

MTHONJANENI MUNICIPALITY

IDP REVIEW 2010/11

1.0 EXECUTIVE SUMMARY

1.1 INTRODUCTION

1.2 THE MUNICIPALITY AT A GLANCE

1.2.1 LOCATION

The Mthonjaneni Municipality is one of the local municipalities that fall under the uThungulu District Municipality and comprises of the former TLC area of Melmoth, which fulfils the role of being the only town that was incorporated by the Mthonjaneni Municipality, and has acted as a commercial centre for its surrounding rural areas within the municipal area. The town of Melmoth is situated 800m above sea level with the rest of the municipal area consisting of Traditional/rural settlements as well as commercial individually-owned and company-owned farms.

1.2.2 DEMOGRAPHICS

The following table summarises the population dynamics for the municipality:

Table 1: Mthonjaneni Municipality Key Municipal Demographic Data for 2001 Census and 2007 Community Survey.

	2001	1996
Total Population	50383	36848
African	49435	35305
Coloured	244	151
Indian/Asian	33	58
White	671	1091
No. of Persons Employed	6820 (50.40%)	4730 (65.04%)
No. of Persons Unemployed	6713 (49.60%)	2542 (43.96%)

1.2.3 STATE OF THE ECONOMY

The majority of formal and informal employment opportunities are in the small town of Melmoth, which is the main administrative node of economic significance within the municipal area. This has resulted in a negative impact on the surrounding rural areas, since the majority of inhabitants in these areas are the low-income group. They are dependent on informal trading and subsistence farming in order to survive.

Apart from some light industry, the town is largely dependent on Commercial farming, which forms the base of Mthonjaneni's economy. The main activities related thereto being; timber and sugar cane production. Other farm products include; citrus, vegetables, beef and dairy, as well as a small cluster of farmers specializing in avocados targeted for the export market.

1.2.4 HOUSING AND LAND

Based on the information compiled from the Statistics SA 2001, the projections indicate that approximately **3, 1** % of households (317) within the municipal area, are in the homeless and informal dwelling/shack category, whilst **55, 8**% of dwellings (5641) fall into the traditional housing category.

With reference to the above statistics it is evident that the housing demand is very high in the rural areas which is estimated to be at least **70% (3 928)** of the total demand in rural areas and this figure is rapidly increasing. Therefore it is suggested that the rural housing projects be prioritised in the rural housing programme that seeks to reduce the backlog in basic infrastructure services within the rural areas.

There is an urgent need to address all land reform and related issues and disputes in many parts of the municipal area. The majority of these problem areas are on land that is currently occupied by commercial agriculture. This is clearly an issue that will require very careful, strategic, and well thought intervention, because commercial agriculture is the backbone of the municipality's economy.

1.2.5 INFRASTRUCTURE

The status of basic services remains a challenge for the municipality. A number of projects have already been implemented and more projects are planned. However; the limited financial and human resources make it impossible for the municipality to address all challenges at the same time.

In terms of roads infrastructure, the municipality is responsible for all roads in the CBD and the surrounding residential areas of Melmoth and Thubalethu. The municipality continues to maintain these roads and adopts a zero tolerance approach towards the use of internal roads by heavy motor vehicles that damage these roads.

In terms of electricity, the municipality's bulk supply is through Eskom and the municipality is responsible for the distribution thereof, particularly to the Melmoth area. Recently the municipality has upgraded its infrastructure in the form of transformers and continues will regular maintenance of these. The municipality will keep a close eye on its distribution abilities given the fact that the expansion of Melmoth is inevitable as more people are seeking residential accommodation in the form of middle income housing. There is also an anticipated demand from commercial and industrial users.

In terms of water and sanitation, uThungulu Municipality are the primary service authority for the provision of these services. Piped water in dwelling and/or on site is now available in almost 50% of the households in Mthonjaneni even though the backlogs remain. There are numerous plans by the district municipality intended to address the backlog. A waterborne sewerage system is available in Melmoth and Thubalethu, whilst other areas are still on VIP's and others are still without any facility. This is a challenge that has been prioritised at both the provincial and district level, and numerous projects are on the uThungulu's plan of action.

The responsibility for provision of infrastructure and basic services is distributed amongst various Service Authorities. The table below is an indication of how these are distributed:

Table 2: Distribution of responsibilities for the provision of basic services

INFRASTRUCTURE / SERVICE	RESPONSIBLE AUTHORITY	
	IMPLEMENTATION	OPERATION & MAINTENANCE
Water & sanitation	uThungulu DM	uThungulu DM
Electricity	Eskom/ Mthonjaneni	Eskom/ Mthonjaneni
Roads :Provincial & district roads	Dept. of Transport	Dept. of Transport
:Local numbered roads	Dept. of Transport	Mthonjaneni LM
:Urban roads	Mthonjaneni LM	Mthonjaneni LM
:Rural local roads	Dept. of Transport	Dept. of Transport
Waste disposal :Refuse collection	Mthonjaneni LM	Mthonjaneni LM
: Waste disposal	Mthonjaneni LM	Mthonjaneni LM
Cemeteries	Mthonjaneni LM	Mthonjaneni LM
Housing	Dept. of Housing	Mthonjaneni LM
Telecommunications	Telkom/ Cellular Service Providers	
Community facilities	Mthonjaneni LM	Mthonjaneni LM

1.3 LEGAL REQUIREMENTS FOR PREPARING THE IDP REVIEW

In terms of Chapter 5 of the Municipal Systems Act, 2000 all municipalities are required to prepare and adopt Integrated Development Plans. The Mthonjaneni IDP was adopted in 2002.

An annual review of Council's Integrated Development Plan (IDP) is required in terms of Section 34 of the Municipal Systems Act read in conjunction with the provisions of Section 53 (1) (b) of the Municipal Finance Management Act (No. 56 of 2003). These have duly been undertaken.

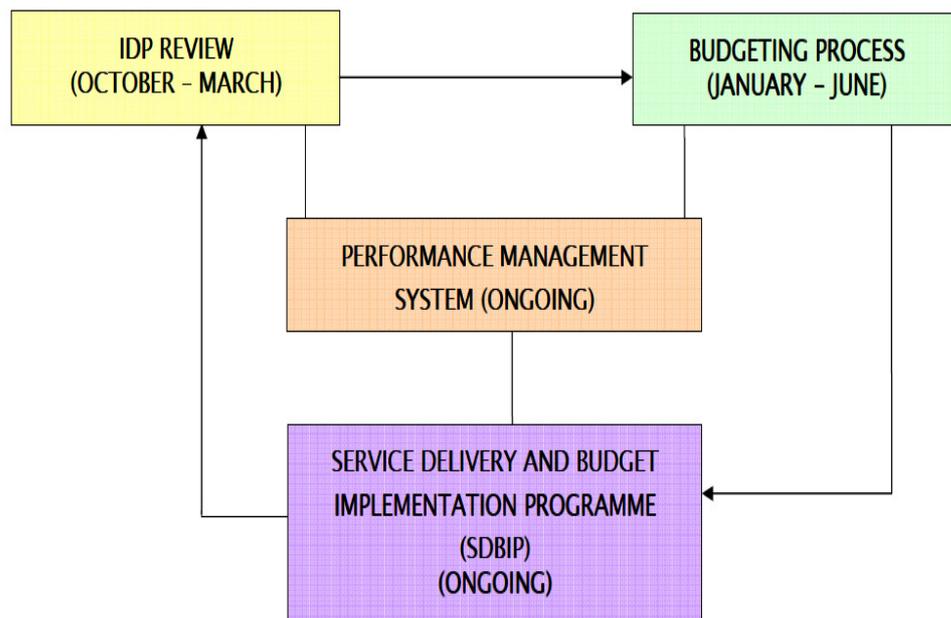
The IDP has a five year lifespan which is in accordance with the term of office of the Council. At the end of the five year period, the new council has the option of either adopting the IDP of its predecessor or to develop a new plan altogether. The present Council has continued with the existing IDP, as reviewed annually and this IDP is the **fourth** in the current five year IDP cycle.

1.4 APPROACH TO COMPLETING THE IDP REVIEW

1.4.1 BACKGROUND

The IDP is one of the four important management tools employed by the municipality in its management cycle. The other three tools are the Budget, the Service Delivery and Budget Implementation Plan (SDBIP), and the Performance Management System (PMS). This is illustrated in the diagram below:

Figure 1: Key Municipal Management Tools



Although the IDP cycles are 5 years, the IDP Vision contained in the IDP, and reflected in the Strategic Framework and the Spatial Development Framework relates to a longer time horizon of up to 20 years. In undertaking the Review, Council has to ensure that the process is:

- Implementation orientated
- Strategic
- Integrated
- Participatory

1.4.2 THE PROCESS PLAN

The review process has been guided by a Process plan, which was adopted by Council and advertised for public comment and submitted to the IDP Forum on 23 November 2009.

1.4.3 PARTICIPATION AND ALIGNMENT STRUCTURES

(i) THE IDP STEERING COMMITTEE

The municipality held IDP Steering Committee meetings on the following dates:

- 11 November 2009
- 23 November 2009
- 24 February 2010
- 15 March 2010

(ii) THE IDP REPRESENTATIVE FORUM

IDP Representative Forums (IDP RF's) were held as follows during the review process:

Table 2: IDP Representative Forum Meetings

PROPOSED DATE	ACTUAL DATE
November 2009	23 November 2009
January-March 2010	

(iii) DISTRICT ALIGNMENT FORUMS

The district municipality held several DM IDP Alignment Forum meetings.

(iv) ROADSHOWS

Road shows were held in the following communities to publicise the Draft IDP and Budget, namely:

Table 3: IDP Road Shows

WARD No.	VENUE	DATE	TIME
1	Thubalethu Hall	12/01/2010	17h:30
2	Bomvini	25/01/2010	12h:00
2	Mfule	26/01/2010	10h:00
3	Umgabhi	13/01/2010	14h:00

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3	Ekuthuleni (Pay-point)	14/01/2010	10h:00
4	Nqekwane	20/01/2010	10h:00
4	Yanguye Tribal Court	20/01/2010	13h:00
5	Hlabathini	21/01/2010	10h:00
5	Ohawule	21/01/2010	13h:00
6	Mabhungu	22/02/2010	10h:00
6	Matshansundu	22/02/2010	13h:00

1.4.4 COMMENTS RECEIVED FROM THE MEC

The following comments were received from the MEC on the 2009/10 IDP Review document:

Table 4: Comments from the MEC on the 2009/10 IDP Review

KEY PERFORMANCE AREA	COMMENTS AND RESPONSES (R)
Municipal Transformation and Institutional Development	(i) The MEC identified the need for the municipality to be explicit on its Organizational Performance Management System (OPMS), and include actual monitoring results on its 2009/10 IDP in the 2010/11 IDP Review.
	(R) This has been addressed in Section I of this report.
	(ii) The MEC expressed the need to implement the HR strategy in line with the developmental mandate.
	(R) The implementation of the Municipality's HR strategy is an ongoing process.
	(iii) The MEC identified the need to include the HIVAIDS strategy and report on its implementation.
	(R)
	(iv) The Municipality needs to address all Auditor General's comments and include these in the IDP.
Local Economic Development	(R) This matter is addressed in Section 7.4 of this report.
	(i) The MEC commented on the need to include LED strategies, projects, and timeframes in the main body of the IDP. The LED strategies need to be aligned to the Provincial Growth and Development Strategy and (PGDS) and the Provincial Spatial Economic Development Strategy (PSEDS).
	(R) This has been addressed in Section 2.5 of this report.
	(ii) The LED Plan projects need to be aligned and reflected on the SDF.
Basic Service Delivery and Infrastructure Investment	(R) The IDP priority Projects will be mapped.
	(i) The MEC pointed out that the IDP refers to a number of important infrastructure sector plans (such as; Integrated Transport Plan and Water Services Development Plan). It is suggested that the findings of these plans be reflected in the main body of the IDP document.
	(R) The majority of these Sector Plans were prepared at a District Municipality level, and in line with specific competencies of Municipalities (local and district).
	(ii) The aspect of the Indigent Policy and its implication on the delivery of Free Basic Services in view of financial and human resources constraints needs to be clarified.
	(R) This matter is dealt with in Section H of this report, In

		short, the Municipality provides Indigent Support to qualifying households with free basic electricity.
	(iii)	The Housing Sector Plan findings and recommendations needs to be reflected in the IDP under the Housing Chapter.
	(R)	This is addressed in Section 2.6.8 of this report.
	(iv)	The IDP must report on the implementation of the Infrastructure Investment Plan.
	(R)	
Financial Viability and Financial Management	(i)	The MEC identified the need to immediately finalize and include the Financial Plan in the IDP.
	(R)	This has been addressed in Section H of this report.
	(ii)	The omitted three year and five year capital programme needs to be included.
	(R)	The Draft Municipal Budget is attached as Annexure 3.
	(iii)	The IDP needs to reflect the important links to the budgeting process and the OPMS.
	(R)	
Good Governance and Community Participation	(i)	The MEC commented on the need to provide more clear strategies and programmes for the youth, women, and disabled.
	(R)	
Spatial Development Framework	(i)	The MEC commented that the SDF needs to indicate the findings of the Strategic Environmental Assessment (SEA).
	(R)	During the 2010/11 Financial Year, the Municipality will solicit funding for the holistic review of its SDF to incorporate amongst other, the findings of the SEA.
	(ii)	The SDF needs to reflect the application of key policy principles and guidelines such as the PGDS and PSEDS.
	(R)	This has been addressed in Section 4.3 of this report.
	(iii)	The Capital Investment Framework was omitted and needs to be included in the SDF to indicate the proportions of the Municipal budget that is spent on key priority corridors and nodes.
	(R)	The Municipality Priority Projects / Capital Projects are reflected in sub-section 6.3.1 of this report. They will be included on the SDF map once this has been reviewed.

1.4.5 KEY ISSUES ADDRESSED IN THIS IDP REVIEW

Key Issues addressed in this round of the IDP Review include:

Assessment Issues

- Comments received from the various role-players in the assessment of the IDP Review documentation, particularly during the “IDP Hearings” conducted by COGTA and the KZN COGTA as well as the MEC Panel comments; and
- Areas identified through self-assessment.

Review of the Strategic Elements of the IDP in terms of Council's New Priorities

- Review of the Vision, Mission and Objectives;
- Review of the Strategic elements of the IDP; and
- Review of the Spatial Development Framework.

Inclusion of new information where necessary

- Addressing areas requiring additional attention in terms of legislative requirements not addressed during the previous years of the IDP Review Process (i.e. MFMA);
- Alignment of the IDP with newly completed Sector Plans;
- The ongoing alignment of the Mthonjaneni Performance Management System (PMS), in terms of Chapter 6 of the MSA, with the IDP;
- Any changes based on the annual performance assessment as contained in the Annual Report; and
- The update of the Financial Plan, the list of projects (both internal and external funded).

1.5 SECTOR PLANS

The following sector plans have been prepared which cover the Mthonjaneni municipality:

Table 5: Sector Plans prepared for the Mthonjaneni municipality

ANNEXURES	Applicable to:	
	Mthonjaneni LM	Uthungulu DM
Detailed Spatial Development Framework	In Place	In Place
Detailed Disaster Management Plan	In Progress	In Place
APPENDICIES	Mthonjaneni LM	Uthungulu DM
Land Use Management Framework	N/A	
Land Use Management System	Draft Completed	
Coastal Zone Management Plan	N/A	In Place
Waste Management Plan	In progress	In Place
Water Service Development Plan	N/A	In Place
Water Resource Plan	N/A	In Place
Forestry Plan	N/A	
Integrated Transport Plan	N/A	In Place
Housing Plan	In Place	
Energy Master Plan (Electricity Master Plan	N/A	In Place
Local Economic Development Plan	In place	In Place
Infrastructure Investment Plan (EPWP Compliant	In place	In Place
Area Based Plans (Land Reform)	N/A	In Progress
Organizational PMS	In Place	In Place
IDP Process Plan / IDP Framework Plan	In Place	In Place
Agricultural Plan	N/A	In Place
Financial Management Plan	Under Review	Being Reviewed
HIV and Aids Plan	In Place	In Place
Tourism Plan (included in LED Plan)	In Place	In Place
Integrated Environmental Management Plan (IEMP)	To be developed	In Place
Strategic Environmental Assessment	In Place	

Human Resource Development Plan	In Place	In Place
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1.6 SPATIAL DEVELOPMENT FRAMEWORK

The municipality has an adopted Spatial Development Framework which was prepared in 2005/2006. A Strategic Environmental Assessment was prepared for the Municipality in 2007. The Municipality will apply for SDF Review funding from the Department of Corporate Governance and Traditional Affairs, as well Department of Rural Development and Land Reform. The Municipality intends to align the SDF in line with findings of the SEA and the PDA requirements.

Section D of the IDP contains a summary of the SDF and Annexure J.1 contains the full text and maps. The settlement hierarchy for the municipality is summarised as follows:

Table 6: Mthonjaneni Settlement Hierarchy for 2010/11

NODE TYPOLOGY	DESCRIPTION
PRIMARY NODE	Melmoth
SECONDARY NODE	Ndundulu KwaMagwaza Inqaba
TERTIARY NODE	Imfule Mfanefile eKuthuleni

1.7 PERFORMANCE MANAGEMENT SYSTEM

- 1.7.1 Council has adopted the balanced Scorecard Performance Management System. Annual performance evaluation is undertaken for the organization. Quarterly evaluation of Section 57's is performed in terms of the relevant legislation.
- 1.7.2 The National KPA's are incorporated in this IDP, and form the basis for service delivery projects of the Municipality.
- 1.7.3 Performance contracts have been signed by Section 57 employees.
- 1.7.4 The Financial Audit and Performance Audit Committees are functioning.
- 1.7.5 The Internal Auditing and Risk Management Systems are in place and operational.
- 1.7.6 The Audit Committee Charter has been approved by the Audit Committee and Council.
- 1.7.7 The Annual Report for 2008/09 was tabled and approved by Council.

1.8 FINANCIAL PLAN

The Municipality has a total Operating Income of R39m excluding Capital. This is made up as follows:

- Property Rates R4.6M
- Service charges R11.6M
- Investment Revenue R1.9M
- Grants and Subsidies R17.8M
- Own Revenue R3.1M

The Municipal expenditure is R56.6m - Including Capital of R17.4M

THE 2010/11 IDP REVIEW

FOR THE MTHONJANENI MUNICIPALITY

SECTION A: SITUATIONAL ANALYSIS

2.0 SITUATIONAL ANALYSIS

2.1 INTRODUCTION

2.1.1 BACKGROUND

The preparation of Integrated Development Plan (IDP) is a legislative requirement as entailed in terms of Section 25 of the Municipal Systems Act (MSA) Act (No 32) of 2000. An IDP is one of the key tools for Local Government to cope with its new developmental role. Furthermore it seeks to facilitate strategic decisions on issues of Municipal budgets, Land Use Management Systems, Local Economic Development and Institutional transformation in a consultative and systematic manner. The Municipal Systems Act which provides a framework for the preparation of IDP's recommends that once in place, each IDP must be reviewed annually to re-assess and re-evaluate Municipal's development priorities and challenges and to accommodate new developments in local government processes.

This IDP document for 2010/11 therefore fulfils this mandate for the municipality.

2.1.2 LOCATION

The Mthonjaneni Municipality is one of the local municipalities that fall under the uThungulu District Municipality. The Municipality comprises of the former TLC area of Melmoth, which fulfils the role of being the only town that was incorporated by the Mthonjaneni Municipality, and has acted as a commercial centre for its surrounding rural areas within the municipal area. The town of Melmoth is situated 800m above sea level and the rest of the municipal area consists of Traditional/ rural settlements as well as commercial individual-owned and company-owned farms. The municipal area is situated northwest of the coastline Indian Ocean, which runs parallel to the national route (N2 Motorway) between Durban and Richards Bay. The former TLC Area of Melmoth is 70km northwest of Empangeni and 50km south of Ulundi.

The Mthonjaneni municipality is one of six municipalities that fall under the uThungulu DM together with uMhlathuze, Mbonambi, uMlalazi, Ntambanana and Nkandla.

