily maintenance of landfill site signed by the Supervisor and Senior Technician.
BS DI D	BS DI D- 00 1	O M U 09			Number of Inspections and reports for faulty Street Lights.	Number	4 Inspections Reports to Eskom	Quarterly	12 Reports			12 Reports			1 Report						No Budget Allocated	Reports Signed by the Senior Technician and SM Technical Services.
BS DI D	BS DI D- 00 1	O M U 10			Number of Work Schedules signed for garden refuse removal.	Number	12 Work Schedules	Monthly	3 Work Schedules			3 Work Schedules			3 Work Schedules						54305 12,00	Work Schedules Signed by Supervisor and Senior Technician for collection of garden refuse.

BS DI D	BS DI D- 00 1	O M U 11			Number of Work Schedules signed for Estates.	Number	48 Weekly Schedules for Estates and Building Renovations.	Weekly	12 Work Schedules			12 Work Schedules			12 Work Schedules								Work Schedules for Estates and Building Renovations signed by the Supervisor and Senior Technician.
BS DI D	BS DI D- 00 1	O M U 12			Number of work schedules signed for digging of graves at the cemetery	Number	12 Reports	Quarterly	12 Work Schedules			12 Work Schedules			3 Reports							47549 0,00	Work Schedules for Digging of Graves signed by the Supervisor and Senior Technician.
BS DI D	BS DI D- 00 1	O M U 13			Time in days taken to repair municipal vehicle s, plant and machinery	Number	12 Reports	Monthly	30 Days In a Month			30 Days In a Month			3 Reports							No Budget Allocated	Job Cards Signed by the Supervisor and Senior Technician on Repairs and Maintenance.

BS DI D	BS DI D- 00 1	O M U 14			Number of Kilometres of Gravel Roads Maintained in All Wards.	Number	28 Kilometres	30-Jun-17	06 Kms			14 Kms			7 Kms			7 Kms				13950 330,000	Completion Certificates Signed by the Ward Councilor and Senior Technician and Roads Supervisor.
BS DI D	BS DI D- 00 1	O M U 15			Percentage of Budget Spent on Maintenance of Black Top Roads in Pothhole Patching.	Number	12 Reports	30-Jun-17	25%			50%			3 Reports			3 Reports					Work Schedule Signed by Supervisor and Senior Technician on Maintenance of Blacktop Roads and Pothhole Patching.
BS DI D	BS DI D- 00 1	O M U 16			Date of Review of Infrastructure Maintenance Plan.	Date	30-Sep-17	30-Sep-17	30-Sep-17						30-Sep-17							No Budget Allocated	Copies of reviewed Maintenance Plan and Minute

MTI D	MTID- 002	ICT 02			Number of Updates of Municipal Website.	Number	12 Times	Montly	3 Times		3 Times		3 Times		3 Times		No Budget Allocated	Review register for website update.	
MTI D	MTID- 002	ICT 03			Date of Review of Corporate Governance ICT Policy framework by Council.	Date	30-Sep-17	30-Sep-17	30-Sep-17		31-Dec-16						No Budget Allocated	Council resolution and Copy of ICT corporate Governance Policy Framework.	
MTI D	MTID- 002	SG 01			Date of adoption of Municipal Customer Services Charter.	Date	30-Sep-17	30-Sep-17	30-Sep-17								No Budget Allocated	Council resolution and minutes of Council Meeting.	
MTI D	MTID- 002	SG 02			Number of Agendas for Council Meetings issued within 07 Days of Meetings.	Number	12 Agendas	Montly	3 Agendas		3 Agendas		3 Agendas		3 Agendas		R5000	Signed attendance Registers for Council Meetings and Minutes thereto.	
MTI D	MTID- 002	SG 03			Percentage of secretariate support provided to All Portfolio Committees	Percentage	100%	Quarterly	100%		100%		100%		100%		No Budget Allocated	Minutes of meetings for Portfolio Committees.	

MTI D	MTID- 002	SG 04			Number of audits conducted at the Registry.	Number	1 Audit	Annually							1 Audit				No Budget Allocated	Reports of audits conducted.	
MTI D	MTID- 002	SG 05			Number of Council Resolution Registers Submitted to MANCO.	Number	12 Registers	Monthly	3 Registers		3 Registers		3 Registers		3 Registers				No Budget Allocated	Copies of resolution registers of Council submitted to MANCO.	
MTI D	MTID- 002	SG 06			Number of Reports Submitted to IT, HR and Community Service Portfolio Committee.	Number	4 Reports	Quarterly	1 Report		1 Report		1 Reports		1 Reports				No Budget Allocated	Copies of reports submitted to IT & HR Portfolio Committee.	
MTI D	MTID- 003	HR 01	Develop and Implement staff retention and management development programme.	Prioritize posts filled on the organogram and strengthening capacity of the workforce.	Percentage number of staff trained according to the Workplace Skills Plan.	Percentage	100%	30-Jun-17	25%		25%		25%		25%				R80 000	Training Schedule signed by trainees.	
MTI D	MTID- 003	HR 02			Turnaround time for filling of all vacancies in days.	Days	90 Days	Quarterly	90 Days		90 Days		90 Days		90 Days		90 Days				R40 000

MTI D	MTID- 003	HR 08			Date of Employee Wellness Days held as a closing function.	Date	15-Dec-17	15-Dec-17			15-Dec-17							No Budget Allocated	Expenditure Reports.	
MTI D	MTID- 003	LR 01			Number of LLF Meetings Coordinated.	Number	4 Meetings	Quarterly	1 Meeting		1 Meeting		1 Meeting		1 Meeting			No Budget Allocated	Copies of Minutes for Local Labour Forum meetings and attendance Registers.	
6		CROSS CUTTING KEY PERFORMANCE INDICATORS																		
CC	CC-002	FLT 01	Safeguard the assets of the Municipality and municipal facilities (buildings)	Efficiency in the use of Council resources to promote accountability.	Percentage of newly acquired vehicles and plant branded in Municipal Logo.	Percentage	100%	Monthly	100%		100%		100%		100%			R1 000	Expenditure and photographs of branded vehicles.	
CC	CC-002	FLT 02			Number of Fleet Management Reports Submitted to MANCO.	Number	12 Reports	Monthly	3 Reports		3 Reports		3 Reports		3 Reports			No Budget Allocated	MANCO Resolutions and minutes of MANCO.	
CC	CC-002	BLD S 01			Date of adoption of Buildings Maintenance Plans by MANCO.	Date	30-Sep-17	30-Sep-17	30-Sep-17									No Budget Allocated	MANCO Resolutions and minutes of MANCO.	

CC	CC-002	BLD S 02			Number of building maintenance reports submitted to MANCO.	Number	12 Reports	Monthly	3 Reports		3 Reports		3 Reports		3 Reports				No Budget Allocated	MANCO Resolutions and minutes of MANCO.	
CC	CC-001	IDP 01	Develop credible IDP with up-to-date sector plans of the municipality to improve services and infrastructure provision.	Credible and compliant IDP with improved IDP rating.	Date of inputs Submission and adoption of Draft IDP for 2017/2018 .	Date	31-Mar-18	31-Mar-18					31-Mar-18						No Budget Allocated	Email proof of submission, Council Resolution and Minutes of Council Meeting.	