2.2 DATA SOURCES FOR THE 2010/11 REVIEW

The 2010/11 IDP Review makes use of the 2007 STATSSA Community Survey data and makes comparisons of this against the 2001 Census data.

2.3 THE IDP PROCESS

2.3.1 BACKGROUND

Section 25 (1) of the Municipal Systems Act (32 of 2000) requires each Council, within a prescribed period after the start of its elected term in office, to prepare and adopt a single and all-inclusive strategic plan for the development of the municipality which:

- Integrates, links and coordinates plans and takes into account proposals for the municipality's development;
- Aligns both resources and capacity within the municipality with the implementation plan;
- Forms the general basis and framework upon which the annual budget is based; and
- Ensures compatibility with both national and provincial development plans as well as planning requirements binding on the municipality in terms of legislation.

The 2008/9 IDP adopted by Council forms the basis for this the fourth round of the IDP Review. The IDP must comply with both relevant legislation and convey the following:

- Consciousness by a municipality of its constitutional and policy mandate for developmental local government, including its powers and functions.
- Awareness by municipality of its role and place in the regional, provincial and national context and economy.
- Awareness by municipality of its own intrinsic characteristics and criteria for success.
- Comprehensive description of the area – the environment and its spatial characteristics.
- A clear strategy, based on local developmental needs.
- Insights into the trade-offs and commitments that are being made regarding economic choices, establishment of SHS, integrated service delivery etc.
- The key deliverables for the next 5 years.
- Clear measurable budget and implementation plans aligned to the SDBIP.
- A monitoring system (OPMS and PMS), that's based on the IDP indicators, targets, time frames, etc.
- Determines the capacity and capability of the municipality.
- Communication, participatory and decision-making mechanisms.
- The degree of intergovernmental action and alignment to government wide policies, plans, priorities and targets.

2.3.2 LEGISLATIVE REQUIREMENTS

The municipality is guided by a number of pieces of legislation and policies when formulating its IDP. The following section summarises these important pieces of legislation.

(i) THE MUNICIPAL STRUCTURES ACT

The act was developed to provide for the establishment of municipalities in accordance with the requirements relating to categories and types of municipality; to establish criteria for determining the category of municipality to be established in an area; to define the types of municipality that may be established within each category; to provide for an appropriate division of functions and powers between categories of municipality; to regulate the internal systems, structures and office-bearers of municipalities; to provide for appropriate electoral systems; and to provide for matters in connection therewith. Of importance in the context of this legislation is the following:

- A district municipality and the local municipalities within the area of that district municipality must co-operate with one another by assisting and supporting each other;
- A district municipality on request by a local municipality within its area may provide financial, technical and administrative support services to that local municipality to the extent;
- A local municipality on request of a district municipality in whose area that local municipality falls may provide financial, technical and administrative support services to that district municipality to the extent that that local municipality has the capacity to provide those support services;
- A local municipality may provide financial, technical or administrative support services to another local municipality within the area of the same district municipality to the extent that it has the capacity to provide those support services, if the district municipality or that local municipality so requests; and
- The MEC for local government in a province must assist a district municipality to provide support services to a local municipality.

(ii) THE MUNICIPAL SYSTEMS ACT

The Municipal Systems Act (MSA), (Act no 32 of 2000) plays a crucial role in the preparation of IDPs; Chapter 5 of the Municipal Systems Act specifies that each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality, which:

- Links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the IDP;
- Forms the policy framework and general basis on which annual budgets must be based; and
- Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of the legislation.

The Act also requires the municipalities to review their IDPs annually.

(iii) THE MUNICIPAL FINANCE MANAGEMENT ACT (MFMA)

Section 21 of the MFMA stipulates that the mayor of a municipality must:

- Coordinate the processes for preparing the annual budget and for reviewing the municipality’s integrated development plan and budget – related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget related policies are mutually consistent and credible.
- At least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for –
 - (i) The preparation, tabling and approval of the annual budget;
 - (ii) The annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act; and the budget related policies;
 - (iii) The tabling and adoption of any amendments to the integrated development plan and budget related policies; and
 - (iv) Any consultative processes forming part of the processes referred to in subparagraph (i), (ii) and (iii).

(iv) THE MILLENNIUM DEVELOPMENT GOALS

The Millennium Development Goals summarize the development goals agreed on at international conferences and world summits during the 1990s. At the end of the decade, world leaders distilled the key goals and targets in the Millennium Declaration (September 2000). The Millennium Development Goals, to be achieved between 1990 and 2015, are:

Table 1: Millennium Development Goals

MILLENNIUM DEVELOPMENT GOALS	TARGETS
Halving extreme poverty and hunger	Target for 2015: Halve the proportion of people living on less than a dollar a day and those who suffer from hunger.
Achieving universal primary education	Target for 2015: Ensure that all boys and girls complete primary school.
Promoting gender equality	Targets for 2005 and 2015: Eliminate gender disparities in primary and secondary education preferably by 2005, and at all levels by 2015. Two-thirds of illiterates are women, and the rate of employment among women is two-thirds that of men. The proportion of seats in parliaments held by women is increasing, reaching about one third in Argentina, Mozambique and South Africa.
Reducing under-five mortality by two-thirds	Target for 2015: Reduce by two thirds the mortality rate among children under five. Every year nearly 11 million young children die before their fifth birthday, mainly from preventable illnesses, but that number is down from 15 million in 1980.
Reducing maternal mortality by three-quarters	Target for 2015: Reduce by three-quarters the ratio of women dying in childbirth. In the developing world, the risk of dying in childbirth is one in 48, but virtually all countries now have safe motherhood programmes
Reversing the spread of HIV/AIDS, malaria and	Target for 2015: Halt and begin to reverse the spread of HIV/AIDS and the

TB	incidence of malaria and other major diseases. In order to meet this goal, the municipality is addressing the issue through social policies.
Ensuring environmental sustainability	<ul style="list-style-type: none"> • Target for 2015: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources. • By 2015, reduce by half the proportion of people without access to safe drinking water. • By 2020 achieve significant improvement in the lives of at least 100 million slum dwellers.

2.3.3 THE PROCESS PLAN

Before starting the IDP Review process, a Process Plan was prepared and adopted by Council in accordance with the requirements of the Municipal Systems Act (32 of 2000). This process plan aligns the three processes of the IDP, the Budget and the Performance Management System. The Process Plan was adopted by Council.

2.3.4 THE UTHUNGULU DISTRICT'S FRAMEWORK PLAN

The framework plan allows for alignment and coordination of activities between the DM and the LM's within the uThungulu DM. Key areas of alignment identified in the framework plan include:

2.3.5 THE IDP ALIGNMENT PROCESS

(i) THE DISTRICT AND LM ALIGNMENT PROCESS

Alignment between the DM and its LM's takes place through the uThungulu District IDP Alignment committee. This committee met at the following dates during the IDP review process:

(ii) ALIGNMENT WITH SECTOR DEPARTMENTS

Alignment with sector departments took place at the following dates:

2.3.6 COMMENTS ON THE IDP REVIEW DOCUMENT

(i) COMMENTS RECEIVED DURING THE 21 DAY ADVERTISING PERIOD

The following comments were received during the 21 day advertising period prior to the adoption of the IDP:

- (This section will be finalized once IDP has been advertised)

(ii) COMMENTS RECEIVED FROM THE IDP AND BUDGET ROAD SHOWS

A series of community road shows were undertaken during the review process. Comments from the various meetings are summarised below:

- The critical need for the delivery of the following services and opportunities;
 - Water and sanitation,
 - Electricity,
 - Roads,
 - Housing,
 - Crèches
 - Community Halls,
 - Clinics,
 - Job opportunities,
 - Community gardens, and
 - Grazing camps and dipping areas.

The minutes of the public meetings are provided in Annexure 2.

ANALYSIS PHASE

2.4 DEMOGRAPHICS

2.4.1 INTRODUCTION

Statistics South Africa released the 2001 Census information at Municipal level during 2003. As it is the case, no other Census has ever been undertaken since then, thus this report contains mainly the 2001 statistical information and indicate changes in the 5 year derived from 1996. The municipality acknowledges that Stats SA conducted a Community Survey in 2007 however; the municipality has opted not to reflect some of these figures to avoid reflecting conflicting and inconsistent figures in particular where these relate to the total population. The possibility of this conflict and inconsistency in figures is also mentioned in Stats SA Report for the 2007 Community Survey. In the said report, the users are urged to use the figures with caution. There are specific areas of this analysis where the community survey figures have been used for the purposes of painting a general picture for that specific element of the statistics.

The Census Data indicates that the population of the Mthonjaneni Municipality had increased from 36848 people in 1996 to 50383 people in 2001. The 2007 figures indicate a total population of 47 010 which indicates a decline of -6.69% from the 2001 population statistics. The latter is a population growth trend that the municipality completely disagrees with, given its own observations, voting records and records of the demand for services which are good indicators of population.

Table 2: Mthonjaneni Municipality; Key Municipal Demographic Information 2001 Census and 1996 Census

	2001	1996
Total Population	50383	36848
No. of Persons Employed	6820 (50.40%)	4730 (65.04%)
No. of Persons Unemployed	6713 (49.60%)	2542 (43.96%)

A weakness of the 2007 Community survey is that data is not available at a sub-place or ward level. As such, the ward information used in this report has been obtained from the 2001 Census.

Table 3: Population per Ward (2001)

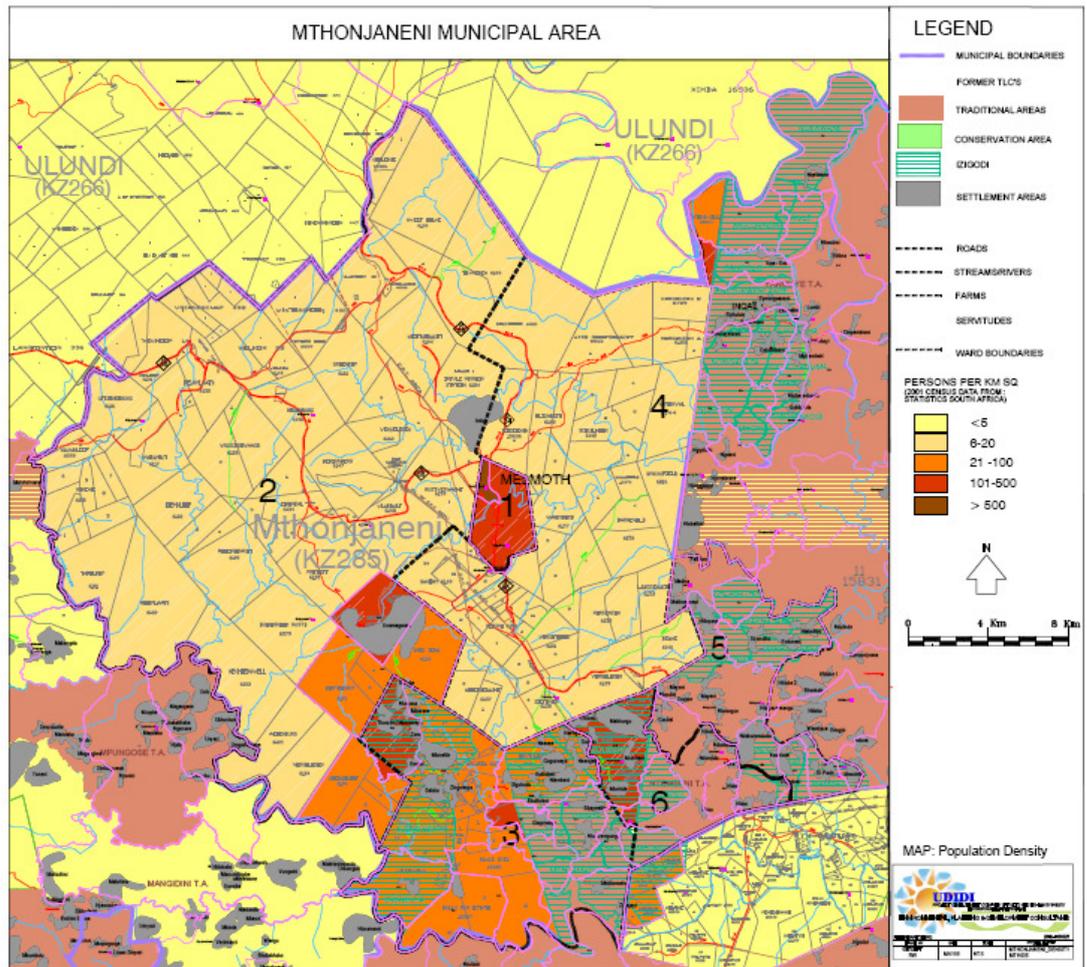
	2001	1996
Ward 1	6957	3186
Ward 2	6502	5811
Ward 3	11194	7332
Ward 4	10533	7867
Ward 5	9319	8339
Ward 6	5877	4313

(Source: STATSA, 2001 and 1996)

As can be seen from these figures, there has been a growth in all of these wards during the period 1996 to 2001. The biggest areas of growth have been wards 1, 3 and 4.

Based on the STATSAA 2001 census, the figure below indicates the population concentrations within the Mthonjaneni Municipality.

Figure 1: Population Distribution



The 2007 STATSSA Community Survey has been utilised in this round of the IDP Review. Comparisons are made, where possible, with the 2001 Census figures so as to identify trends.

2.4.2 GENDER

The 2007 figures indicate that there are 47.8% men in the municipality and 52.2% females. This indicates that there may be high levels of migratory labour from the municipality to other centres around the province and country.

2.4.3 AGE GROUP PROFILES

The age cohorts for the municipality are as follows:

Table 4: Age Cohorts

	2007	2001
0 – 14	37%	39%
15 – 34	37%	36%
35 – 64	21%	20%
Over 65	5%	5%

(Source: STATSA, 2007 and 2001)

These figures indicate that 58% of the population are economically active and in the age groups 15 to 64. Conversely, 42% of the population are dependent on the economically active population.

2.4.4 EDUCATION LEVELS

The following table summarises the education levels for residents of the municipality.

Table 5: Educational Levels of the Population (2007)

CATEGORY	PERCENTAGE
Pre-school	11%
Grades 1 to 7	31%
Grades 8 to 12	27%
Post grade 12 qualification	2%
No Schooling	20%
Other	9%

(Source: STATSSA, 2007)

What is noticeable from these figures is that low portions of the population have any form of post matric qualification which indicates that they are in all likelihood involved in primary activities.

2.4.5 HIV/ AIDS

(The information below relating to HIV and AIDS is extracted from the Municipality's HIV / AIDS Strategic Plan for 2008-2011 except subsection ii HIV Rates)

(i) Why should Mthonjaneni Municipality address the issue of HIV and AIDS?

HIV and AIDS is one of the biggest challenges we face as a country. The rate of infection is rapidly increasing and more and more people are getting ill and dying from AIDS.

The department of Health estimates that KwaZulu Natal has an infection rate among pregnant women of **39.1% (2007)**.

Individuals, families and communities are badly affected by the epidemic. The burden of care falls on the families and children of those who are ill. Often they have already lost a breadwinner and the meager resources they have left are not enough to provide care for the ill person and food for the family.

Orphaned children are deprived not only of parental care, but also of financial support. Many of them leave school and have no hope of ever getting a decent education or job. The children grow up without any support or guidance from adults; this may become our biggest problem in the future.

Most of the people who are dying are between the ages of 20 and 45 – an age when most people are workers and parents. This has serious consequences for our economy and the development of the country.

AIDS can affect anyone. However, it is clear that it is spreading faster to people who live in poverty and lack access to education, basic health services, nutrition and clean water.

Young people and women are the most vulnerable. Women are often powerless to insist on safe sex and are easily infected by HIV positive partners. When people have other diseases like sexually transmitted diseases, TB or malaria they are also more likely to contract and die from AIDS.

Although AIDS has become very common, it is still surrounded by silence. People are ashamed to speak about being infected and many see it as a scandal when it happens in their families. People living with AIDS are exposed to daily prejudice born out of ignorance and fear.

We cannot tackle this epidemic unless we break the silence and remove the stigma [shame] that surrounds it. As elected representatives in communities, councillors have to provide leadership on how to deal with AIDS.

To deal with the results of the disease and the social problems it creates, we have to make sure that people living with AIDS get care and support to help them live longer and healthier lives.

We also have to make sure that those who are dying are properly looked after. For the children who are orphaned, we have to find ways of looking after them so that they do not become hopeless and turn to crime or live on the streets because of poverty.

National and Provincial government cannot fight this battle alone. They can provide health and welfare services, development programmes and information. However, municipalities, together with organisations on the ground, have to provide the type of leadership and direction that will lead to real change in people's attitudes and behavior.

Municipalities are also ideally placed to identify the needs of people in their area and to co-ordinate a coherent response to those needs. Municipalities can engage with civil society, other government departments, as well as schools, churches and so on to make sure that everyone works together to combat the spread of AIDS and to care for those affected by the disease.

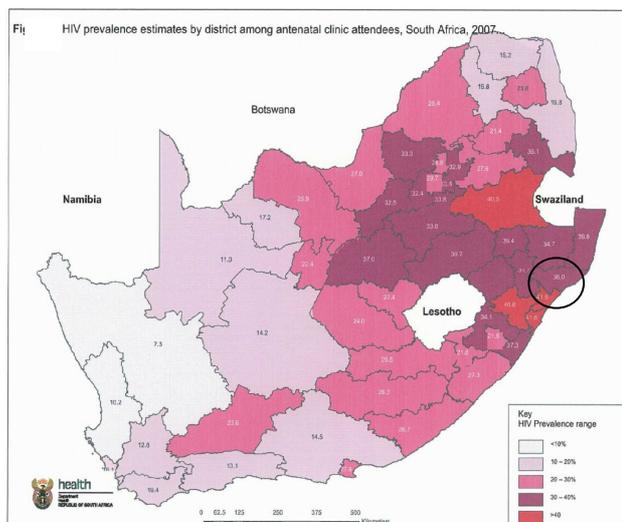
Mayors and councillors should act as role models for communities and be an example to people. We should take the lead in promoting openness and ending the silence that surrounds AIDS. We should also work closely with people living with AIDS and through our action show that we accept and care for those affected. As political leaders, we should use our influence and popularity to mobilize the community and involve volunteers in projects that provide care for people living with AIDS and orphans.

(ii) HIV/AIDS Rates

HIV/ Aids figures are currently collected by the Department of Health at a district level by testing all mothers visiting state facilities. The 2008 study, which is the latest data available, indicates an infection rate of 36% for the uThungulu DM. The KZN infection rate currently stands at 38.7% which makes the DM's rate below the provincial rate.

Quantec Research (2006) in the uThungulu IDP (2009/10) indicates that the Mthonjaneni HIV/ Aids rate is higher than the DM's average.

Figure 2: Provincial HIV/ Aids Infection rates: 2008 (DOH)



(iii) Strategies

1. Overall Co-ordination

There is currently an existing group co-ordinating the fight against HIV and AIDS in the municipality and surrounding areas.

The workshop acknowledged that it would be futile exercise to create a new structure and encouraged the municipality to get involved in the work of the co-ordinating structure.

The draft strategies for the three focus areas reflected below can be used by the municipality to make an input into the work of the of the existing co-ordinating structure.

2. Draft Strategy for Education, awareness, openness and prevention

Despite the many education and awareness programmes, the infection rate continues to increase. Large sections of the population refuse to change their behaviour and people living with HIV and AIDS face discrimination and victimisation.

Five-Year Overall Goal

A Mthonjaneni with people that:

- Are well informed on the facts about HIV and AIDS
- Accept, support and care for people living with HIV and AIDS
- Conduct their personal lives in ways that discourage the spread of the disease.(Abstain, Be faithful or Condomise)

Key Tasks for Next twelve Months

- a. Set up a co-ordination committee to co-ordinate HIV and AIDS education and awareness programmes in the municipality.
- a. Lobby provincial government to provide more resources for the implementation of programmes, VCT sites in the municipality and upgrade existing ones.
- b. Increase the number of condom distribution points in the municipality and target high-risk areas like taverns, hotels and nightclubs.

3. Treatment and care for people living with HIV and AIDS

The existing provider of treatment and care and under resourced and over burdened. As more people become infected and fall sick, service standards will continue to drop.