RICHMOND MUNICIPALITY																									
OFFICE OF THE MUNICIPAL MANAGER - LOCAL ECONOMIC DEVELOPMENT																									
QUARTERLY PROJECTIONS FOR SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS FOR EACH VOTE - SDBIP 2017/2018 FINANCIAL YEAR.																									
INDEX NO.	IDP REF NO.	SDBIP REF NO.	STRATEGIC INITIATIVE/ACTIVITY	OUTPUTS AND OUTCOMES	INDICATOR	UNIT OF MEASUREMENT	ANNUAL TARGET	TARGET DATE	QUARTER ENDING 30 SEPTEMBER 2017			QUARTER ENDING 31 DECEMBER 2017			QUARTER ENDING 31 MARCH 2018			QUARTER ENDING 30 JUNE 2018			REASON FOR DEVIATION	CORRECTIVE MEASURE	BUDGET ALLOCATED	SOURCE DOCUMENT	
									PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT					
5			LOCAL ECONOMIC DEVELOPMENT																						
LED	LED-001	LED 01	Implement LED and Tourism Strategies and Programmes.	Job creation, Investor attraction, Improved tourism industry and Economic	Percentage of LED Programmes Strategies/implemented .	Percentage	100%	Quarterly	100%			100%				100%									LED Programmes Report tabled at MANCO and Resolutio

LED	LED-001	LED 16			Number of Reports to LED Forum and Manco on Tourism Related Activities	Number	2 Reports	Bi-Annually				1 Report									Reports and Resolutions of MANCO on Tourism Forum.		
LED	LED-001	LED 17			Number of Reports to Manco in relation to Farmer Production Support Centre	Number	2 Reports	Bi-Annually				1 Report									Reports and Resolutions to Manco wrt FPSU		
LED	LED-002	LED 18	Develop and implement SMME and Cooperatives Support Programmes.	Developing the local economy and increasing the number of entrepreneurs within the municipal area.	Date of award of Community Bursary to develop sector specific skills	Date	31-Jun-18	Bi-Annually				31-Dec-17									Adopted Policy, Adverting for applications and Manco endorsement		
LED	LED-002	LED 19			Number of Cooperative and SMME development Programmes conducted.	Number	2 Programmes	Bi-Annually					1 Programme									Attendance Registers signed by attendees and reports for programme implementation.	
LED	LED-002	LED 20			Number of SMME and Cooperatives assisted with Registration and Establishmen	Number	50	30-Jun-18	10				10										Registration Certificates from CIPRO.

LED	LED-002	LED 31			Date of advertising of Municipal Owned vacant residential stands for development	Date	31-Dec-17	31-Dec-17				31-Dec-17											Copies of adverts.	
LED	LED-003	LED 32	Establish and Coordinate Local Economic Development Structures in the Municipal Area.	Functional and effective local economic development structures.	Number of reports submitted to MANCO on resolutions of LED Forum.	Number	4 Reports	Quarterly	1 Report			1 Report			1 Report			1 Report					Reports of MANCO on meetings of LED Forum.	
LED	LED-003	LED 33			Number of Reports submitted to MANCO in relation to UMDM EPWP FORUM	Number	4 Reports	Quarterly	1 Report			1 Report			1 Report			1 Report						Copies of Reports on UMDM EPWP and minutes thereto.
LED	LED-003	LED 34			Number of reports to Manco in relation to LIEC, DIEC and PIEC	Number	4 Reports	Quarterly	1 Report			1 Report			1 Report			1 Report						Copies of Reports on UMDM EPWP and minutes thereto.
LED	LED-003	LED 35			Number of reports submitted to Manco in relation to Legislative Compliance Forum (District and Local)	Number	4 Reports	Quarterly	1 Report			1 Report			1 Report			1 Report						Copies of Reports.

LED	LED-003	LED 36			Date of Adoption of Crime Prevention Strategy	Date	30-Sep-17	30-Sep-17	30-Sep-17													Attendance registers and Manco and Council resolution adopting strategy
LED	LED-003	LED 37			Date of Commemoration of Human Rights Day	Date	31-Mar-18	31-Mar-18														Attendance register and report to Manco on outcome of event
LED	LED-003	LED 38			Date of Commemoration of Heritage Day	Date	30-Sep-17	30-Sep-17				30-Sep-17										Attendance register and report to Manco on outcome of event
LED	LED-003	LED 39			Date of Crime and Substance Abuse Campaign	Date	31-Mar-18	31-Mar-18														Attendance register and report to Manco on outcome of event
2	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT																					

MTID	MTID-001	PMS04			Number of SDBIP reports for 2017/2018 financial year submitted to EXCO.	Number	4 Reports	Quarterly	1 Report			1 Report								No Budget Allocated	Executive committee Resolution and Copy of Quarterly SDBIP Reports.
MTID	MTID-001	PMS05			Number of quarterly PMS reports for all staff submitted to MANCO.	Number	4 Reports	Quarterly	1 Report			1 Report								No Budget Allocated	Copies of staff quarterly PMS reports and MANCO resolution.
MTID	MTID-001	PMS06			Date of signing of all staff work plans for 2017/2018 financial year.	Date	31-Jul-17	31-Jul-17	31-Jul-17											No Budget Allocated	Copies of all staff workplans signed and submitted to PMS Office.
MTID	MTID-001	PMS07			Percentage of staff quarterly	Percentage	100%	Quarterly	100%			100%								No Budget Allocated	Copies of Performance Report

MTID	MTID-001	PMS10			Date of Submission of Annual Performance Report for 2017/2018 Financial Year to AG.	Date	15-Aug-17	15-Aug-17	15-Aug-17											No Budget Allocated	Copy of the Report to be included in the annual report .
MTID	MTID-001	PMS11			Date of tabling of Annual Report for 2016/2017 to Council.	Date	25-Jan-18	25-Jan-18						25-Jan-18						No Budget Allocated	Resolution of Council and Copy of the Annual Report for 2016/2016.
MTID	MTID-001	PMS12			Date of tabling of Oversight Report on the Annual Report for 2016/2017.	Date	31-Mar-18	31-Mar-18						31-Mar-18						No Budget Allocated	Resolution of Council and Minutes of the Oversight Committee.

MTID	MTID-001	PMS 13			Date of Submission of Annual Report for 2016/2017 to Auditor General.	Date	31-Aug-17	31-Aug-17	31-Aug-17											No Budget Allocated	Copy of the Annual Report for 2016/2016.
MTID	MTID-001	PMS 14			Number of Annual report printed for Stakeholders	Number	31-May-18	31-May-18							31-May-18					55 000,00	Copy of the Annual Report
MTID	MTID-001	PMS 15			Number of Monthly Back 2 Basic Templates Completed and Submitted.	Number	12 Reports	Monthly	3 Reports						3 Reports					No Budget Allocated	Copies of Monthly Back 2 Basic Reports Submitted.
MTID	MTID-001	PMS 16			Number of Quarterly Back to Basic Templ	Number	4 Reports	Quarterly	1 Report						1 Report					No Budget Allocated	Copies of quarterly back to Basic Report

GGPP-002	OM05			Percentage of Loudhailing Requests Actioned	Percentage	100%	Monthly	100%													No Budget Allocated	Copies of loudhailing requests actioned.	
GGPP-002	OM06			Date of adoption of Costumer Services Charter for the Municipality	Date	30-Sep-17	30-Sep-17	30-Sep-17														No Budget Allocated	Copy of Council Resolution and copy of Customer Service Charter for the Municipality
GGPP-002	OM07			Number of reports generated from clearing of suggestion boxes submitted to MANCO.	Number	04 Reports	Quarterly	1 Report														No Budget Allocated	Copies of reports submitted to MANCO
GGPP-002	OM08			Date of Workshop for Staff on Batho Pele Principle	Date	30-Sep-17	30-Sep-17															No Budget Allocated	Attendance Register and Presentation