Five-Year Overall Goal

People living with HIV and AIDS receiving the best possible care and treatment to live a long and positive life style.

Key Tasks for Next twelve Months

- a. Work with the Department of Health to ensure the effective and continuous supply of medication at all health care facilities.
- b. Launch more support groups for infected and affected people, close to their homes with well structured poverty alleviation and wellness programmes.
- c. Work with the Department of Health to ensure the roll out of the home base care programme to all parts of the municipality.

4. Care for Orphans

Problem statement

Poor monitoring and the lack of support services contribute to OVCs being neglected and abused.

Five-Year Overall Goal

A caring community that provides care, support and security for all OVCs, especially those who are orphans as a result of HIV and AIDS.

Key Tasks for the next twelve Months

- a. Develop a system to co-ordinate information on the number of orphans in the municipality.
- b. Network with other organisations to develop alternate care models in respect of all the needs of OVCs.
- c. Lobby the Department of Welfare to clarify issues of demarcation and areas serviced by social workers as well as the available services available for caring for orphans.
- d. Develop programmes that promote ongoing counselling and monitoring for children and their caregivers.

2.5 THE MUNICIPAL ECONOMY

2.5.1 INTRODUCTION

Amongst others, this section will be covering the following areas:

- The basic economic facts and figures;
- Mthonjaneni LED sector performance;
- The LED *Constraints* and *Opportunities* of the municipality;
- The Mthonjaneni LED strategy;
- Mthonjaneni LED institutional structures;
- LED and linkages to the budget and staff complement;
- Municipal LED support for SMME's as well the second economy; and
- Linkages of LED strategies and projects to the SDF.

2.5.2 BASIC FACTS AND FIGURES

(i) EMPLOYMENT STATUS

The following table summarises the levels of employment in the municipality. As can be seen, approximately a quarter of the population is employed and sustaining the remainder of the population. These figures largely concur with the uThungulu DM's average during the same period.

Table 6: Employment Status (2007)

	2007	2001
Employed	24.5	24%
Unemployed	23.6	23.6
Not Economically Active	51%	52.4%

(Source: STATSSA, 2007)

(ii) NUMBER OF DEPENDANTS PER EMPLOYED PERSON

The results of the Quality of Life Survey (2007) indicate that there are 6.2 dependants for every employed person in the DM. The average for the Mthonjaneni municipality is, however, substantially better with 5.5 dependants per employed person.

(iii) OCCUPATIONAL PROFILE

As can be seen from the table below, the majority of respondents in the Community Survey (STATSSA, 2007) indicated that they participated in Undetermined or unspecified categories of work. One can deduce that these people are largely involved in the informal sectors.

Table 7: Occupational Profile

	PERCENTAGE
Legislator	1.1
Professional	1.9

Technical	0.2
Clerks	2.4
Service Related Workers	2.0
Skilled Agriculture	4.0
Craft and Trade	1.7
Plant Machine Operators	2.2
Elementary	5.7
Undetermined or Unspecified	77.1
Institution	1.8

(Source: STATSSA, 2007)

(iv) EMPLOYMENT PER SECTOR

The following sectors employ residents within the municipality, namely:

Table 8: Employment per Sector

SECTOR	PERCENTAGE
Farming	8.7
Mining	0.6
Manufacturing	1.2
Utilities	0.1
Construction	1.0
Trade	1.6
Transport	0.6
Financial	1.7
Social	3.8
Other and not adequately defined	1.3
Unspecified	2.9
Not applicable	74.7
Institution	1.6

(Source: STATSSA, 2007)

As can be seen from these statistics, the majority of residents (74.7%) indicated that they were employed in sectors not specified in the survey. This would indicate the majority of residents are employed in the informal sector.

(v) MULTIPLE DEPRIVATION

The reduction of poverty and social inequality have been key objectives of post- Apartheid South Africa. Multiple deprivation is seen as an accumulation of single deprivations (ie. People's unmet needs) and includes the following variables:

- Income;
- Employment;
- Health;
- Education;
- Living environment; and
- Crime.

In the study a score of "1" represents the most deprived, and "52" the least deprived. As can be seen from these figures, the Mthonjaneni

municipality scored extremely poorly on *income* and *health*, but scored relatively well in the remainder of the variables measured.

Table 9: Multiple Deprivation Indices for the Mthonjaneni municipality

VARIABLE	POSITION OUT OF 52 LM'S
Income	2
Employment	33
Health	7
Education	32
Living Environment	28
Crime	46
OVERALL SCORE	27

(Source: Statistics South Africa, 2001)

Overall, the Mthonjaneni was placed 27th out of the 52 municipalities in KwaZulu-Natal.

(vi) GRANTS

The following is a summary of the grants administered within the Mthonjaneni municipality in 2007. As with other municipalities, a large number of residents, almost 20%, are dependent on *child support* grants, followed by *old age* pensions. The majority of residents (approximately 69%), however, are not dependant on any form of grant.

Table 10: Grant Support within the Mthonjaneni municipality

GRANT TYPE	% OF THE POPULATION RECEIVING GRANT
Not applicable	68.7
Old age pension	5.6
Disability	2.3
Child support	18.9
Care dependency	0.5
Foster care	0.1
Grant in aid	2.0
Social relief	0.4
Multiple social grants	0.2
Institutions	1.4

(Source: STATSSA, 2007)

2.5.3 SECTORAL PERFORMANCE

(i) MANUFACTURING

Limited levels of manufacturing are practiced in the municipality and are largely focussed on agro-processing. Further agro-processing potential was identified in the municipality's LED plan in the following areas:

- Deciduous berry and citrus fruit processing;
- Large-scale production of vegetables;
- Poultry processing; and

- Production of bio-fuels; and essential oil processing.

(ii) AGRICULTURE

The agricultural sector in the municipality has a dual nature with both commercial and traditional farmers contributing to this sector. Commercial agriculture is largely based on two mono-crops in the forms of sugarcane and forestry. Both of these sectors have also been at the forefront of assisting in the development of emerging farmers. In other traditional areas of the municipality, traditional forms of cropping are practiced. As is noted in the DM's IDP (2009/10), the development of this sector is hindered by a low skills base, a lack of markets, and a lack of organised bodies for financial assistance.

Other forms of agriculture practiced in the municipality include citrus, nuts and animal husbandry.

(iii) TOURISM

The LED plan notes that interest in northern KZN has been increasing particularly from overseas visitors. New identified markets include bird watching, cruise tourism, and educational tourism. It is noted that all these areas can increase tourism development in the region as a whole.

It is noted that the local municipalities in the uThungulu DM have all identified the need for greater tourism support and coordination from the DM in aiding the development of tourism related SMME's and new tourism opportunities.

The LED plan notes that tourism opportunities exist in the following areas, namely:

- Nature photography;
- Bird watching;
- Botanical studies;
- Hiking; and
- Fly-fishing at Phobana lake.

Further tourism opportunities also exist in the areas of mountain biking and quad biking.

(iv) TRADE AND COMMERCE

Melmoth is an important emerging node within the DM and offers retail and a limited mix of services. The departure of Ulundi as a provincial capital has put a strain on the town's commercial sector as a lot of middle income civil servants that previously made Melmoth their home have departed thus reducing the spend in the town. There is also a substantial leakage of purchasing power from the municipality with many residents saving-up or undertaking big purchases in other centres like Richards

Bay. Spaza shops and general stores cater for the day-to-day needs of residents in the rural areas.

2.5.4 LED CONSTRAINTS AND POTENTIALS

The following section summarises the LED *Constraints* and *Potentials* for the municipality as identified in the Mthonjaneni LED plan (2009).

(i) CONSTRAINTS

	CONSTRAINTS	POTENTIALS
Manufacturing	<ul style="list-style-type: none"> • Limited suitable industrial land; • Lack of structured development; • Lack of access to finance; • Under-utilised service support; • Subsistence approach to running of agriculture projects; and • Lack of business skills. 	<ul style="list-style-type: none"> • Deciduous berry and citrus fruit processing; • Large-scale production of vegetables; • Poultry processing; and • Production of bio-fuels; and essential oil processing.
Agriculture	<ul style="list-style-type: none"> • Lack of finance: emerging farmers often do not have start-up capital. • Limited land supply for large-scale farming activities. • Perceived lack of agricultural supporting services in the area. • No efficient representation of Black farmer's interests. • Underutilization of the agricultural services of extension officers. • Inability to produce high quality agricultural products by intensive crop production units. • Lack of knowledge and expertise: Some farmers begin their endeavour with minimal knowledge. They are unaware of where or how to market their products, and are unaware of where or how to seek assistance. • Animal and plant disease and treatment thereof: Many farmers are faced with diseases they do not know how to treat. Many of them are often not within reach of a veterinarian or any other assistance, which could result in the loss of their entire crop or all their livestock. • Poor and/or lack of road, water and electricity infrastructure in most rural areas. • There is a huge need to have input materials closer to farms. • These projects need to be run as businesses for them to be profitable and self sustaining. • There is a huge need to capacitated individuals running these projects. • These projects should be registered either as cooperatives, close cooperations or private companies in order to benefit well from public and 	<ul style="list-style-type: none"> • Fruit plantations • Large-scale production of vegetables and hydroponics • Poultry farming • Layer farming • Cattle farming • Bee keeping • Forestry plantations • Essential oils • Sugar cane

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	CONSTRAINTS	POTENTIALS
	<ul style="list-style-type: none"> private markets. Huge fear of sector development amongst white farmers because of potential and damaging land claims. 	
Tourism	<ul style="list-style-type: none"> Training of tour guides; Identification and training of tour operators; Identification of dance group participants; and Identification of people or elders to participate in <ul style="list-style-type: none"> -telling of ancient Zulu history -Mthonjaneni history -traditional and modern way of life -indigenous knowledge management -sangomas and inyangas to participate (in information sharing about ancient health and sickness management) -homestead to participate (food preparation and preservation) Weak tourism image of the area; No brand name for the Mthonjaneni municipality; A lack of local tour operators; Poor road signage and directions; Poor and/ or lack of road, water and electricity infrastructure. 	<p>Cultural activities include</p> <ul style="list-style-type: none"> Telling of Zulu history Telling of Mthonjaneni history Sharing traditional way of life Sharing indigenous knowledge A Zulu cultural village could be developed showing Zulu heritage (pictorially and through videos, CDs, books, story telling, poetry and praise singers) should be developed at Mgabhi where Nandi, the Mother of the Zulu nation is rested. <p>Eco-tourism activities include:</p> <ul style="list-style-type: none"> Nature photography; Bird watching; Botanical studies; Hiking; and Fly-fishing at Phobana Lake
Trade and Commerce	<ul style="list-style-type: none"> Shopping mall Car dealership 	<ul style="list-style-type: none"> Consumer demand and preferences

(Source: Mthonjaneni LED Plan, 2009)

2.5.5 LED STRUCTURES

(i) DISTRICT LEVEL LED FORUMS

The DM has an operational LED forum which consists of the following role-players:

- The uThungulu DM;
- The six local municipalities;
- The Zululand Chamber of Business;
- The Department of Agriculture and Environmental Affairs;
- The DBSA;
- Kwanalu;
- The Richards Bay IDZ;
- Private Sector Companies in the DM;
- SA Sugar Association; and
- The Media.

The Mthonjaneni municipality actively participates in this structure.

(ii) LOCAL LEVELS LED FORUMS

The LED Plan proposed the establishment of a municipal-wide LED forum and every effort is being made to finalise this within the 2009/10 financial year. Participants for this forum include the following:

National Government

- Department of Environmental Affairs and Tourism
- Department of Public Works
- Department of Water Affairs and Forestry
- Department of Agriculture and Land Affairs
- Department of Transport
- Department of Trade and Industry

Provincial Government

- Department of Economic Affairs and Development
- Department of Environmental Affairs and Tourism
- Department of Local Government and Traditional Affairs
- Department of Agriculture and Land Affairs
- Department of Public Works and Transport

Public Entities

- KwaZulu-Natal Tourism Authority;
- Ezemvelo KZN Wildlife;
- Amafa/Heritage KZN;
- Trade and Investment KZN and
- Gijima KZN

2.5.6 LED IN THE MTHONJANENI MUNICIPAL STRUCTURE

The LED component for the Mthonjaneni municipality is housed within the Corporate Services department and reports to Director Corporate Services.

There is currently staff within the LED component.

There is currently an operational budget for the LED section and the following capital budget:

Table 11: LED Projects

PROJECT NAME	2009/10	2010/11	2011/12
Essential Oils			
Tourist Craft Centre			
Aloe Project			

2.5.7 LED LINKAGES TO THE SPATIAL DEVELOPMENT FRAMEWORK

(i) ALIGNMENT BETWEEN LED AND THE SDF

The SDF for the municipality seeks to, amongst others, focus on the following:

- The development of the local economy;
- The provision of at least minimum levels of basic services;
- Increase the effectiveness of the local municipality.

The SDF also seeks to create economic opportunities at service delivery points by:

- Locating residential populations around service delivery points to stimulate market activity and *visa versa*;
- The stimulation of investment opportunities around service delivery points; and
- The creation of opportunity for greater diversification of economic activity.

The SDF also identifies poverty alleviation areas which focus on the following:

- The provision of support for LED initiatives such as SMME's, small scale agriculture and tourism; and
- The provision of access to municipal, social and economic services.

The SDF also identifies the areas suitable for commercial tourism and recreation.

(ii) LINKING THE LED PROJECTS TO THE SDF

This year's SDF is aligned with the LED projects and programmes and they are displayed spatially on the LED map (see below).

2.6 PROVISION OF BASIC INFRASTRUCTURE AND SERVICES

2.6.1 INTRODUCTION

The responsibility for provision of infrastructure and basic services is distributed amongst various Service Authorities. The table below is an indication of how these are distributed:

Table 12: Responsibilities for Service Provision in the Mthonjaneni municipality

INFRASTRUCTURE / SERVICE	RESPONSIBLE AUTHORITY	
	IMPLEMENTATION	OPERATION & MAINTENANCE
Water & sanitation	uThungulu DM	uThungulu DM
Electricity	Eskom/ Mthonjaneni	Eskom/ Mthonjaneni
Roads :Provincial & district roads	Dept. of Transport	Dept. of Transport
:Local numbered roads	Dept. of Transport	Mthonjaneni LM

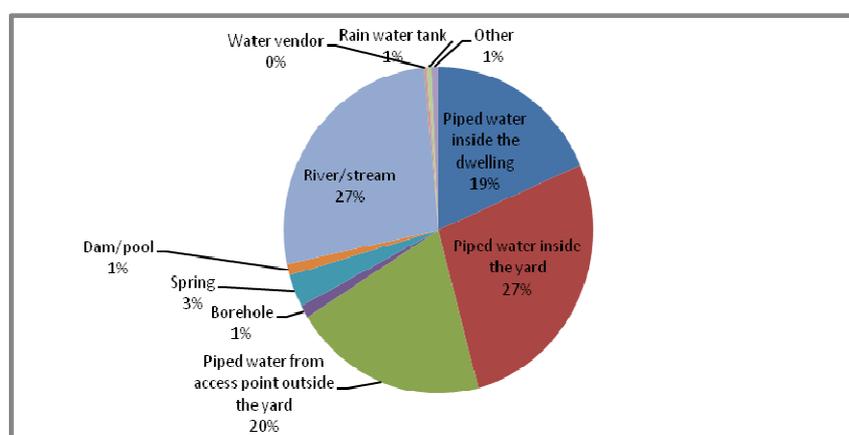
:Urban roads	Mthonjaneni LM	Mthonjaneni LM
:Rural local roads	Dept. of Transport	Dept. of Transport
Waste disposal :Refuse collection	Mthonjaneni LM	Mthonjaneni LM
: Waste disposal	Mthonjaneni LM	Mthonjaneni LM
Cemeteries	Mthonjaneni LM	Mthonjaneni LM
Housing	Dept. of Housing	Mthonjaneni LM
Telecommunications	Telkom/ Cellular Service Providers	
Community facilities	Mthonjaneni LM	Mthonjaneni LM

2.6.2 WATER

(i) STATUS QUO ANALYSIS

The Community Survey (2007) indicates that 19% of households in the municipality receive piped water within their dwelling, 27% receive piped water inside their yard, and a further 20% receive piped water outside their yard. These figures indicate that approximately two thirds of the population of the municipality receive water to RDP standards.

Figure 3: Water Provision (STATSSA, 2007)



(ii) THE WATER SERVICES DEVELOPMENT PLAN

The uThungulu District Municipality (UDM) is the Water Services Provider. uThungulu is responsible for the implementation of new capital projects to extend the provision of water services facilities and their maintenance thereof. The District's Water Services Development Plan (WSDP) indicates that the backlog of water services in Mthonjaneni is still substantial. The table below is a breakdown of the backlog for household:

Table 13: WSDP Identified Backlogs (2006/7)

UTHUNGULU WATER SERVICES DEVELOPMENT PLAN	
Households Supplied with water to RDP standards	5,683
Backlog	54%
Estimated Backlog (2009/10)	13%

Due to the unreliability of existing water schemes in particular during the dry months, uThungulu has identified the Goedetrouw Dam as the only sustainable source of water in this region and have embarked on a programme to establish a regional water supply scheme from this source. The Goedetrouw water scheme will supply water to Mthonjaneni, uMlalazi, and Ntambanana.

(iii) ADDRESSING THE BACKLOGS

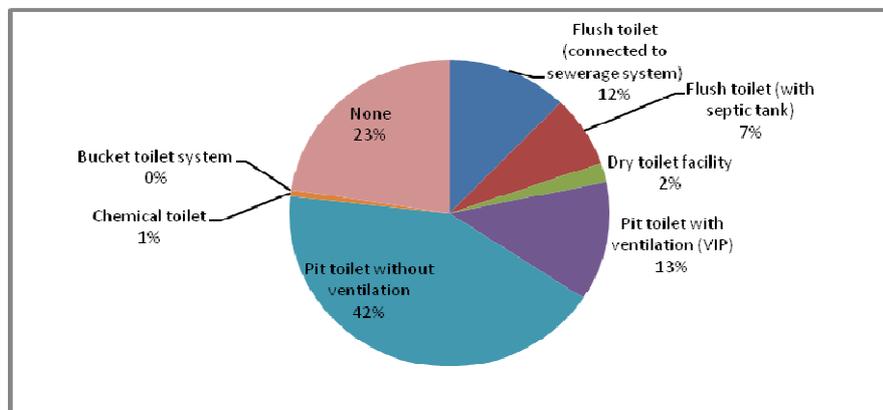
The uThungulu IDP (2009/10) estimates R99,921,045.00 is required to provide water to all citizens of the Mthonjaneni municipality to RDP standards. It also estimates that water will be provided to all citizens to the required standard by the 2015/16 financial year. It also notes that there is a shortfall between the MIG funding allocations and the amount required.

2.6.3 SANITATION

(i) STATUS QUO ANALYSIS

The Community Survey (2007) indicates that 12% of residents are connected via flush toilets to a sewerage system, 7% have flush toilets linked to a septic tank and 13% have ventilated pit latrines. 23% of households have no form of sewerage, and 42% have pit latrines without ventilation.