					s.																Batho Pele.	
GGPP	GGPP-002	OMM09			Date of Review for Batho Pele Principles Policy	Date	30-Sep-18	30-Sep-17													Council Resolution and Policy Framework	
GGPP	GGPP-002	OMM10			Number of Community Survey Reports Implemented on Service Delivery	Number	04 Reports	Quarterly	1 Report			1 Report			1 Report						Survey reports received	
GGPP	GGPP-001	OMM11	Develop and Implement an anti-corruption strategy and communication plan.	Fully functional governance structures and continuous monitoring and evaluation of progress and compliance.	Date of Risk Assessment Workshop for 2017/2018 financial year.	Date	31-Jul-17	31-Jul-17	31-Jul-17												No Budget Allocated	Consolidated Risk Register for the Municipality
GGPP	GGPP-001	OMM12			Number of Risk Register Implementation Reports Submitted to Risk Committee.	Number	4 Reports	Quarterly	1 Report			1 Report			1 Report							No Budget Allocated

GGPP	GGPP-001	OM13			Number of MPAC Reports submitted to Council.	Number	4 Reports	Quarterly	1 Report			1 Report			1 Report					No Budget Allocated	Resolution of Council and copies and reports.
GGPP	GGPP-001	OM14			Percentage of Internal Audit Plan implemented.	Percentage	100%	30-Jun-18	25%			25%			25%						Audit Plan signed by the Audit Committee having been executed.
GGPP	GGPP-003	OM15	Implement municipal policies and performance management system	Improve compliance efficiency and Audit opinion	Date of approval of Internal Audit Plan by the Audit Committee.	Date	31-Aug-17	01-Sep-17	31-Aug-17											No Budget Allocated	Copy of signed audit plan.
MTID	MTID-001	PMS11			Date of tabling of Annual Report for 2016/2017 to Council.	Date	25-Jan-18	25-Jan-18						25-Jan-18						No Budget Allocated	Resolution of Council and Copy of the Annual Report for 2016/2016.

M T I D	MT ID- 001	PMS 12			Date of tabling of Oversigh t Report on the Annual Report for 2016/20 17.	Date	31- Mar -18	31- Mar- 18							31- Mar- 18						No Budg et Alloca ted	Resol ution of Counc il and Minut es of the Oversi ght Com mitte e.
M T I D	MT ID- 001	PMS 13			Date of Submissi on of Annual Report for 2016/20 17 to Auditor General.	Date	31- Aug- 17	31- Aug- 17	31- Aug- 17												No Budg et Alloca ted	Copy of the Annua l Repor t for 2016/ 2016.
M T I D	MT ID- 001	PMS 14			Number of Annual report printed for Stakehol ders.	Numb er	100	31- May- 18								31- May- 18					55 000,0 0	Copy of the Annua l Repor t

RICHMOND MUNICIPALITY

DEPARTMENT - COMMUNITY SERVICES

QUARTERLY PROJECTIONS FOR SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS FOR EACH VOTE - SDBIP 2017/2018 FINANCIAL YEAR.

INDEX NO.	IDP REF NO.	SDBIP REF NO.	STRATEGIC INITIATIVE/ACTIVITY	OUTPUTS AND OUTCOMES	INDICATOR	UNIT OF MEASUREMENT	ANNUAL TARGET	TARGET DATE	QUARTER ENDING 30 SEPTEMBER 2017			QUARTER ENDING 31 DECEMBER 2017			QUARTER ENDING 31 MARCH 2018			QUARTER ENDING 30 JUNE 2018			REASON FOR DEVIATION	CORRECTIVE MEASURE	BUDGET ALLOCATED	SOURCE DOCUMENT
									PROJECTED	ACTUAL	BUDGET SPE	PROJECTED	ACTUAL	BUDGET SPE	PROJECTED	ACTUAL	BUDGET SPE	PROJECTED	ACTUAL	BUDGET SPE				

CC	CC-003	S&A C04			Number of Cultural Events yearly planned	Number	4 Events	31-Jun18	1 Event			1 Event			1 Event						Attendance Register		
CC	CC-002	S&C S01	Ensure safety of environment, municipal assets, and community facilities	Accountability and efficient use of municipal resources.	Number of security Management Reports Submitted to Management Committee	Number	12 Reports	Monthly	3 Reports			3 Reports			3 Reports						No budget allocated	MANCO Resolution and Minutes of Meeting.	
CC	CC-002	S&C S02			Number of Municipal and Community Facilities Reports submitted to MANCO	Number	12 Reports	Monthly	3 Reports			3 Reports			3 Reports							No budget allocated	MANCO Resolution and Minutes of Meeting.
CC	CC-002	S&C S03			Percentage of letters of Plots written and issued.	Percentage	100%	Quarterly	100%			100%			100%								No budget allocated
CC	CC-001	IDP 04	Develop credible IDP with up-to-date sector plans of the municipality to improve	Credible and compliant IDP with improved IDP	Date of inputs Submission and adoption of Draft IDP for	Date	31-Mar-17	31-Mar-18						31-Mar-17							No budget allocated	Email proof of submission, Council Resolution and	

					ment Committ ee.																		
BS DID	BSD ID- 002	CO M DEV 05			Number of Traffic Manage ment Reports Submitte d to MANCO	Number	12 Repor ts	Mont hly	3 Repor ts			3 Repor ts			3 Repor ts						No budge t allocat ed	MANCO Resoluti ons and Minutes of Meetings .	
BS DID	BSD ID- 002	CO M DEV 06			Number of Road Traffic Act Awarene ss Campaig ns	Number	20 Campa igns	30- Jun- 18	5 Campa ign			5 Campa igns			5 Campa igns							List of beneficia ries/ Report signed by Beneficia ry Stakehol der.	
BS DID	BSD ID- 003	CO M DEV 07	Promote use of library facilities and disseminati on of information through the use of Youth Local Office.	Improv ed matric pass rate in local schools, improve opportu nities for better livelihoo d	Number of Library Events Impleme nted in Wards 1, 4 & 5.	Number	12 Event s in all 3 Librar ies	30- Jun- 18	3 Event s in all Librari es			3 Event s in all Librari es			3 Event s in all Librari es							Reports for Library Event Impleme ntation.	
BS DID	BSD ID- 003	CO M DEV 08			Percenta ge of budget spent in purchasi ng books.	Percenta ge	100%	30- Jun- 18	25%			25%			25%								Expendit ure Reports.
BS DID	BSD ID- 003	CO M DEV 09			Percenta ge of Library Grant Spent in terms of	Percenta ge	100%	30- Jun- 18	25%			50%			75%			100%					

			IVITY	OUTCOME S	OR	MENT	TARGET	DATE	SEPTEMBER 2017			DECEMBER 2017			MARCH 2018			JUNE 2018			FOR DEVIATION	MEASURE	ALLOCATED	DOCUMENT		
									PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT						
6		CROSS CUTTING KEY PERFORMANCE INDICATORS																								
CC	CC-001	IDP 01	Develop credible IDP with up-to-date sector plans of the municipality to improve services and infrastructure provision.	Credible and compliant IDP with improved IDP rating.	Level of IDP rating achieved for 2016/2017.	Level	High	31-Dec-16				High											No Budget Allocated	IDP rating letter from CoGTA indicating rating for 2016/2017.		
CC	CC-001	IDP 02			Percentage of IDP shortcomings addressed for 2016/2017.	Percentage	100%	31-Dec-16				100%													No Budget Allocated	IDP Review reports for 2016/2017 year.
CC	CC-001	IDP 03			Date of Submission of IDP Process Plan for 2017/2018.	Date	31-Aug-16	31-Aug-16	31-Aug-16																No Budget Allocated	Council Resolution and Minutes of Council Meeting.
CC	CC-001	IDP 04			Date of inputs Submission and	Date	31-Mar-17	31-Mar-17																	No Budget Allocated	Email proof of submission