Figure 4: Sanitation Provision (STATSSA, 2007)



(ii) THE WATER SERVICES DEVELOPMENT PLAN

The uThungulu District Municipality (UDM) is the Water Services Provider. uThungulu is responsible for the implementation of new capital projects to extend the provision of sanitation services and the maintenance thereof. The District's Water Services Development Plan (WSDP) indicates that the backlog of sanitation services in Mthonjaneni is still substantial. The table below is a breakdown of the backlog for household:

Table 14: uThungulu WSDP

UTHUNGULU WATER SERVICES DEVELOPMENT PLAN	
Households Supplied with sanitation to RDP standards	4,325
Backlog	65%
Estimated Backlog (2009/10)	61%

(iii) ADDRESSING THE BACKLOG

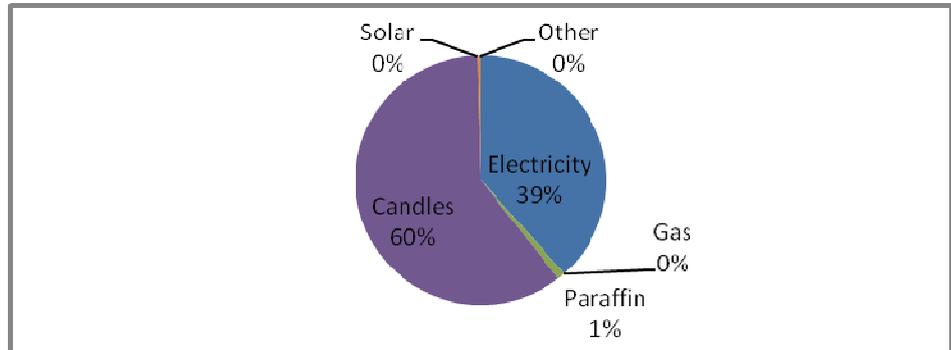
The uThungulu IDP (2009/10) estimates R37,210,705.00 is required to provide sanitation to all citizens of the Mthonjaneni municipality to RDP standards. It also estimates that sanitation will be provided to all citizens to the required standard by the 2017/18 financial year. It also notes that there is a shortfall between the MIG funding allocations and the amount required to address the backlogs.

2.6.4 ELECTRICITY

(i) STATUS QUO

Eskom, the national electricity supplier, supplies electricity in bulk within the municipality and supply to rural areas is slow due to high costs associated with scattered settlements and no anchor clients. Melmoth town buys electricity in bulk and distributes it to its consumers in the erstwhile TLC area.

Figure 5: Electricity Provision for Lighting (STATSSA, 2007)



The Community Survey (2007) indicates that 39% of residents make use of electricity for lighting, while 60% make use of candles. There has been an increase in the number of households using electricity for lighting since the 2001 and 1996 censuses.

(ii) THE ELECTRICITY SUPPLY DEVELOPMENT PLAN (ESDP)

The uThungulu DM has prepared an ESDP and key outcomes of the plan include:

- Clustering of dwellings, communities, clinics and schools into sustainable nodes;
- The identification of cost effective supply routes;
- The preparation of an Electricity Budget based on priorities for the DM; and
- The preparation of a five year Electricity roll-out plan.

(iii) ADDRESSING THE BACKLOG

Costs and projected roll-out to be determined by Eskom.

(iv) INDIGENT SUPPORT

The Municipality has an Indigent Support policy in place, and indigent households receive free basic Electricity.

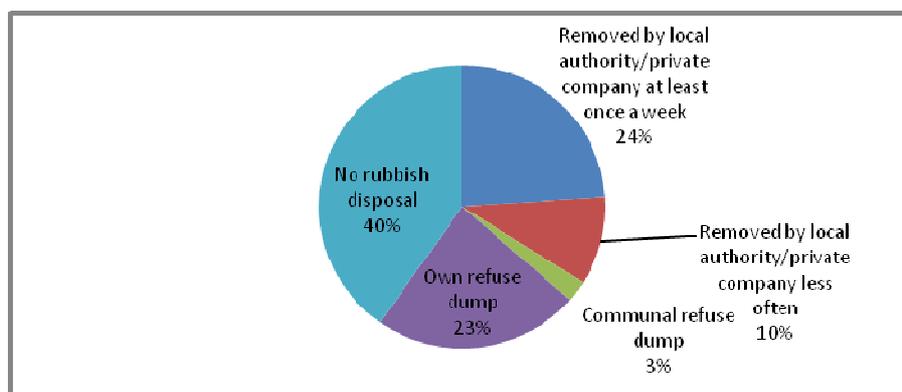
2.6.5 REFUSE REMOVAL

(i) STATUS QUO

Waste removal and disposal is currently being provided by the Mthonjaneni Municipality and is currently restricted to Melmoth, Thubalethu, and KwaMagwaza. The waste removed is disposed at the Melmoth landfill site which has teething issues. In 2008, the municipality

appointed a consultant to conduct a waste management study with emphasis on the extension of the lifespan of the existing landfill site. Once a final document is available, it will be attached to IDP review document.

Figure 6: Refuse Removal (STATSSA, 2007)



The Community Survey (2007) indicates that 24% of households have refuse removed by the local authority or a private company at least once a week, while less than 10% have refuse removed less frequently. 23% of households make use of their own refuse dump and a further 40% have no refuse disposal.

(ii) THE INTEGRATED WASTE DEVELOPMENT PLAN

The uThungulu District prepared a Waste Management Plan in 2003/04 which recommended that the existing Melmoth landfill site be closed and that a waste transfer station be established in Melmoth, through which all waste collected will be transported to the district landfill site.

2.6.6 ROADS

There are numerous levels of roads traversing the municipality namely:

- Provincial roads (P routes);
- District roads (D routes);
- Local roads (L routes); and
- Community access roads (A routes)

The table below provides a breakdown of road lengths listed.

Table 15: Road Distribution and Length

Road Class	Type	Length	Total Length (m)
Provincial	P roads	165,981	303,009
	D roads	91,848	

	L roads	42,652	
	A roads	2,528	
Urban	Primary roads	1,142	27,014
	Secondary roads	1,019	
	Main tertiary roads	5,822	
	Tertiary roads	14,401	
	Gravel roads	4,630	
Rural	Primary roads	228,272	262,569
	Secondary roads	34,298	

The condition of the roads varies throughout the municipality. The condition of urban roads is fairly decent. The table below provides an indication of the condition of urban roads.

Table 16: Road Conditions

Condition of criteria	Distribution	
	% of surfacing	% of structure
Very good	21	36
Good	22	22
Fair	33	14
Poor	13	23
Very poor	11	5

2.6.7 CEMETERIES

Previous investigations into the provision of cemeteries in Mthonjaneni recommended that the existing cemetery in Melmoth be extended in a north-easterly direction with an additional 4ha to yield 6400 burial sites. It further proposed that the Mfule Cemetery be extended in a south-easterly direction with an additional 5ha to yield 8500 burial sites and that a new cemetery site be identified in Ndundulu. In light of the above, the Municipality secured funding and extended the Melmoth site with an additional 2000 sites and has applied for further funding for the other cemeteries in order to reach its targets. The extension and establishment of cemeteries is identified as priority projects in this IDP Review.

2.6.8 HOUSING

(i) Status Quo

The population of the municipality is distributed per ward as per the table below.

Table 17: Land Use Settlement patterns per Ward

WARD	ESTIMATED POPULATION	COMMENTS
1	9 600	This ward comprises Melmoth Town, including Thubaethu, so comprises perhaps the highest densities in the municipality.
2	8 574	This is the largest municipal ward in terms of area, but the most sparsely populated. Apart from an area around KwaMagwaza,

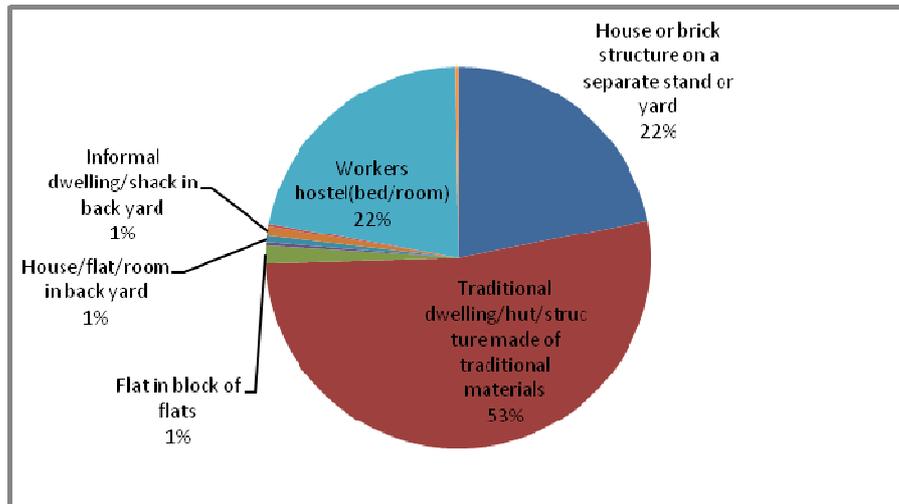
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WARD	ESTIMATED POPULATION	COMMENTS
		essentially the farms KwaMagwaza Mission Station and Spes Bona, and part of the Imfule Mission farm, the ward has a population density of less than 50-100 people per km ² . The KwaMagwaza node has a population of 601 – 700 / km ² . The Imfule MissioN node – just the southern end of the Imfule Mission farm – has a population density of 901 – 1000 /km ² . Overall, the densities are very low, the existing land use being dominated by forestry (plantations) with grasslands on the steeper slopes. Around the KwaMagwaza area are small patches of commercial agriculture (largely sugar cane), traditional agriculture and thickets and bush.
3	14 463	The farms Wilhelmina and Arcadia are the most densely populated in this ward, with densities varying between 100 – 500 people per km ² . This area, also commonly known as Mfanefile, has a mixed land use of settlement, small scale agriculture, including sugar cane, timber and vegetable patches. The settlement and land use activities extend down the spine road which branches south off the tar road at KwaMagwaza, and winds slowly down the watershed between tributaries of the Mhlathuze, the land falling steeply away on either side. The topography of the ward, the southern part being the steep slopes leading down to the deeply incised Mhlathuze river valley, means that the remainder of the ward area, away from the road, is sparsely populated, the land use being largely grassland, thickets and bush with small patches of traditional agriculture in the river valley.
4	7 773	This ward has three distinct areas in terms of land use : the sparsely populated north western portion which has some commercial agriculture – mainly sugar cane, but is mainly extensive areas of grassland under livestock, with patches of traditional agriculture towards KwaYanguye, where there are farms which are currently under consideration for transfer in terms of land reform policy. This area also has a large area of thickets and bush as the land falls away towards the Mfolozi river valley. The southern portion which is also very sparsely populated, but has considerably more commercial agriculture under sugar cane and timber with some citrus and other fruit. The eastern portion is the KwaYanguye Tribal Area which is under communal tenure (Ingonyama Trust). There are pockets of settlement ranging from 50 – 600 persons per km ² . Apart from these settlement clusters, which are scattered along the spine road and the flatter areas on top of the watersheds, the remaining area is very sparsely populated, largely due to the steep terrain as the land falls away from the highlands towards the valley bushveld of the Mfolozi river. Most of this is not arable, suitable only for extensive grazing, with the most environmentally sensitive areas on the steeper slopes, not suitable for any type of agricultural practice.
5	9 099	This is the northern portion of the Zulu-Entembeni Tribal ward area and is Ingonyama Trust land. Once again, the terrain has led to human settlement and activity being confined to clusters ranging in density from 100 to 800 people per km ² .
6	7 014	Together with the Ekuthuleni area, this ward of the municipality is perhaps the most densely settled with the concentration along the R34 primary corridor which passes through the Ndundulu node which has the highest concentration of people of between 700 – 800 people per km ² . This ward all falls under the Ingonyama Trust.

WARD	ESTIMATED POPULATION	COMMENTS
TOTAL	56 523	

(Source: Mthonjaneni LUMS, 2005)

Figure 7: Housing Type



The Community Survey (2007) indicates that the majority of households (53%) are traditional dwellings, while 22% are worker hostels, and 22% are houses on a separate stand.

(ii) Current Housing Needs

Housing was identified as a key issue in the community participation process of the IDP. As part of the Integrated Development Plan Process and Land Identification Study for Low-cost Housing, a range of population projections were undertaken to provide a base for the determination of present and future housing needs, specifically in the low-cost group. The total number of households within the municipality was calculated to be 5 461 with the total population estimated to be 56 523 this implies an average household size of approximately 10, 35. (Source Stats SA 2001)

Based on the information compiled from the Statistics SA 2001, the projections indicate that approximately 3, 1 % of households (317) within the municipal area into the homeless, and informal dwelling shack category and be in line wit the Provincial targets to clear all slums by the by the year 2010, while 55, 8% of dwellings (5641) fall into the traditional housing category.

With reference to the above statistics it is evident that the housing demand is very high in the rural areas which estimated to be at least 70% (3 928) of the total demand in rural areas and it is increasing at a very fast rate. Therefore it is suggested that the rural housing projects be prioritised in the rural housing programme that seeks to reduce the backlog in basic infrastructure services within the rural areas.

There is a need to address major problems such as land reform related issues in many parts of the municipal area. The majority of these areas are on land that is currently occupied by farmers.

(iii) Addressing the Backlog

Planned / Proposed Future Housing Projects

The Housing Sector Plan prepared in 2008/09 identified projects that are required by the communities as identified in the IDP.

The following are prioritised proposed housing projects per ward identified by the Steering Committee within Mthonjaneni Municipality:

WARD	PROJECTS	REMARKS	COORDINATES OF PROPOSED SITES
1	Melmoth (Proposed Low Cost Housing Extension)	Site is situated opposite the existing Thubaletu Township. The issue of land ownership and zoning needs to be clarified and the preliminary feasibility study needs to be undertaken. The site is within the urban area and in close proximity of bulk services.	S 28° 34' 495'' E 31° 24' 442''
	Melmoth (Proposed Middle Income Residential)	Site is adjacent to Protection Services. The issue of land ownership and zoning needs to be clarified and the preliminary feasibility study needs to be undertaken. The site is within the urban area and in close proximity of bulk services.	S 28° 34' 254'' E 31° 22' 572''
2	Imfule (Housing Project)	The dwellings are semi clustered in the area. In terms of bulk services it is electrified, and there are communal stand pipes as a water source. The issue of land and tenure needs to be addressed before preliminary feasibility and implantation process.	S 28° 40' 704'' E 31° 30' 612''
	Thunzini (Rural Housing)	The area is very rural and dwellings are very much dispersed, the area is also very steep, in terms of bulk services there is no water electricity they use the river as source of water.	S 28° 41' 278'' E 31° 18' 955''
WARD	PROJECTS	REMARKS	COORDINATES OF PROPOSED SITES

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3	Mgabhi (Rural Housing)	The area is very rural and dwellings are very much dispersed, the area is also very steep, in terms of bulk services there is no water electricity they use the river as source of water.	S 28° 44' 562'' E 31° 23' 519''
	Ekuthuleni (Mission Property) (Rural Housing)	The area consists of mission property and it is one of the Land Reform projects currently underway. The area is largely rural, semi dispersed, steep and in terms of bulk services: most parts of the area are electrified and the community uses communal stand pipes as a water source.	S 28° 40' 655'' E 31° 25' 207''
5	Makhasaneni (Rural Housing)	The area is very rural, steep and the dwellings are dispersed; in terms of bulk services: most parts of the area are electrified and the community uses communal stand pipes as a water source.	S 28° 37' 254'' E 31° 29' 520''
	Hawule (Rural Housing)	The area is rural, steep and dwellings are semi dispersed, in terms of bulk services: the area is not entirely electrified and communities use water tanks as a source of water	S 28° 40' 663'' E 31° 32' 368''

(iv) **Housing Strategies**

Focus point one: To compile a detailed and accurate beneficiary waiting list

OBJECTIVE	ACTIVITY/DELIVERY STRATEGY	OUTPUT	RESPONSIBLE UNIT	TIME FRAME
Compilation of a detailed housing demand database	Assign functions to an official to manage the compilation of a housing waiting list	Functions are assigned to an official to manage the housing list	Corporate Services / Planning Office	
	Develop a housing demand database format to be used in enlisting applicants	List format is developed	Consultant and Corporate Services	
	The housing database format should categorise applicants in terms of income, disability, pensioners etc.	A standard form will be agreed upon and used	Corporate Services and Ward Councilors	
	A data base will be established and compilation of a single municipal database categorised into wards	A data base will be established	Municipality (Housing Division)	
	Housing Committee to decide on the allocation of subsidies.	Subsidies will be allocated	Housing Steering Committee	

Focus Point two: To prioritise the upgrading and clearance of all existing (slums) informal settlements and to ensure that no further informal settlements are erected

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OBJECTIVE	ACTIVITY/DELIVERY STRATEGY	OUTPUT	RESPONSIBLE UNIT	TIME FRAME
Prioritise clearance and upgrading of all slums	Identify all informal settlements	All existing informal settlements are identified	Corporate Services / Planning Office	
	Enlist all occupants of the informal settlements	All occupants of informal settlements will be enlisted in the housing list.	Corporate Services / Ward Councilors	
	Prevent further expansion of informal settlements	Expansion of Informal settlements should be monitored and prevented.	Corporate Services / Planning Office	
	Supervise upgrading of all informal settlements	Informal settlements are upgraded	Corporate Services / Planning Office	

Focus Point three: To promote rural housing development by formalising the rural dwellings identified

OBJECTIVE	ACTIVITY/DELIVERY STRATEGY	OUTPUT	RESPONSIBLE UNIT	TIME FRAME
To formalise rural housing units (in situ upgrades)	Prioritise rural areas to be provided with subsidy houses	Rural areas to be developed are prioritised	Housing Steering Committee / Corporate Services	Over 5years
	Interact with Traditional Leaders with regard to land to be developed	Interaction with Traditional Leaders is made	Housing Committee / ward councilors	
	Implement Rural housing projects through Peoples Housing Process and the Rural Housing Policy to provide rural housing units	Houses are built.	Housing Steering Committee / Corporate Services	

Focus point four: Provision of adequate bulk infrastructure to support housing delivery

OBJECTIVE	ACTIVITY/DELIVERY STRATEGY	OUTPUT	RESPONSIBLE UNIT	TIME FRAME
Liaise with the relevant departments such as DWAF to ensure the provision of adequate water and sanitation bulk infrastructure	Align projects with other sector plans such as electricity, water service plan etc.	Housing projects are aligned with other programmes such as DWAF	Corporate Services / Planning Office	Over 5years
	Explore the use of alternative options	Alternative options are considered	Corporate Services / Planning Office	

Focus Point five: Speed up the housing delivery process by using the appropriate subsidy schemes such as the (PHP) Peoples Housing Process

OBJECTIVE	ACTIVITY/DELIVERY STRATEGY	OUTPUT	RESPONSIBLE UNIT	TIME FRAME
To speed up the delivery process in the urban and rural areas	Apply for housing subsidies from the Provincial Department of Housing	Application for subsidies will be done	Corporate Services / Planning Office	

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OBJECTIVE	ACTIVITY/DELIVERY STRATEGY	OUTPUT	RESPONSIBLE UNIT	TIME FRAME
	Allocate subsidies to housing programmes per agreed subsidy allocation percentages	Subsidies are allocated to programmes	Corporate Services / Planning Office	Over 5years
	Implement Housing Development projects through PHP the deliver the required number of units.	Required number of houses are built to reduce the backlog	Corporate Services / Planning Office	
	Establish Project Steering Committee in each housing project to oversee its implementation	Project Steering Committees are formed	Municipal Manager / Corporate Services	
	Assign an official to oversee the rapid implementation of these projects as per time frames indicated on this housing Plan.	An official is assigned		
	Submit progress report to Council	Progress report is submitted	Municipal Manager / Corporate Services	

Focus Point six: Enforce Building Regulations to ensure the construction of quality low cost housing.

OBJECTIVE	ACTIVITY/DELIVERY STRATEGY	OUTPUT	RESPONSIBLE UNIT	TIME FRAME
To ensure that quality houses are built	Assign house construction inspections to Building Inspectors		Municipal Manager	Over 5years
	Inspect the construction of houses from foundation to completion to ensure quality	Inspection Report compiled about the quality of houses.	Engineering Services, Building Control AND project Steering Committee	
	Enforce compliance to planning and building regulations, NHBF standards and municipal by-laws including the use of SABS approved materials	Inspection Report compiled reflecting compliance	Engineering Services, Building Control AND project Steering Committee	
	Establish a Project Steering Committee in each housing project, which involves service providers such as infrastructure service providers, local council, municipal officials, beneficiaries and other local stakeholders to oversee the execution of the project.	Project Steering Committees are formed in all housing projects	Municipality (Housing Division)	

Focus Point seven: Ensure that housing development foster job creation.