MTI D	MTI D- 002	P&D EV 03			Number of Building inspectio ns conduce d for illegal buildings.	Number	48 Insp ectio ns	Wee kly	12 Insp ectio ns			12 Insp ectio ns			12 Insp ectio ns						No Budge t Alloca ted	Inspec tion Sched ule signe d by the Inspec tor and the Mana ger Devel opme nt and Planni ng.
MTI D	MTI D- 002	P&D EV 04			Date of adoption of reviewed Spatial Develop ment Framewo rk.	Date	31- Mar- 17	31- Mar- 17							31- Mar- 17						No Budge t Alloca ted	Resol ution of Counc il adopti ng the revie wed SDF.
MTI D	MTI D- 002	P&D EV 08			Number of Progress Reports on the Identifica tion of Rchmond Cemeter y Project submitte d to MANCO.	Number	4 Repo rts	Quar terly	1 Repo rts			1 Repo rts			1 Repo rts				CoGT A putte d the projec t on hold. Repor ts will be provid ed when the projec t comm ence	So far the meetin g will be arrang ed with the Acting Chief Direct or from CoGTA .	No Budge t Alloca ted	Copie s of report s submi tted to MANCO

RICHMOND MUNICIPALITY																										
DEPARTMENT - BUDGET & TREASURY OFFICE																										
QUARTERLY PROJECTIONS FOR SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS FOR EACH VOTE - SDBIP 2017/2018 FINANCIAL YEAR.																										
INDEX NO.	IDP REF NO.	SDBIP REF NO.	STRATEGIC INITIATIVE/ACTIVITY	OUTPUTS AND OUTCOMES	INDICATOR	UNIT OF MEASUREMENT	ANNUAL TARGET	TARGET DATE	QUARTER ENDING 30 SEPTEMBER 2017			QUARTER ENDING 31 DECEMBER 2017			QUARTER ENDING 31 MARCH 2018			QUARTER ENDING 30 JUNE 2018			REASON FOR DEVIATION	CORRECTIVE MEASURE	BUDGET ALLOCATED	SOURCE DOCUMENT		
									PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT	PROJECTED	ACTUAL	BUDGET SPENT						
4			MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT																							
MFM	MFM-001	SCM01	Enforce compliance with SCM Policy in the implementation of procurement plan to control expenditure and supply of goods and services to maximise value for money.	SCM Efficiency and Compliance with SCM Policy of the Municipality	Date of Submission of Demand Management Plan to MANCO	Date	31-Aug-17	31-Aug-17	31-Aug-17													No Budget Allocated	Resolution of MANCO and copy of procurement plan.			
MFM	MFM-001	SCM02			Number of reports on the Implementation of DMP to MANCO	Number	12 Reports	Monthly	3 Reports				3 Reports										3 Reports		No Budget Allocated	Resolution of MANCO and copy of procurement plan.
MFM	MFM-001	SCM03			Number of Deviation Reports Submitted to MANCO	Number	12 Reports	Monthly	3 Reports				3 Reports										3 Reports		No Budget Allocated	Resolution of MANCO and copy of procur

			enhance billing systems and implement revenue enhancement strategy.	increase revenue base for the municipality .	per quarter).																	t.
M FV M	MF V M-00 2	REV 02			Percent age of current billing collected on a monthly basis.	Percentage	75%	Monthly	75%			75%			75%						No Budget Allocated	Debtors Age Analysis Report.
M FV M	MF V M-00 2	REV 03			Date of Review of Revenue Enhancement Strategy.	Date	31-Mar-17	31-Mar-17				31-Mar-17									R100,000	Resolution of MANCO and reviewed document.
M FV M	MF V M-00 2	REV 04			Number of alternative funding sources explored and identified.	Number	1 Funding Source	31-Mar-18				1 Funding Source									No Budget Allocated	Report to MANA GEMENT COMMITTEE.
M FV M	MF V M-00 2	REV 05			Number of reports for collection of lease rentals for SMME Units and	Number	12 Reports	Monthly	3 Reports			3 Reports			3 Reports						No Budget Allocated	Reports to Management Committee.