OBJECTIVE	ACTIVITY/DELIVERY STRATEGY	OUTPUT	RESPONSIBLE UNIT	TIME FRAME
To ensure that housing delivery stimulates local economic development which will contribute in	Encourage developers, contractors and institutions to employ local labour in the construction of housing	Local labour is employed in local housing projects	Corporate Services / Ward Councillors	

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OBJECTIVE	ACTIVITY/DELIVERY STRATEGY	OUTPUT	RESPONSIBLE UNIT	TIME FRAME
creating jobs and alleviate poverty	Encourage developers, contractors and institutions to source housing delivery resources within the municipal area before resorting to outside suppliers	Housing delivery resources are sourced within the Municipality	Corporate Services	Over 5years
	Promote private-public partnership in housing delivery	Partnerships are encouraged to stimulate the local economy	Corporate Services	
	Promote Labour-Intensive construction methods where appropriate to create jobs for local people	Labour-Intensive construction methods are encouraged to create jobs	Corporate Services	
	Empower local labour with skills so that they could sustain their jobs	Labourers in housing projects are trained in various building trades	Corporate Services	
	Promote local entrepreneurs (SMME's) to manufacture and supply essential resources needed for the construction of houses	Essential resources needed for housing are done and supplied from within the municipality	Corporate Services	

2.7 INSTITUTIONAL ANALYSIS

2.7.1 STAFF

2.7.2 COMPONENT OF THE MUNICIPALITY

The Mthonjaneni municipality has a staff component of 100 employees who are permanently employed, and 40 employees who are on contract.

Given the limited resources, the municipality has a small directorate component having a pool of responsibilities, in particular the Directorate of Corporate Services which deals with issues of corporate affairs, community services, public safety, local economic development, and planning.

Table 18: Municipal Directorates

DIRECTORATE	DIRECTOR RESPONSIBLE
Corporate	Director Corporate Services
Finance	Chief Financial Officer
Technical Services	Assistant Technical Director

2.7.3 DEPARTMENTAL RESPONSIBILITIES

Responsibilities have been assigned to departments in terms of the delegated authority and the Organogram.

2.7.4 EMPLOYMENT EQUITY

In compliance with the Employment Equity Act (55 of 1998), the municipality has developed and implemented an Employment Equity Plan.

2.7.5 SKILLS DEVELOPMENT

The municipality has developed a comprehensive Workplace Skills Development Plan for the period under review in accordance with the relevant legislation.

2.7.6 MUNICIPAL HUMAN RESOURCE STRATEGIES

The municipality has developed a number of policies that deal with Human Resource issues.

2.7.7 WARD COMMITTEES

The Municipal Ward Committees were established in 2005 and have been operational since then.

2.7.8 POWERS AND FUNCTIONS

Section K of this report highlights the powers and function allocated to the Mthonjaneni municipality.

2.7.9 TRADITIONAL AUTHORITIES

The Municipality engages with local Traditional Leadership through the Mayor's office, as well as engagement at the Representatives Forum level.

2.7.10 THE AUDIT COMMITTEE

An Audit Committee has been established and is currently operational.

2.8 ENVIRONMENTAL ANALYSIS

2.8.1 INTRODUCTION

In 2007, the Municipality commissioned the formulation of a Strategic Environmental Assessment (SEA). The SEA was pursued on the basis of Integrated Environmental Management (IEM), which is an integral part of the National Environmental Management Act (NEMA).

The SEA is a tool of the IEM which is used to integrate environmental issues into the formulation of plans and programmes. Therefore; an SEA is an indication of the effect that the environment will have on development (NEMA, 2007).

The benefits of an SEA are summarised below as follows;

- To identify opportunities and constraints placed by the environment of development,
- It works as a tool that assists in the development of plans and programmes,
- It provides guidelines that ensures the limits of development, and
- It focuses on maintaining a chosen level of environmental quality.

2.8.2 FINDINGS

The SEA investigated the state of the environment in the municipality by identifying key areas of focus. This included a gathering of findings on the following;

- (i) Biophysical Conditions
 - Topography,
 - Climate,
 - Geology,
 - Soils
 - Land Use,
 - Agriculture,
 - Hydrology,
 - Water bodies and water quality,
 - Ecological systems,
 - Fauna,
 - Flora,
 - Visually sensitive areas,
 - Air Quality,
- (ii) Service Provision
- (iii) Education and Income
- (iv) Industry and Employment
- (v) Land Ownership, Tribal Authorities and Land Reform,
- (vi) Cultural and Historic Features, and
- (vii) Institutional Structure and Capacity.

2.8.2 OPPORTUNITIES AND CONSTRAINTS

The environmental opportunities and constraints were also investigated in terms of the categories above.

(The full copy of the SEA is provided as an Annexure of this Report)

2.8.3 C-PLAN AND MIN-SET AREAS

South Africa has ratified the International Convention on Biological Diversity, which commits the country, including KwaZulu-Natal, to develop and implement a strategy for the conservation, sustainable use and equitable sharing of the benefits of biodiversity. In terms of the Constitution of South Africa, KwaZulu-Natal has responsibility for the function of nature conservation in the province, except for national parks, marine resources and national botanical gardens, and concurrent responsibility for the environment.

The Biodiversity Bill also requires Provincial Authorities together with the Department of Environment and Tourism, to compile and implement a 'Bioregional Plan' for the province that ensures that a minimum area of each bioregion with all its representative ecosystems is protected. The results of such a planning process have both strategic planning value as well as reactive value in the event of a change in land use being proposed. Thus, the opportunity arises to have a significant input into the environmental component of the Municipal Integrated Development Plans, and via this mechanism make a meaningful and positive contribution to environmentally sensitive development in the province.

(i) Irreplaceability Analysis

The first product of the conservation planning analysis in C-Plan is irreplaceability map of the planning area, in this case the province of KwaZulu-Natal. This map is divided into 2 by 2 km grid cells called 'planning units'. Each cell has associated with it an 'Irreplaceability Value' which is one reflection of the cells importance with respect to the conservation of biodiversity. Irreplaceability reflects the planning units ability to meet set 'targets' for selected biodiversity 'features'. The irreplaceability value is scaled between 0 and 1.

Irreplaceability value – 0. Where a planning unit has an irreplaceability value of 0, all biodiversity features recorded here are conserved to the target amount, and there is unlikely to be a biodiversity concern with the development of the site.

Irreplaceability value – 1. These planning units are referred to as totally irreplaceable and the conservation of the features within them are critical to meet conservation targets. (EIA very definitely required and depending on the nature of the proposal unlikely to be granted).

Irreplaceability value > 0 but < 1 . Some of these planning units are required to meet biodiversity conservation targets. If the value is high (e.g. 0.9) then most units are required (few options available for alternative choices). If the value is low, then many options are available for meeting the biodiversity targets. (EIA required and depending on the nature of the proposed development, permission could be granted).

C-Plan and Minset

Minset is a function or tool within C-Plan (Conservation Planning Software) that is used to identify a 'minimum set' of sites (planning units) that would fulfil the aim firstly of achieving the conservation targets within a number of constraints that can be set by the user e.g. avoid highly productive agricultural land, or land adjacent to major highways. It presents the most efficient solution to achieving conservation targets and other land use constraints. The Minset output map shows areas that are already protected, 'Mandatory Reserves' and 'Negotiable Reserves'. Mandatory reserves are those areas that appear as totally irreplaceable on the irreplaceability map, since there are no other alternatives for achieving the conservation targets. Areas identified as negotiable reserves are the areas that the Minset function returns as the most efficient for achieving targets and constraints. However there are alternatives to achieving the targets and constraints but with less efficiency, and hence the designation of this area is still negotiable.

In using the results of the Minset analysis for impact assessment and incorporating recommended areas into regional and local plans, planners need to proceed with caution. While mandatory reserves (totally irreplaceable areas) must be incorporated to meet conservation targets, negotiable reserves need not. However with respect to the latter, if an area is rejected for incorporation into the conservation network, landscape planning cannot end there. For the planning cycle to be completed in this respect, the planner must identify and recommend the incorporation of alternative sites that will allow the targets for the affected biodiversity assets to be satisfied. This will involve the rerunning of the Minset analysis with the initially excluded site removed from the analysis, and is what makes C-Plan a truly interactive and iterative planning tool.

(ii) Areas suited for Conservation

At the core of the systematic conservation-planning framework are clearly stated conservation targets or goals for biodiversity features. These features include all the major terrestrial and aquatic ecosystems and processes. In addition they cover a selected number of species which are either endemic to KwaZulu-Natal (i.e. their world wide distribution occurs exclusively within the borders of the province) or are nationally or internationally endangered and KwaZulu-Natal can make a significant contribution to their conservation. At the heart of each biodiversity features target is the desire to conserve a representative and viable sample of the feature.

Biodiversity targets change as our understanding of the dynamics of the features changes.

The KZN Wildlife Minset identifies other sensitive areas requiring formal conservation.

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By overlaying the two maps one is able to identify the untransformed land that falls within the categories of Mandatory and Negotiable reserves and in such a way identify the environmental priority areas.

These were determined as follows:

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

Priority 2: Zones that are spatially designated as areas that have natural land cover and not designated as negotiable reserves. They are therefore areas of moderate biodiversity importance and still maintain natural ecosystem. Development in this zone should still be environmentally sensitive as it could be identified as mandatory reserve in future based on land transformation in the future.

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

Figure 8: C-Plan Spatial Data

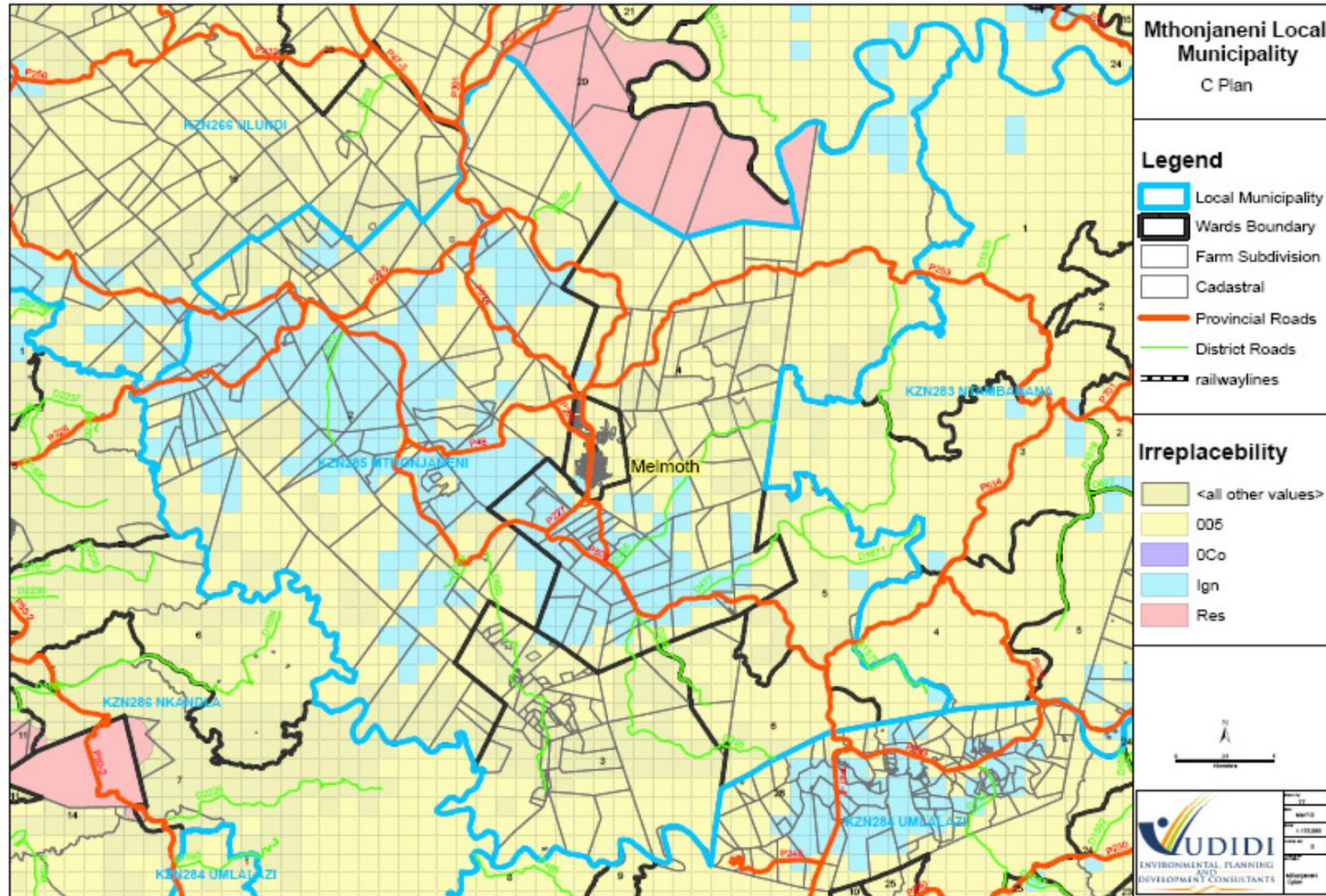
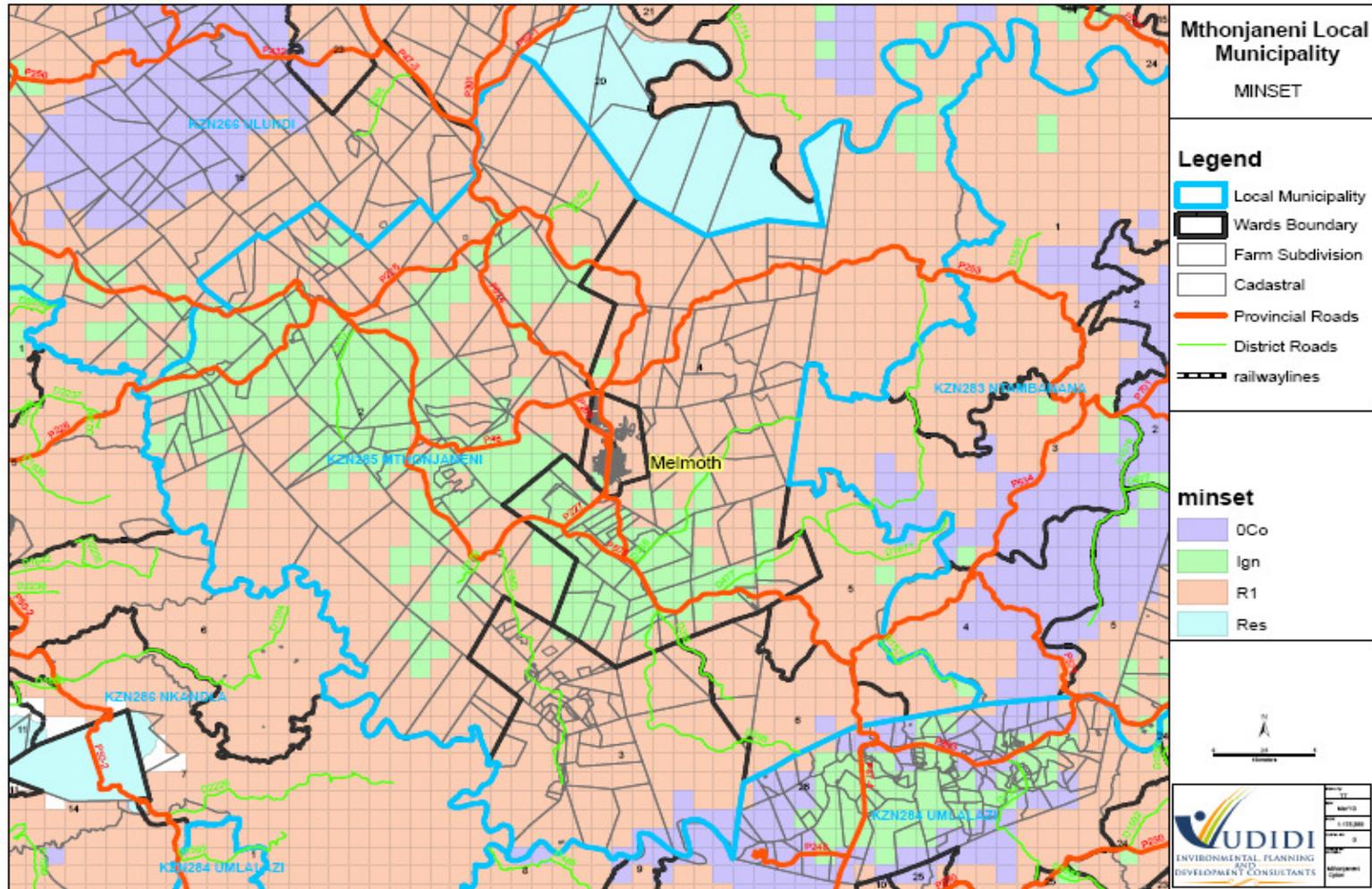


Figure 9: Minset Spatial Data



2.9 NATIONAL AND PROVINCIAL STRATEGIC GUIDELINES

2.9.1 NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE (NSDP)

The Policy Co-ordination and Advisory Services introduced a National Spatial Development Perspective (NSDP), which was then endorsed by the Cabinet in March 2003. The NSDP works in conjunction with different Departmental and Provincial spatial and development strategies.

The vision of the NSDP is that South Africa will become a nation in which investment in infrastructure and development programmes support government's growth and development objectives by:

- Focussing economic growth and employment creation in areas where this is sustainable and most effective;
- Ensuring greater competitiveness through the support of restructuring where feasible;
- Fostering development on the basis of local potential; and
- Ensuring that development institutions are able to provide basic needs throughout the country.

The four principles of the NSDP are as follows:

- Economic growth is a prerequisite for achievement of policy objectives;
- Government spending should concentrate on fixed investment, focusing on localities of economic growth and/or economic potential;
- Efforts to address the past and current inequalities should focus on people not on places; and
- To overcome spatial distortions of apartheid, future settlement and economic development opportunities should be channelled into nodes adjacent to the main growth centres.

In order to distinguish between localities, the NSDP uses two concepts as methodological tools, which are Potential and Poverty Gap. These two concepts will assist the NSDP in providing a course-grained analysis from a national perspective, which will be supplemented by a more finely, grained analysis at provincial and Local Government level.

In defining potential, the NSDP has drawn on recent tradition of "institutional economics" a field that has come to dominate both developmental economics and regional planning. The institutional approach suggests that beyond the usual sources of comparative advantage, the institutional adequacy of a locality will help determine whether development is sustainable or not. The NSDP therefore uses concepts of potential that rely strongly on the presence of institutional capacity to realize the developmental impact of other resources.

In summary, the NSDP will have a role to play as an instrument that informs the respective development plans of the three spheres of government i.e. IDP, PGDS and the Medium Term Strategic Framework (MTSF).

2.9.2 **PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY (PGDS)**

The PGDS is a vehicle to address the legacies of the apartheid space economy, to promote sustainable development and to ensure poverty eradication and employment creation. The PGDS offers a tool through which national government can direct and articulate its strategy and similarly for local government to reflect the necessary human, financial and fiscal support it needs to achieve these outcomes. It facilitates proper coordination between different spheres of government and aims to prevent provincial departments from acting out of concert with local municipalities. It enables intergovernmental alignment and guides activities of various role players and agencies (provincial sector departments, parastatals, district and municipalities). The PGDS will enhance service delivery. It is a framework for public and private sector investment, indicating areas of opportunities and development priorities. It addresses key issues of implementation blockages whilst providing strategic direction.

The PGDS on the one hand involves preparing policies, strategies and guidelines and on the other hand it involves preparing mechanisms to align and facilitate the implementation, monitoring and evaluation of key growth and development priorities.

The provincial priorities identified in the PGDS are as follows:

- Strengthening government through service delivery;
- Sustainable economic development and job creation;
- Integrating investment in community infrastructure;
- Developing human capability;
- Developing a comprehensive response to HIV/ Aids; and
- Fighting poverty and protecting vulnerable groups in society.

2.9.3 **THE PROVINCIAL SPATIAL ECONOMIC DEVELOPMENT STRATEGY (PSEDS)**

The PSEDS has been developed from the PGDS and is based on the following principles, namely:

- Government has a constitutional obligation to provide basic services to all citizens including health, education, housing and transport;
- Development is required in all areas of the province;
- Growth in the province will be driven by certain areas;
- The PSEDS attempts to indicate where different types of investment should be directed in order to achieve development and economic growth.

(i) **CLASSIFICATION OF AREAS OF ECONOMIC POTENTIAL**

The PSEDS identifies the agricultural sector and agri-processing as an area offering a massive potential for growth and being the largest existing or potential employer of people in the rural areas. The plan identifies the fact that the sector requires better linkages between the first economy

commercial agriculture to develop the second economy subsistence agriculture.

The plan identifies the fact that large portions of the municipality are covered by areas of good potential.

(ii) CLASSIFICATION OF AREAS OF POVERTY

Although pockets of poverty do occur within the Mthonjaneni municipality, it is noted that at a provincial level the rates of poverty in the Mthonjaneni municipality do not feature.

(iii) CLASSIFICATION OF NODES AND ACTIVITY CORRIDORS

The PSEDS identifies Melmoth as a fourth level Node with the closest third level node being Ulundi and the closest Secondary Node being Richards Bay.

The PSEDS identifies an agricultural corridor running through the municipality from Richards Bay to Vryheid

(iv) SUMMARY OF HIGH LEVEL CLUSTER PRIORITIES AND OBJECTIVES FOR THE MUNICIPALITY

(a) AGRICULTURE AND LAND REFORM

As indicated above, the plan identifies the fact that large portions of the municipality are covered by areas of good agricultural potential. The PSEDS also identifies that the sector urgently needs transformation and that land reform is a key sector lever of transformation for this sector.

(b) TOURISM

The PSEDS identifies that the primary sectors of tourism potential are beach, cultural and eco-tourism. The plan identifies that both eco-tourism and cultural tourism occur within the municipality.

(c) INDUSTRY

No areas of industrial potential are identified in the municipality with the closest Industrial Nodes being Richards Bay and Mandeni.

(d) SERVICES

The PSEDS identifies that the service sector is vital in supporting development in poor and rural areas. The sector comprises, amongst others, of the following:

- Wholesale and retail trade;

- Transport and storage;
- Communication;
- Financial and insurance;
- Real estate;
- Business, community, social and personal services; and
- Government services.

The PSEDS identifies Melmoth as a fourth level Node with the closest third level node being Ulundi and the closest Secondary Node being Richards Bay.

2.9.4 **THE ACCELERATED AND SHARED GROWTH INITIATIVE FOR SOUTH AFRICA (ASGI-SA)**

Certain weaknesses in the way government is organized, in the capacity of key institutions, including some of those providing economic services, and insufficiently decisive leadership in policy development and implementation all negatively impact on the country's growth potential. Countering these constraints entails a series of decisive interventions. These interventions amount not to a shift in economic policy so much as a set of initiatives designed to achieve our objectives more effectively.

In developing responses to the binding constraints, certain measures to counter the constraints were developed.

- Macroeconomic issues;
- Infrastructure programmes;
- Sector investment strategies (or industrial strategies);
- Skills and education initiatives,
- Second economy interventions; and
- Public administration issues.

The programme's goal is the creation of jobs in the second economy with a focus on creating 1 million jobs over a period of five years. The objectives of the programme are summarised as follows:

- Increased employment and income for unemployed of underemployed poor people;
- A reduction in income gaps in society;
- Lessening the trend of migration to big city slums by the creation of more productive jobs in villages and small towns;
- Economic empowerment of (mainly black) poor women; and
- Addressing constraints that inhibit economic growth and shared benefits.

Mthonjaneni Municipality has prepared a Local Economic Development Strategy where the principles of ASGISA have been applied and addressed by the strategy.

2.10 SWOT ANALYSIS FOR THE MTHONJANENI MUNICIPALITY

2.10.1 INTRODUCTION

In order to understand the SWOT analysis, it is relevant to discuss the concepts of the **external** and **internal environments** of the municipality. The **external** environment refers to features and processes which occur outside the municipality, while the **internal** environment refers to the characteristics and the processes which occur within the municipal boundaries. In the analysis Strengths, Weaknesses, Opportunities and Threats should be seen from the perspectives of both the external and internal environments. Strengths and Weaknesses refer to the current situation, while Opportunities and Threats should be seen as both the present and the future situation as it may apply to the municipality.

2.10.2 DEFINITIONS

Strength:

Strength is a feature of the municipality or its location which gives a competitive advantage. It is a feature which should not be lost or degraded.

Weakness:

A weakness in this context is a characteristic of the municipality or a process which could prohibit or hinder the attainment of a desirable future situation.

Opportunity:

An opportunity is a situation or set of circumstances which, if dealt with appropriately, could assist significantly in moving the municipality towards achieving desirable improvements.

Threat: A threat is a set of circumstances or a trend or process which could result in reduced levels of well-being.

2.10.3 SWOT ANALYSIS

(i) STRENGTHS

- Clear political Majority
- Sound financial control and position
- Competent staff
- Good administrative Centre
- Relatively satisfied urban communities
- Clear policies
- Co-operative Traditional Leadership
- Good working relations with Councillors and staff
- Well equipped for service delivery in urban areas
- Confidence by funding Departments

(ii) WEAKNESSES

- Lack of delivery by Provincial Departments e.g. Department of Agriculture
- Low income population
- Service limited to urban areas
- Not enough grants for infrastructure

(iii) OPPORTUNITIES

- To identify and protect natural areas where possible, and promote these as tourist and leisure attractions.
- To promote the natural ambience of the area.
- To ensure that funding is set aside for maintenance of services and facilities.
- Implementation of a skills improvement programme.
- Continue to strengthen the Ward Committee concept and co-operative Traditional Leadership.
- Ensure Councillors and municipal officials are informed of what constitutes good governance.
- Ensure Councillors and municipal officials are trained in communication methods and practices.

(iv) THREATS

- Lack of co-operation between Councillors and Community
- Insufficient funding
- Malicious political interference
- Budget always divided by the number of wards

SECTION C

DEVELOPMENT STRATEGIES

3.0 STRATEGIES

3.1 INTRODUCTION

The Mthonjaneni municipality's Vision was developed as part of the Council Strategic Workshop in 2007. The strategies and projects for the municipality have been aligned with the following key national and provincial documents:

- The 10 new National Priorities; and
- The 7 new Provincial Priorities.

3.2 VISION AND MISSION FOR THE MUNICIPALITY

3.2.1 VISION

The current vision statements of Mthonjaneni Municipality as articulated in the previous IDP are as follows:

“Mthonjaneni Municipality will strive to promote local economic development through investments and establishment of partnerships, to provide level of quality services to all residents through establishment of proper communication channels, improved infrastructure and maintenance of its financial viability.”

3.2.2 MISSION

“Our mission is to promote a quality social and economic environment for all living in our boundaries by:

- Providing opportunities for all to aspire to a better future;
- Providing a safe and secure environment;
- Providing a high level of affordable essential basic services;
- Supporting the poorest of the poor and vulnerable groups’
- Providing service excellence;
- Encouraging community participation in service delivery; and
- Good governance.”

3.3 DEVELOPMENT STRATEGIES

3.3.1 BACKGROUND

The strategies for the municipality were reviewed this financial year to ensure linkages with the outcomes of the DM's growth and development summit, the NSDP, the PGDS, as well as the new National and Provincial Priorities.

3.3.2 ALIGNMENT WITH THE OUTCOMES OF THE DM'S GROWTH SUMMIT

The IDP's strategies are aligned with the outcomes of the DM's growth and development summit.

3.3.3 ALIGNMENT WITH THE NATIONAL AND PROVINCIAL PRIORITIES

This year's IDP is fully aligned with the new national and provincial priorities which can be seen with the inclusion of two new columns in the strategic framework.

3.3.4 FOCUS AREAS

The development of the following focus areas are imperative to the future development of the municipality and its communities, and are thus highlighted in this section.

FOCUS AREA 1: SUPPORT TO SMME'S

FOCUS AREA 2: STRATEGY TO DEVELOP THE SECOND ECONOMY

FOCUS AREA 3: YOUTH

FOCUS AREA 4: GENDER

FOCUS AREA 5: THE DISABLED

3.4 MTHONJANENI STRATEGIC FRAMEWORK

The Strategic Framework Matrix for the Municipality is provided below:

Table 1: Strategic Framework Matrix

NATIONAL KPA	OBJECTIVES	STRATEGIES
<p style="text-align: center;">KPA 1: BASIC SERVICE DELIVERY</p>	<p>1.1 To ensure that all communities within the municipal area are serviced in terms of water provision and sanitation to at least the minimum levels agreed to at national, provincial and district level</p>	<p>Ensure that municipal priorities for the installations of water points and local reticulation systems are included in the District Council's Water Services Development Plan.</p>
		<p>Prioritise water projects in areas of higher population density and in particular at local rural service centres.</p>
		<p>Initiate spring protection programmes, in conjunction with water and sanitation awareness programmes for households.</p>
		<p>Initiate rain harvesting programmes.</p>
		<p>Promote water recycling.</p>
		<p>Assess the capacity of existing sewage works in urban areas and formulate programme for expansion and upgrading.</p>
		<p>Identify areas that need to be reticulated and connected to Waste Treatment Works. Identify rural areas where inadequate sanitation is a health risk and ensure relevant input into District Council's WSDP.</p>

NATIONAL KPA	OBJECTIVES	STRATEGIES
<p style="text-align: center;">KPA1- BASIC SERVICE DELIVERY</p>	<p>1.2 Improve accessibility in rural areas and improve road linkage between urban and rural components.</p>	<p>Upgrade rural road network based on community needs and development corridors as identified in the spatial framework and roads policy.</p>
	<p>1.3 To ensure that all communities within the municipal area have access to electricity</p>	<p>Establish priority areas for electrification and ensure implementation by the service provider (Eskom).</p>
	<p>1.4 To avoid the deterioration of the existing infrastructural , facilities, institutions and buildings network through a comprehensive maintenance and upgrading programme and catering for disabled where necessary.</p>	<p>Assess all public institutions, buildings, facilities and infrastructure to ensure improved accessibility for all people particularly the disabled.</p>
	<p>1.5 To ensure that all communities have access to waste collection services and waste disposal facility.</p>	<p>Compile and implement a waste management system. Extend waste collection service by expanding and upgrading existing facilities.</p>

		Investigate, prepare and implement an after-hours rubbish removal and management programme in CBD's and tourism nodes.
		Initiate an anti-litter and litter awareness and education campaign.
		Implement a zero tolerance anti-littering campaign.
		Implement a recycling campaign
	1.6 To ensure all people have access to affordable burial services	Ensure the identification of suitable burial sites within the municipal area
		Development of a support programme for indigent
	1.7 To ensure access to quality primary health care.	Develop hierarchy of health facilities, optimizing existing facilities whilst providing an adequate coverage.
		Increase capacity of health services through community health education using community health workers
	1.8 To ensure access to community based care network for HIV and AIDS sufferers and their dependants	Audit and monitor the level of community awareness
		Ensure the establishment of educational programmes through intersectoral collaboration.
		Establish an HIV / AIDS Forum with all roleplayers
		Educate communities on safe sex.
		Encourage the use of free HIV / AIDS testing
		Provide counseling to affected individuals and their families
	Provide HIV/AIDS care facilities	
KPA 1: BASIC SERVICE DELIVERY	1.9 To actively pursue the provision of housing to all communities within the municipality, within the context of overall community development	Consolidate and review housing waiting lists and review existing and projected housing demand in urban.
		Formulate and implement a housing delivery strategy.
		Optimise economic development spinoffs from housing projects.
		Develop a consumer education programme on the various housing options available as well as a homeownership responsibilities guidepack.
		Determine the extent and profile of all informal settlements.
	1.10 To ensure that all communities have access to a basic level of community and social facilities.	Provision of Drop in Centers.
		Provision of Creches.
		Provision and upgrading of schools
		Provision of Library
		Provision of Community Halls.
	Provision of pay-points.	
	Provision of Skills Development Center.	
	Provision of sports facilities.	

NATIONAL KPA	OBJECTIVES	STRATEGIES	
KPA 2: LOCAL ECONOMIC DEVELOPMENT	2.1 To stimulate local economic development, with specific emphasis on tourism, agriculture and manufacturing	Establish a comprehensive tourism assets data base.	
		Formulate and implement a tourism development strategy, with specific emphasis on diversification, both in market and spatial terms.	
		Review and assess all existing LED strategies and plans.	
		Conduct CBD revitalization studies	
		Develop and implement an international and national marketing strategy. Identify additional "events" to assist in marketing of the area.	
		Identify flagship projects which can act as catalysts to local economic development.	
		Identify flagship projects which can act as "food security" projects.	
		2.2 To establish a partnership with the private business community to expand and enhance local investment and development opportunities.	Identify mixed-use areas in appropriate locations and formulate a programme to supply services to these areas.
			Review municipal bylaws and Town Planning Schemes, and extend Town Planning Scheme to cover peri-urban
			Initiate urban agriculture projects in and around lower income areas.
Preserve high quality agricultural land.			
Employ small scale local contractors in public works programmes			
Identify potential funding sources for the development of SMME's.			
Formulate strategy for small scale manufacturing			

		Encourage agri-industries and potential linkages between agriculture and the tourism industry.
		In consultation with Department of Agriculture, set up and implement small farmers support and advice programme.
		Identify range of farming activities that can be pursued at subsistence level, and approach the relevant Department for support.
		Promote co-operative arrangements for supply and distribution networks.
		Incentives in Agricultural Sector

NATIONAL KPA	OBJECTIVES	STRATEGIES
KPA 3: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	3.1 Ensure that Council has sufficient institutional capacity to meet the challenge associated with its transformation into a developmental municipality.	Undertake strategic assessment of existing and required skills for Council staff.
		Formulate Skills Development Programme
		Investigate public / private partnerships and the feasibility of outsourcing of certain services.
		Clarify roles and responsibilities of different authorities in context of Municipal legislation.
		Determine correct placement in the organisation for rural development component and Integrated Development Planning
		Implement relevant recommendations from the Amalgamation Plan.
		Expand GIS system and optimise potential use.
		Set up service providers forums in consultation with District Council.
		Extend Municipal services.
		3.2 To formulate a comprehensive communication and marketing plan
Formulate a marketing strategy.		
Formulate internet and e-business strategy.		

NATIONAL KPA	OBJECTIVES	STRATEGIES
(4) DEMOCRACY AND GOVERNANCE	4.1 To ensure the development of a safety and security network that improves investor confidence and public access to policing (specifically women and children) through realignment and better accessibility	Establish community-policing system that builds on local community network Provide counseling and assistance to rape survivors and victims of domestic violence on rotational basis in each cluster. Ensure better cooperation between the security (policing) services, criminal justice system and the municipality.
	4.2 To achieve a balance between the developmental needs of a local communities and sound environmental management principles.	Establish an effective water quality monitoring programme. Initiate programmes to prevent soil erosion. Undertake a Strategic Environmental Assessment (SEA) to form the base of an Environmental Management Plan (EMP) for the entire municipal area, and create effective linkage between the EMP, the Land Use Management System and relevant bylaws.

NATIONAL KPA	OBJECTIVES	STRATEGIES
(5) FINANCIAL MANAGEMENT	5.1 To ensure a financially viable local municipality, and maximize existing resources.	Formulate an Indigent Policy and audit of indigent.
		Formulate and monitor database on potential funding sources.
		Optimise Council's rate revenue base.
		Increase capacity to collect Revenue.
		Develop Incentives Policy.
		Expand rates base by the formulation of a land data base and the review and extension of the Valuation Roll

SECTION D:
HIGH LEVEL SPATIAL DEVELOPMENT FRAMEWORK

4.0 THE SPATIAL DEVELOPMENT FRAMEWORK

4.1 BACKGROUND

4.1.1 The original Spatial Development Framework (SDF) was adopted by Council during July 2002 as part of the Mthonjaneni IDP process, in preparation for the 2003/2004 Financial Year.

4.1.2 The review of the SDF has been prompted by the following:

- to accommodate more up to date information, such as land use information
- the need to provide guidelines on the management of development in the urban / rural interface
- to incorporate the findings and recommendations of Sector Plans such as the Land Use Management System.

4.2 PURPOSE, PRINCIPLES AND OBJECTIVES

The preparation of the Mthonjaneni Municipality Spatial Development Framework (SDF) is based on the Status Quo Analysis and is guided by those development informants, which have a spatial implication.

The SDF is also guided by policy documents and legislation providing spatial strategic guidelines to include, amongst other;

- the Development Facilitation Act (DFA)
- the Housing Act and White Paper
- the National Environment Management Act (NEMA)
- the White Paper on South African Land Policy
- the Green Paper on Development and Planning

Development in the Mthonjaneni Municipality should seek to adhere to such guideline principles and in particular the following:

- facilitate the integration of social, economic, institutional, and physical aspects of land development.
- promote integrated development in rural and urban areas, and with each other.
- promote residential and employment opportunities, and in close proximity with each other.
- optimise existing resources.
- promote diverse combination of land uses.

- promote compact urban areas and discourage urban sprawl.
- assist in correcting historically distorted settlement patterns, and optimise the use of existing settlements.
- encourage environmental sustainability.
- meet basic needs in economically and environmentally efficient manner, and should be viable.
- provision must be made for security of tenure and different tenure options.
- land development should be co-ordinated so as to minimize conflict and stimulate competition.
- there should be a rapid release of land for development.
- that the disturbance of eco-systems and loss of bio-diversity are avoided or where they cannot be altogether avoided, minimize and remedied.
- pollution and degradation of the environment is avoided, or where they cannot be altogether avoided, minimize and remedied.
- disturbance of landscapes and sites that constitute the nations cultural heritage are avoided, or where they cannot be altogether avoided, minimized and remedied.

The Objective

The main objective of the SDF is to fulfill the vision of the Municipality, which focuses on the following:

- the development of the local economy
- the provision of at least minimum level of basic services
- increasing the effectiveness of the local municipality

The SDF aim to achieve the following:

- Guide Service Providers to work together towards a common goal of alleviating poverty;
- To plan, adapt and integrate service delivery
- To link departmental budgets / finances and promote integrated delivery
- To increase community access to services and reduce the cost of delivery
- To effect change in the way public service delivery agencies operate
- To adapt services to meet local, social and economic needs
- To establish a model for rural service delivery which is replicable.

Co-ordinating the time and the place where services are provided / delivered.

- Reducing the cost of service delivery through sharing of infrastructure and resources.
- Improve community convenience to access services, at one point at one time.

Creating economic opportunities at service delivery points.

- Locating residential populations around service delivery points to stimulate market activity (visa versa)
- Stimulating investment opportunities around service delivery points.

- Creating opportunity for greater diversification of economic activity.

In meeting the above it is intended to create a framework for future management of the municipality and a basis to facilitate both public and private investment in the local municipal area and to boost investor confidence.

4.3 LEGISLATION AND POLICY

4.3.1 South African Constitution and Principles of Sustainable Development

Chapter 7 of the Constitution deals with *local government* and section 152 deals with the *objectives of local government*. It indicates that these objectives are:

- 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 a safe and healthy environment; and
- To encourage the involvement of communities and community organizations in the matters of local government.

SOUTH AFRICAN CONSTITUTION IMPLICATIONS FOR THE SDF

- The IDP and SDF seek to actualise the objectives of the Constitution.

4.3.2 Municipal Systems Act

The Regulations promulgated in terms of the Municipal Systems Act, 2000 set out the following requirements for a Spatial Development Framework:

“A spatial development framework reflected in a municipality’s integrated development plan must:

- (a) give effect to the principles contained in Chapter 1 of the Development Facilitation Act, 1995 (Act No. 67 of 1995);
- (b) set out objectives that reflect the desired spatial form of the municipality;
- (c) contain strategies and policies regarding the manner in which to achieve the objectives referred to in paragraph (b), which strategies and policies must-
 - (i) indicate desired patterns of land use within the municipality;
 - (ii) address the spatial reconstruction of the municipality; and
 - (iii) provide strategic guidance in respect of the location and nature of development within the municipality.
- (d) set out basic guidelines for a land use management system in the municipality;
- (e) set out a capital investment framework for the municipality’s development programs;
- (f) contain a strategic assessment of the environmental impact of the spatial development framework;

- (g) identify programs and projects for the development of land within the municipality;
- (h) be aligned with the spatial development frameworks reflected in the integrated development plans of neighbouring municipalities; and
 - (i) provide a visual representation of the desired spatial form of the municipality, which representation –
 - (ii) must indicate where public and private land development and infrastructure investment should take place;
 - (iii) must indicate desired or undesired utilization of space in a particular area;
 - (iv) may delineate the urban edge;
 - (v) must identify areas where strategic intervention is required; and
 - (vi) must indicate areas where priority spending is required”.