					Thuson g Centre.																						
M FV M	MF V M- 00 3	A& L 01	Develop and Implement financial compliance plans, AG and IA Action Plans to Improve financial planning and reporting.	Unqualified Audit Opinions, Credible Budgets and Financial Compliance.	Percent age of Municip al Investm ent Propert y Assets valued.	Perce ntage	100 %	30- Jun- 18													100%		No Budge t Alloca ted	Valuat ion report from the valuat ion expert .			
M FV M	MF V M- 00 3	A& L 02			Date for the assessm ent of Municip al Landfill site for its useful life.	Date	30- Jun- 18	30- Jun- 18															30- Jun- 18		No Budge t Alloca ted	Assess ment report of the landfil l site.	
M FV M	MF V M- 00 3	A& L 03			Percent age of physical asset verificat ion conduct ed.	Perce ntage	100 %	Bi- Annu ally																100%		No Budge t Alloca ted	Physic al asset count report submi tted to MANC O>
M FV M	MF V M- 00 3	B& T 01			Date of adoptio n of Budget process plan for 2018/2 019 adopte	Date	31- Aug- 17	31- Aug- 17	31- Aug- 17																	No Budge t Alloca ted	Counc il resolu tion and copy of Budge t

19.6 CONCLUSION

The Richmond Municipality Integrated Development Plan preparation for 2017/18 to 2021/22 seeks to reiterate the developmental mandate of local government with supporting objectives and strategies aimed at attaining the expectations of the organisations and the community, i.e.:

- **Creating an environment for sustainable economic growth thereby creating job opportunities.**
- **Providing for housing and socio-economic development in line with the current situation and meeting the objectives set nationally, provincially and locally (inclusive of addressing the HIV/AIDS pandemic)**
- **Mainstreaming of HIV/AIDS, disadvantaged individuals, etc**
- **Integrating the first and second economies as well as the implementation of programmes and projects in line with the principle of the EPWP**

Taking advantage of the Municipalities positioning in terms of Provincial development corridors, its location in terms of the Dube Trade Port, eThekweni Municipality and the Capital of the Province as well as its location in terms of the N3, R56 and N2

The majority of this Integrated Development Plan focuses on the challenges faced by the Municipality in terms of financial and human capacity and capability, however it is in identifying the challenges and striving to address them that the Municipality will meet its developmental mandate and ensure increased service delivery as a measurable output.

The Municipality is also required to prioritise projects and programmes in line with financial availability, source appropriate external funding to supplement its own finances and to increase delivery and more importantly work towards the alignment of the uMDM Integrated Development Plan with that of the Richmond Municipality – embark on the bottom up approach and not top down approach!

In formulating the Integrated Development Plan document greater effort was made to align the budget of the Municipality and also to attempt to seek alignment with policy makers. This document also incorporates the Millennium Development Goals as well as Provincial and National Targets.

ANNEXURES

NO	SECTOR PLAN	COMPLETED
1	Spatial Development Framework (SDF)	Under review and to be completed by 2016/17 financial year
2	Richmond Local Growth and Development Strategy_2017 and beyond	Reviewed 2017
3	Disaster Management Plan	Received 2017
4	Housing sector Plan	Reviewed 2017
5	Schedule of policies	2016
6	Organisational Structure	2016
7	ICT Governance framework	
8	Employment Equity Policy	
9	AG comments on latest audit financial statements & responses thereto	2016/17
10	Ward Based Plans and Project list	2017
11	Previous annual report	2016
12	Revenue enhancement strategy	2011
13	Indigent policy	2010