• MSA IMPLICATIONS FOR THE SDF

- The SDF in compliance with Chapter 5, and Section 25 (1) of the MSA (32 of 2000); and
- The SDF in compliance with Sections 26, 34 and 35 of the MSA (32 of 2000).

4.3.3 THE PRINCIPLES CONTAINED IN THE DEVELOPMENT FACILITATION ACT (DFA)

Chapter 1 of the DFA sets out a number of principles which apply to all land development. The following principles would apply to the formulation and content of a Spatial Development Framework.

a. Policies, administrative practice and laws should:

- (i) provide for urban and rural land development;
- (ii) facilitate the development of formal and informal, existing and new settlements;
- (iii) discourage the illegal occupation of land, with due recognition of informal land development processes;
- (iv) promote speedy land development;
- (v) promote efficient and integrated land development in that they:
 - promote the integration of the social, economic, institutional and physical aspects of land development;
 - promote integrated land development in rural and urban areas in support of each other;
 - promote the availability of residential and employment opportunities in close proximity to or integrated with each other;
 - optimize the use of existing resources including such resources relating to agriculture, land, minerals, bulk infrastructure, roads, transportation and social facilities;
 - promote a diverse combination of land uses, also at the level of individual erven or subdivisions of land;

- discourage the phenomenon of “urban sprawl” in urban areas and contribute to the development of more compact towns and cities;
 - contribute to the correction of the historically distorted spatial patterns of settlement in the Republic and to the optimum use of existing infrastructure in excess of current needs; and
 - encourage environmentally sustainable land development practices and processes.
- b. Members of communities affected by land development should actively participate in the process of land development.
- c. The skills and capacities of disadvantaged persons involved in land development should be developed.
- d. Policy, administrative practice and laws should promote sustainable land development at the required scale in that they should –
- (i) promote land development which is within the fiscal, institutional and administrative means of the Republic;
 - (ii) promote the establishment of viable communities;
 - (iii) promote sustained protection of the environment
 - (iv) meet the basic needs of all citizens in an affordable way; and
 - (v) ensure the safe utilization of land by taking into consideration factors such as geological formations and hazardous undermined areas
- e. Each proposed land development area should be judged on its own merits and no particular use of land, such as residential, commercial, conservational, industrial, community facility, mining, agricultural or public use, should in advance or in general be regarded as being less important or desirable than any other use of land.
- f. Land development should result in security of tenure, provide for the widest possible range of tenure alternatives, including individual and communal tenure, and in cases where land development takes the form of upgrading an existing settlement, not deprive beneficial occupiers of homes or land or, where it is necessary for land or homes occupied by them to be utilized for other purposes, their interests in such land or homes should be reasonably accommodated in some other manner.
- g. A competent authority at national, provincial and local government level should coordinate the interests of the various sectors involved in or affected by land development so as to minimize conflicting demands on scarce resources.

- h. Policy, administrative practice and laws relating to land development should stimulate the effective functioning of a land development market based on open competition between suppliers of goods and services.

DFA IMPLICATIONS FOR THE SDF

The SDF is in line with the principles of the DFA which include the:

Promotion of the integration of the social, economic, institutional, and physical aspects of land development;

- Promotion of integrated land development in rural and urban areas in support of each other;
- Promotion of residential and employment opportunities in close proximity to or integrated with each other;
- Optimisation of the use of existing resources including such resources relating to agriculture, land, minerals, bulk infrastructure, roads, transportation and social facilities;
- Promotion of a diverse combination of land uses, also at the level of individual erven or subdivisions of land;
- Discouraging of the phenomenon of “urban sprawl” in urban areas and contribute to the development of more compact towns and cities;
- Contribution to the correction of the historically distorted spatial patterns of settlement in the Republic and to the optimum use of existing infrastructure in excess of current needs; and
- Encouragement of environmentally sustainable land development practices and processes.

4.3.4 THE PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY (PGDS)

Municipal planning should obviously be guided by planning initiatives undertaken by other spheres of government. Previous IDP’s made reference to the Provincial Growth and Development Strategy which was approved by the Provincial Cabinet in July 1996. It has been reviewed and is set out in a document entitled “*Provincial Growth and Development Strategy Summit 2004*”. It provides strategic guidance in order to release economic growth and ensure sustainability. It consists of six programmes, some of which contain elements relevant to the SDF.

Programme 1: Good Governance requires the preparation of Municipal Spatial Development Frameworks and the implementation of Municipal Land Use Managements Systems. It emphasizes the need for inter-governmental co-ordination and co-operation, particularly with regard to service delivery to avoid duplication. It advocates the use of a GIS system for capture of data, and the use of e-Governance (Websites) as a way of bringing government service to the people of the province.

Programme 2: Competitive Investment provides strategies for industrial development identifying the need to consolidate, develop and diversify the province’s manufacturing and agricultural bases and the need to develop a sustainable and competitive tourism industry.

Programme 3: Local Economic Development covers support of local business. Areas where these can be promoted need to be identified.

Programme 4: Sustainable Communities includes the provision of appropriate and sustainable housing. It is envisaged that all slums should be cleared within the next 6 years. Land Reform and Development processes need to be expedited.

Crosscutting strategies of a spatial nature include **Environmental Management** and **Integration** with surrounding Local Authority and the District Municipality Frameworks.

PGDS IMPLICATIONS FOR THE SDF

- The SDF aligns with the following provincial priorities:
- Strengthening governance and service delivery;
- Sustainable economic development and job creation;
- Integrating investment in community infrastructure; and
- Fighting poverty and protecting vulnerable groups in society.

4.4 SPATIAL DEVELOPMENT ISSUES TO TAKE INTO ACCOUNT

4.4.1 LOCALITY AND ACCESS

The municipality falls within the northern coastal region of KwaZulu Natal, and is part of the uThungulu District Municipality. It is approximately two hours or 170km north of Durban.

Access to the area from Durban is gained from the N2 freeway in a northerly direction, and the R66 in a north westerly direction. The R66/R34 is also a major link between the coastal towns and Gauteng.

4.4.2 THE MUNICIPAL AREA

The municipality is made up of 6 Wards with a geographical area of 1086 square kilometres.

It has an official Census estimate population of approximately 56 523 people. Major population concentrations are in the rural areas which were outside the former Melmoth TLC namely; Wards 2, 3, 4, 5, and 6.

There are more females (55%) than males (45%) within the municipality. This is dominated by the economically active age group (19-64 years) at 43 %, which lives 57% of the population dependant on them.

4.4.3 SOCIO-ECONOMIC STATUS

4.4.3.1 SOCIAL SERVICES

The area has a backlog of social services and facilities particularly the rural areas. The existing services to these areas were provided by the former Joint Services Board (JSB's) and Regional/District Councils. In terms of the Powers and Functions, the District Council is responsible for most of the bulk services in these areas such as water and sanitation.

The need for and provision of social services in this area was identified as the community's first priority especially; water and sanitation, electricity, housing, roads, schools, and clinics.

4.4.3.2 ECONOMIC & EMPLOYMENT STATUS

The economic base of the municipality is dependent on commercial farming, which surrounds the town of Melmoth. The town functions as the service centre for the local farming industry. In the past the town also served (and still does to some degree) the surrounding areas such as Ntambanana and Nkandla. However, the development of these towns has seen a decrease in the number of commuters into Melmoth who come to make use of the facilities.

Approximately 70% of the labour force is employed in the agriculture sector. However, this sector seems to be stable and with no potential to grow. This is due to the following reasons; a decline on employment trends owing to mechanisation; restrictions on timber plantation; and resistance by farmers to new labour and land legislation.

4.4.4 LAND OWNERSHIP AND EXISTING LAND USES

A large portion of the land is privately owned by individual and company commercial farmers. The remaining land belongs to Ingonyama Trust (Ntembeni T.A and Yanguye T.A), Church land, as well as municipal owned land and State Owned land.

Some of the Church and State Owned land has been earmarked for possible Land Reform projects namely;

- Melmoth State Farms,
- Ekuthuleni (Church land),
- KwaMagwaza Mission,
- Melmoth Labour Tenants,
- Mfuli Mission,
- KwaYanguye (Tribal Commonage),
- Ekuthuleni State Land (started),
- Wilhemina Farm (started), and
- Arcadia Farm (started)

The land use patterns are further elaborated upon in the Land Use Management Systems (LUMS). In the LUMS, the areas described as "densely settled area of mixed residential and agriculture under private, trust or church tenure", are identified as areas that "are not yet formalized, but show potential for developing into distinct villages". Therefore, it is imperative for the SDF to realize this potential.

The land in Mthonjaneni is mainly used for agriculture and residential purposes. There are no conservation areas and very limited recreation areas in the form of a golf course and sportsfields in places.

Table 1: Land use and settlement patterns per ward (Source: Mthonjaneni LUMS; 2005, Wendy Forse in association with Maseko Hlongwa and Associates).

WARD	ESTIMATED POPULATION	COMMENT REGARDING DISTRIBUTION / DENSITY and LAND USE
1	9 600	This ward comprises Melmoth Town, including Thubaletu, so comprises perhaps the highest densities in the municipality
2	8 574	This is the largest municipal ward in terms of area, but the most sparsely populated. Apart from an area around KwaMagwaza, essentially the farms KwaMagwaza Mission Station and Spes Bona, and part of the Imfule Mission farm, the ward has a population density of less than 50-100 people per km ² . The KwaMagwaza node has a population of 601 – 700 / km ² . The Imfule Mission node – just the southern end of the Imfule Mission farm – has a population density of 901 – 1000 /km ² . Overall, the densities are very low, the existing land use being dominated by forestry (plantations) with grasslands on the steeper slopes. Around the KwaMagwaza area are small patches of commercial agriculture (largely sugar cane), traditional agriculture and thickets and bush.
3	14 463	The farms Wilhelmina and Arcadia are the most densely populated in this ward, with densities varying between 100 – 500 people per km ² . This area, also commonly known as Mfanefile, has a mixed land use of settlement, small scale agriculture, including sugar cane, timber and vegetable patches. The settlement and land use activities extend down the spine road which branches south off the tar road at KwaMagwaza, and winds slowly down the watershed between tributaries of the Mhlathuze, the land falling steeply away on either side. The topography of the ward, the southern part being the steep slopes leading down to the deeply incised Mhlathuze river valley, means that the remainder of the ward area, away from the road, is sparsely populated, the land use being largely grassland, thickets and bush with small patches of traditional agriculture in the river valley.
4	7 773	This ward has three distinct areas in terms of land use : the sparsely populated north western portion which has some commercial agriculture – mainly sugar cane, but is mainly extensive areas of grassland under livestock, with patches of traditional agriculture towards KwaYanguye, where there are farms which are currently under consideration for transfer in terms of land reform policy. This area also has a large area of thickets and bush as the land falls away towards the Mfolozi river valley. The southern portion which is also very sparsely populated, but has considerably more commercial agriculture under sugar cane and timber with some citrus and other fruit. The eastern portion is the KwaYanguye Tribal Area which is under communal tenure (Ingonyama Trust). There are pockets of settlement ranging from 50 – 600 persons per km ² . Apart from these settlement clusters, which are scattered along the spine road and the flatter areas on top of the watersheds, the remaining area is very sparsely populated, largely due to the steep terrain as the land falls away from the highlands towards the valley bushveld of the Mfolozi river. Most of this is not arable, suitable only for extensive grazing, with the most environmentally sensitive areas on the steeper slopes, not suitable for any type of agricultural practice.
5	9 099	This is the northern portion of the Zulu-Entembeni Tribal ward area and is Ingonyama Trust land. Once again, the terrain has led to human settlement and activity being confined to clusters ranging in density from 100 to 800 people per km ² .
6	7 014	Together with the Ekuthuleni area, this ward of the municipality is perhaps the most densely settled with the concentration along the R34 primary corridor which passes through the Ndundulu node which has the highest concentration of people of between 700 – 800 people per km ² . This ward all falls under the Ingonyama Trust.
TOTAL	56 523	

4.4.5 **AN INTEGRATED APPROACH TO DEVELOPMENT AND LAND USE MANAGEMENT**

Key Intervention Areas

Specific areas will require targeted intervention to assist and guide development. The objectives set out below can also serve as guidelines for the municipality's Land Use Management System.

An Integrated Approach to Land Use Management

- To create more efficient urban form by:
 - densifying existing urban nodes in appropriate locations
 - strengthening secondary service centers
 - identifying and implementing development corridors
- Ensure more efficient use of infrastructure
- Promoting a more appropriate land use mix
- Giving preference to those land uses that will assist in achieving the Municipality's Vision and particularly the local economic development and environmental objectives.
- preserving high quality agricultural land
- promoting diversity in land use, especially in and around the nodes
- ensuring that environmental objectives are taken in to account in the formulation and adjudication of development proposals
- creating an environment conducive to small entrepreneurs
- optimising the inherent tourism and recreation potential of the area

Land Reform

New land reform projects on appropriately located land should be identified, in particular those associated with commercial agriculture in order to prevent the loss of productive agricultural land to non-agricultural uses, and to facilitate the managed transition of tenure for farm worker communities.

Environmental Management Areas

The value of landscape forms in the municipality should be conserved. In terms of land use management, the specific ecosystems and vegetation communities that require specific environmental management are wetlands and grasslands, which contain the habitats of important species.

Methodology:

A comprehensive land use needs to be undertaken for the municipality to include the following categories:

- Grassland & other
- Dense Rural

- Informal Settlement
- Natural Bush
- Active and Passive Open Space
- Thornveld
- Cultivated Land
- Commercial
- Education
- Forestry
- Formal Urban
- Transport
- Hospitals
- Industrial

This land use would be determined through the analysis of digitally corrected photography of the municipality.

The Environmental Inventory in the form of these priority zones will inform the SDF.

Beyond the Priority Areas the following factors need to be considered.

1. *Indigenous forested areas*

All areas under indigenous forest and properties with indigenous trees should be subject to the following guidelines:

- ❑ No indigenous trees should be removed without authorization from DWAF who are responsible for protection of protected tree species.
- ❑ No undergrowth should be removed or the natural forest structure interfered with in any way as; when the forest undergrowth is removed, the large trees left standing often slowly die due to drought. Authorization must be obtained from DWAF prior to any clearing of both trees and under story of indigenous forested areas.
- ❑ All forest along streams and rivers must be conserved to prevent bank erosion.
- ❑ Wherever possible, patches of forest must be linked to form a continuous network and thus a path of migration for flora and fauna present (bushbuck, duiker, birds and so on) this would be easiest along existing corridors like streams and rivers.
- ❑ Forest trees should be left to screen development to improve stormwater drainage and aesthetics.
- ❑ Developers should be encouraged where possible to maintain any trees on site as part of the layout of the development.

2. *Areas of High Biodiversity Value*

These areas are identified as areas of high irreplaceability and areas in the minset data set designated as non-negotiable reserves should be categorized in this category, Further the environmental atlas areas within the municipality are almost entirely biodiversity related and therefore these areas are included in this category. These areas are somewhat

limited by land transformation in the municipality and include only small portions of the northern areas and south western of the study area.

- ❑ This zone represents areas of natural vegetation and therefore any transformation of this area greater than 3 Ha should be subject to impact assessment. Further any development greater than 1 Ha would be subject to Basic Assessment and any development greater than 20 Ha would be subject to Full Environmental Impact Assessment.
- ❑ The local authority should negotiate with the property developer to incorporate land not to be used for development into Conservation Reserves. This can be done when permission for development is being sought.
- ❑ The Environmental Impact Assessment required for priority 1 zones should include a biodiversity assessment of the site and its biological value.
- ❑ The layout of the development should take biodiversity impacts and mitigation into account and as such should avoid areas of high biodiversity value.
- ❑ The local authority should negotiate with the property developer to incorporate land not to be used for development into Conservation Reserves. This can be achieved as part of authorization for development on submission of the plans.
- ❑ When building plans are submitted to the local authority for approval, they shall indicate whether the development constitutes a listed activity and if so include a copy of the Record of Decision (ROD) issued by DAEA and an Environmental Management Plan (EMP) where required by the ROD.
- ❑ No construction of a listed activity under the NEMA EIA regulations may begin without authorization from DAEA, the Municipality in its development control capacity should not, under any circumstances, authorize any listed activity until such time as DAEA has given authorization for the activity to go ahead.
- ❑ Any unauthorized development should be reported immediately to the DAEA.
- ❑ The width of survey paths shall be kept to the absolute maximum of 1 metre.
- ❑ Where areas have been set aside for conservation in the layout, such areas will have to be demarcated. This should be done before building starts, sites must be staked and should be fenced or cordoned off with Chevron Tape. This is with a view to preventing damage to conservation areas during construction and operation. The fencing used should be appropriate and should allow for the movement of small animals, which may be found in this area.
- ❑ In the conserved areas, only nature-related recreation and education shall be permitted, such as bird watching, walking and canoeing. These areas should be left as undisturbed as possible.
- ❑ Exotics should be avoided in landscaping of developments.
- ❑ Invasive aliens should be eradicated as part of landscaping and management plan for the development.
- ❑ As far as possible, medium density housing development in this zone should be clustered in order to minimise visual impact and the amount of land needed. This reduces development costs and also makes land available for conservation or open space purposes. Further advantages are wind protection and better controlled access to the development area.
- ❑ Landowners shall be made aware of the priority status of their land before purchase. Estate agents in the area could assist in this regard. The clearance certificate issued to each purchaser shall make note of the priority status, for the purchaser's information, should the estate agent not have raised the issue.

- ❑ Earthmoving equipment must be prohibited from the site until the environmental assessment has been approved and the vegetation to be conserved has been demarcated.
- ❑ The Local Council should not plant exotic trees or shrubs in areas of this category.
- ❑ Sub divisional applications should be assessed in the light of proposed usage and the effect it would have on areas of high biodiversity value.
- ❑ Landowners should be made aware of the high biodiversity value of their land before purchase. Landowners should be made aware of their responsibility to maintain and manage the vegetation on their land. The local council may need to provide assistance in the form of advice to landowners in high biodiversity value areas.

3. *Nature Reserves*

These areas are mapped on both the Cplan and Minset Maps.

- ❑ This is with a view to preventing damage to conservation areas. The fencing used should be appropriate and should allow for the movement of small animals that may be found in this area, for eg Duiker, weasel.
- ❑ In the conserved areas, only nature-related recreation and education shall be permitted, such as bird-watching, walking and canoeing
- ❑ The introduction of any exotic plants to conservation areas must be prevented and any existing alien invasive vegetation should be removed.

1. **Wetlands, dams, and drainage corridors**

The wetlands, dams, and drainage corridors are shown on Map 4 however; it must be stressed that wetlands identified over and above these maps should be subject to the same guidelines:

- ❑ Infilling, drainage and hardened surfaces (including buildings and asphalt) should not be located in any of the wetland zones (i.e. permanent, seasonal and temporary) such activities generally result in significant impacts on a wetland's hydrology, hydraulics and biota and on the goods and services wetlands provide.
- ❑ Hardened surfaces and erven should be located at least 15 m outside of the outer boundary of the seasonal/permanent zone (Note: if the width of the outer temporary zone is greater than 15 m and Item 1 above is met then this requirement would automatically be met). The seasonal and permanent zones generally have surface water for extended periods. In the case of seasonal zones, it may be for most of the wet season and in the case of permanent zones, it may be throughout the year. A buffer is required between areas potentially generating non-point source pollution and such areas characterized by surface water.
- ❑ Extension to the buffer in localized areas should also be included to minimize the impact of concentrated stormwater run-off into the wetland. Stormwater outflows should not enter directly into the wetland. A predominantly vegetated buffer area at least 20 m wide should be included between the stormwater

outflow and the outer boundary of the wetland, with mechanisms for dissipating water energy and spreading and slowing water flow and preventing erosion. This buffer is particularly important when the catchment feeding the stormwater drain comprises predominantly hardened surfaces. Extensive hardened surfaces in the catchment and stormwater drains significantly increase the intensity of stormwater runoff, which increases the risks of erosion in a wetland. In addition, urban stormwater runoff is often polluted. A buffer is therefore required to reduce the energy and erosive power of the stormwater and to decrease the level of pollutants in the runoff before it enters the wetland.

- Where the wetland has a particularly high biodiversity value, further buffering may be required, the width of which would depend on the specific requirements of the biota. This should be determined in consultation with Ezemvelo KZN Wildlife. The value of a wetland for biodiversity derives not only from features of the wetland but also from the quality of natural, non-wetland areas adjacent to the wetland, as many wetland dependent species such as the giant bullfrog (*Pyxicephalus adspersus*) require both wetland and non-wetland habitat.
- If a road crossing is planned in a wetland, first seek an alternative route. If this is not available then ensure that the road has minimal affect on the flow of water through the wetland (e.g. by using box culverts rather than pipes). Do not lower the base level of the wetland or any stream passing through the wetland. Ensure an adequate buffer is present to deal with run-off from the road (see Item 3 above). During construction, minimize disturbance of the wetland at and adjacent to the road crossing site. Road crossings may potentially greatly modify local water flow patterns in a wetland. In addition to having a damming or draining effect on the flow upstream of the road, roads which do not allow for the adequate passage of water may concentrate flow downstream, increasing the erosion hazard and drying out this portion of the wetland. A lowering of the base level increases the gradient in the wetland, thereby increasing the speed of water flow and its erosive potential and the extent to which it contributes to lowering the water table.
- Where a road runs alongside a wetland and it intercepts natural hillslope runoff into the wetland, the road should be set back from the boundary of the wetland by at least 20 m and feed-off points should be included at frequent intervals along the road (at least every 100 m) and the outflows of these should conform to the requirements of the stormwater outflows (given in Item 2 above). A road running alongside a wetland can strongly affect the natural hill slope runoff into the wetland by intercepting this runoff and concentrating it in localized entry points. The fewer the feed-off points into the wetland and the less protected they are, the more severe this effect will be.
- Where development (e.g. hardened surfaces, infilling and drainage) in a wetland is unavoidable then the resulting impacts must be mitigated. In many cases, off-site mitigation may be the only means of achieving satisfactory mitigation. The cumulative loss of wetlands in South Africa is already very high (see Section 1.1) and the continued net loss of wetlands needs to be prevented. Invasion of a wetland by alien plants may considerably reduce the integrity of a wetland.
- Where any disturbance of the soil takes place in a wetland, clear alien plants which establish and follow up for at least 2 years thereafter. Disturbance of a wetland favours the establishment of alien plants, which require long-term control.

- ❑ Where the infiltration rate of a wetland's catchment is naturally high and the wetland is maintained predominantly by groundwater input, at least 60% of the wetland's catchment should remain as permeable surfaces in a residential area and preferably at least 30% in an industrial/commercial area. Where the level of development is very high, reduced surface runoff can be promoted through mechanisms such as porous pavements (The inclusion of these mechanisms in areas dominated by hardened surfaces is generally sound catchment management practice and should be encouraged widely). Failure to maintain groundwater input to a predominantly groundwater-fed wetland will considerably alter the hydrological regime of the wetland, thereby compromising its integrity.
- ❑ The onus is on the developer to identify and delineate all wetlands in the project area at a finer scale depending on the proposed development. Mapping at a minimum scale of 1: 10 000 is generally required. In order to account for the impact of a development adjacent to a wetland, it is essential that the boundary of the wetland be mapped. Any wetlands identified on the ground should be delineated and mapped by the municipality on an ongoing basis.
- ❑ Any development must comply with the requirements of the National Water Act. Through the concept of the "ecological reserve", this act makes provision for ensuring water of acceptable quantity and quality for maintaining the ecological functioning of wetlands and river systems. While wetlands assist in enhancing water quality, they should not be relied upon as an easy substitute for addressing pollution at source, as this may lead to serious impacts to the wetland systems.
- ❑ Access to wetlands by off-road vehicles, man and livestock, should be as far as possible prevented.
- ❑ Development within the floodline or within 32m of a river or stream should be avoided and vegetation in this zone should be conserved.

Poverty Alleviation Areas

- Provision of support for LED initiatives such as SMME's, small scale agriculture and tourism.
- Provision of access to municipal, social and economic services

Tourism and Recreation

To develop recreation and tourism in order to support LED and tourism initiatives and diversify agriculture the following areas have been identified:

- Commercial Agriculture and Tourism
- Recreation

4.4.6 THE PROPOSED SPATIAL DEVELOPMENT FRAMEWORK

THE APPROACH

The proposed approach is similar to that of the Rural Service System. Within a rural area, services are to be delivered through a common distribution network which will be known as the Rural Service System (RSS), (Department of Traditional & Local Government Affairs). It should be noted that Mthonjaneni is not entirely rural.

The RRS comprises of two components namely: a >Hub= which is a distribution and co-ordination point and a >Satellite= which delivers supplementary services. The proposed system consists of three components namely;

- Primary Node - Administrative and Economic Centre
- Secondary Node - Distribution and co-ordination point
- Tertiary Node - Delivery of supplementary services

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.

The primary node has a 10 km radius buffer, whilst the secondary and tertiary nodes both have a 5 km radius buffer.

Typical services/facilities within each of the orders are tabled out below:

<u>Primary Node</u>	<u>Secondary Node</u>	<u>Tertiary Node</u>
Municipal Offices	Satellite Police Station	Routine Police Patrol
Hospital	Clinic	Weekly Mobile Clinic
Welfare Offices	Primary - High Schools	Primary - Secondary Schools
Primary - High Schools	Tribal Court (where applicable)	Weekly Mobile Welfare Services
Tertiary Training Facility	Rural Service Information Centre	Regular Bus Service
Permanent Information Centre	Post Boxes	Post Boxes
Post Office + Post Boxes	Regular Bus Service	Meeting Places
Banks	Community Halls	Shops
Bus and Taxi Terminals	Stores/Shops	
Police Station		
Magistrates Court		
Home Affairs Offices		
Municipal Hall		
Wholesalers/Stores/Shops		

4.4.7 SPATIAL DEVELOPMENT CONCEPT

The spatial development concept is based on the following;

- location and accessibility
- population concentrations
- availability of services
- economic opportunities

- geological considerations
- consideration for areas of conservation
- consideration of areas that are of historical importance

There are three levels of the road network namely;

- Primary Corridor
- Secondary Corridor
- Minor Linkages/Corridor

These words distinguish between the higher order and lower order roads.

4.4.8 **APPLICABILITY OF THE CONCEPT (*REFER TO MAP*)**

The areas of Melmoth and Thubalethu have been identified as the Primary Node.

The Secondary Nodes are identified at KwaMagwaza Mission, Inqaba (Yanguye T.A), and Ndundulu (Ntembeni T.A).

The Tertiary Nodes are proposed at Ekuthuleni (Ntembeni T.A), Imfule, and Mfanefile. The R68 T-junction has been removed and Imfule and Mfanefile have been introduced as per the recommendations of the LUMS process.

THE PRIMARY NODE:

Given the principles set out in Chapter 1 of the DFA, and in view of the Council's planning and development objectives, the primary node would include; Melmoth and Thubalethu

The area in particular Melmoth has an urban setting and incorporates the local economic and administration activities. It accommodates the municipal offices. Provincial Government offices, schools, police stations, a magistrate's court and a variety of commercial and retail outlets. The "village in the country" atmosphere which is evident in large portions of the area is an important attribute which needs to be conserved and enhanced.

The CBD is dissected by the Primary Corridor (R66/R34) which links Melmoth and Thubalethu making them highly accessible, giving them potential for economic development. The R66/R34 is the only proposed primary corridor. The idea is to encourage mixed usage between the two areas and along the primary corridor. More detailed planning of the corridor in the form of a local area development plan needs to be undertaken, taking into account that a Melmoth CBD Revitalization Plan has already been prepared.

The following broad planning principles apply in the Primary Node:

- It must offer a full range of Social, Community and other Services and facilities.
- It will be the focus of Urban employment opportunities.
- The full range of permanent residential options will be encouraged, keeping in

- mind the existing character, natural attributes and attractions.
- Inside the node, mixed use corridors and areas of a more flexible and general land use nature are proposed, as opposed to only agriculture and residential. The intention is to encourage non-polluting, environmentally friendly urban employment opportunities.
 - While it is acknowledged that the **Primary Corridor (R66/34)** offers development opportunities, these are to be restricted to suitable Mixed uses within the Primary Node and the **Opportunity Points** as identified elsewhere.
 - Agriculture should be seen as an integral part of the urban node, and offers opportunities for high intensity agricultural activity.

SECONDARY NODES:

The areas of Ndundulu; KwaMagwaza; and Inqaba linked by the R66 and R68 respectively have been identified as Secondary Nodes. These areas play an important role as service centres to rural communities to the southern and northern portions of the municipality, providing housing and a smaller range of commercial and social services than what is offered in the Primary Node.

The following planning principles shall apply in the Secondary Node:

- The primary aim is consolidation and upgrading
- They are lower order Service Centres to serve the surrounding rural community. Services such as a schools, hospital, clinics and pension payout point are provided
- Permanent residential opportunities exist mainly for lower income groups
- In order to make the above possible, there needs to be a move towards supporting services

More detailed planning of the secondary nodes will be done as part of the LUMS project.

TERTIARY NODES:

The areas of Imfule, Mfanefile, and Ekuthuleni are identified as Tertiary Nodes in accordance with the LUMS proposals. These areas play an important role as service centers to the densely populated rural communities they serve. All three nodes are accessible via the minor linkages branching off the R66. A road linkage is proposed for the Ekuthuleni and Mfanefile nodes.

The following planning principles shall apply in the Tertiary Node:

- The primary aim is upgrading.

- They are lower order services mainly in the form of mobile services, serve the surrounding densely populated rural community. Services such as a schools, clinics and mobile clinics, and pension payout point are provided.
- Permanent residential opportunities exist mainly for lower income groups
- In order to make the above possible, there needs to be a move towards supporting services

More detailed planning of the tertiary nodes will be done as part of detailed Local Area Plans.

4.4.9 THE ZONES IN THE PRIMARY AND SECONDARY NODES

The following is a broad description of the general intention of the different zones or designations applied inside the primary and secondary nodes. It must be stressed that the SDF does not assign any legal development rights to land – it is a broad identification of the preferred future development pattern to guide public and private investment and development related decisions. It is only through the Planning Scheme, which is to be formulated as part of the LUMS that legal rights are awarded through the zoning of land.

Mixed Use Areas

Two types of Mixed Use Areas are proposed, namely General Mixed Use and Limited Mixed Use (Tourism).

(i) General Mixed Use.

These areas occur mainly along major transport routes and proposed development corridors in which a wide range of land uses will be encouraged, namely commercial, light industrial and office complexes and residential development. The proposed uses need to complement each other, and comply with environmental requirements. More detailed master planning is therefore required for these areas.

(ii) Limited Mixed Use (Tourism)

These areas are linked to existing tourism nodes and resources, and the following land uses would be encouraged: Residential Estates, Theme / Niche Villages, Recreation Infrastructure and facilities, Museums, Chalets, Restaurants, Sports Centres, Health Hydros and other tourism-orientated uses.

The main focus area for Mixed Use Tourism is in the vicinity of Goegertrouw Dam and King Mghabhi's Grave, and a detailed Masterplan to guide development is proposed.

Possible Future Residential

The need for security of tenure and the provision of housing was identified as a high priority at a policy level in the IDP.

Some of the Church and State Owned land has been earmarked for possible Land Reform projects namely;

- Melmoth State Farms,
- Ekuthuleni (Church land),
- KwaMagwaza Mission,
- Melmoth Labour Tenants,
- Mfuli Mission,
- KwaYanguye (Tribal Commonage),
- Ekuthuleni State Land (started),
- Wilhemina Farm (started), and
- Arcadia Farm (started)

Opportunity Points

The provision of employment opportunities is to be encouraged at these points as well as administrative developments in the form of Multi-Purpose Community Centres. Servicing is, however, to be thoroughly investigated and agreed to before any development is permitted.

4.4.10 THE RURAL COMPONENT OF THE MUNICIPALITY

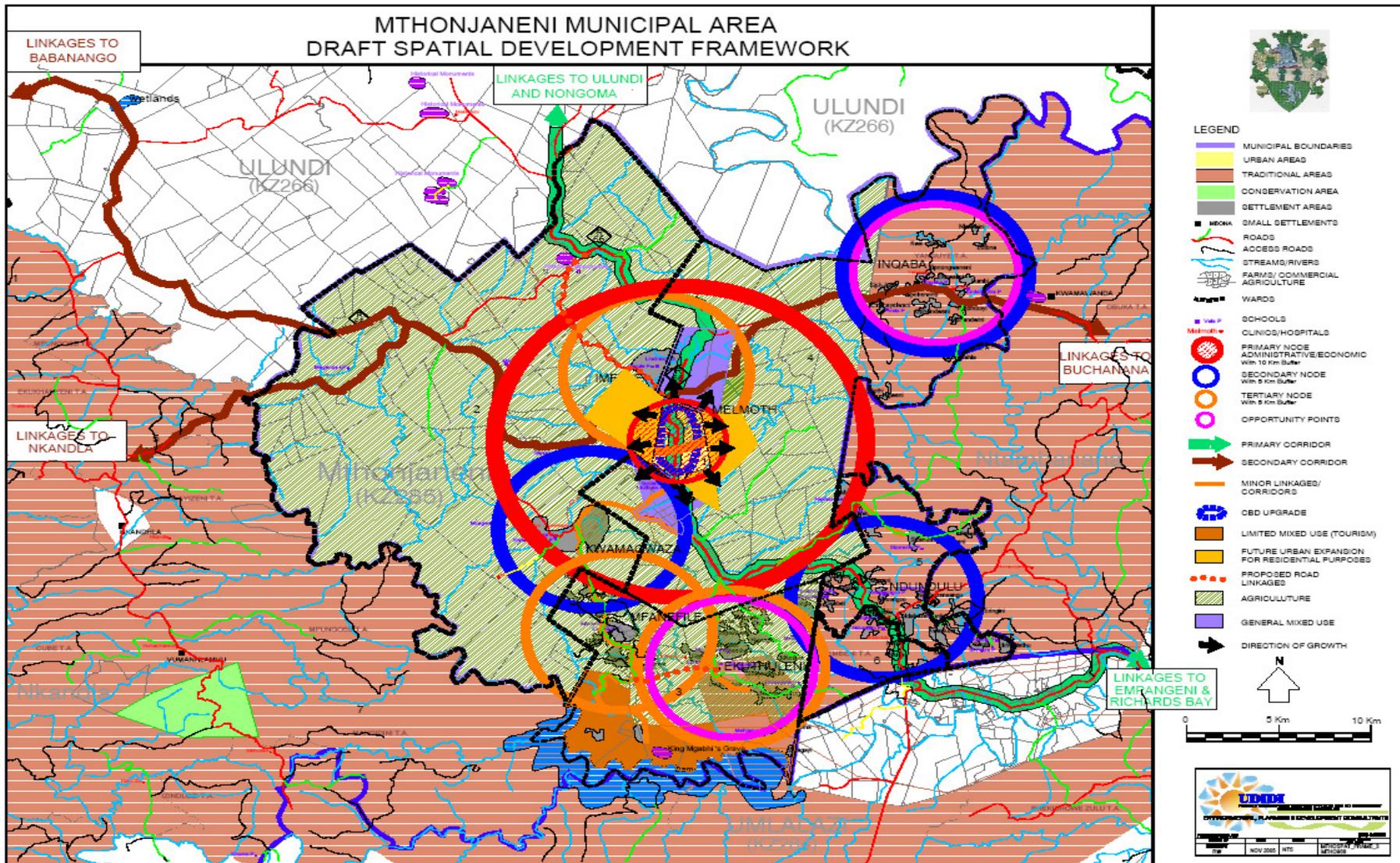
The main economic driver in the rural component of the municipality is agriculture. The primary objective of the SDF in this area is therefore to provide opportunities for both this sector while minimizing mutually negative impacts.

The following general planning principles should apply in the rural component of the municipality.

- (i) Commercial agriculture and tourism (where the potential exists) are the main economic drivers, and the needs of both sectors need to be accommodated.
- (ii) Small tourist developments (e.g. bed and breakfast establishments aimed at supplementing farming income may be considered throughout the rural component of the municipality).
- (iii) In view of the potential negative impact which commercial forestry has on water quality and quantity and landscape quality, it should be restricted to areas where permits have already been awarded.
- (iv) The loss of high quality agricultural land is to be avoided.

- (v) The following issues will be primary consideration when considering application for a change of land usage.
- The extent to which the proposal will have a positive impact on the local economy and the area of employment, and its sustainability.
 - The maintenance and enhancement of landscape quality.
 - The loss of prime agricultural land.
 - The potential impact on water quality and quantity.
 - The potential impact on biodiversity.
 -

Figure 1: Draft Spatial Development Framework



SECTION E:
SECTOR INVOLVEMENT

The uThungulu District Municipality engages with service providers (government departments) by way of one-on-one Alignment sessions.

5.1 DEPARTMENT OF LOCAL GOVERNMENT AND TRADITIONAL AFFAIRS

Detailed budget information was obtained from the DLGTA and the information considered to be relevant to the uThungulu District Municipality is provided hereunder:

Summary of expenditure and estimates for the uThungulu District Municipality:

R000	Medium-term estimates		
	2008/09	2009/10	2010/11
uThungulu	31 289	41 132	36 846

5.2 DEPARTMENT OF LAND AFFAIRS

The following projects are underway for the Department of Land Affairs:

Mthonjaneni Cluster
<ul style="list-style-type: none"> ○ Dubazane Phase 1 – 1600 Ha ○ Simunye Agri Tourism Phase 2 – 2100 Ha ○ Bucanana Farm – 1000 Ha ○ Mthonjaneni Phase 3 – 770 Ha ○ Katazo – 500 Ha
Stateland non-capital expenditure
<ul style="list-style-type: none"> ○ Devondale ○ Nkandla ○ Eshowe Housing ○ Zoetveld
Balance of Grants Implementation
<ul style="list-style-type: none"> ○ Ekhuthuleni (Admin center/ water/ grazing camp) – R3 million ○ Retchterswell – R1 million ○ Mevamhlope – R200 000

5.3 DEPARTMENT OF TRANSPORT

The following information pertaining to current projects (2009/2010) was provided:

Mthonjaneni Municipality	Estimated Costs
Ndiyaza New Gravel Road – Phase 1 (2.5km)	R900 000
A2162 New Gravel Road (2km)	R900 000
Manzawayo New Gravel Road (1.6km)	R800 000
Manzawayo Causeway (1km)	R800 000
P253 Regravelling (6km)	R1, 550 000
D255 Regravelling (3km)	R750 000
D256 Betterment and Regravelling (4km)	R1, 000 000

5.4 DEPARTMENT OF EDUCATION

A Project List was provided by the Department of Education for their 2008 – 2010 MTEF. The following table is a summary of the totals only:

Project Name / Description	Budget Costs
Curriculum Upgrades	R22 400 000
New Schools	R58 960 000
Upgrades and Additions	R91 836 000

5.5 DEPARTMENT OF ECONOMIC DEVELOPMENT

The following details on planned LED projects were provided:

Project Name / Description	Budget Costs
Jewellery Project - All Wards	R1, 859 000
Essential Oils Project – Ward 5	R1, 011 665
Melmoth Industrial Park	R1, 500 000

5.6 DEPARTMENT OF HOUSING

The following details on planned housing projects were provided:

LM	Housing Project	Types	No. of Sites
Mthonjaneni	KwaYanguye	Rural	840 (Ph 1)
	Melmoth	Urban	500 (Ph 1)

5.7 DEPARTMENT OF HEALTH

The following details on planned health facility project was provided:

Project Name / Description	Budget Costs
Municipal Clinic	R831 000

5.8 DEPARTMENT OF ARTS, CULTURE, AND TOURISM

The following details on planned library facility project was provided:

Project Name / Description	Budget Costs
Feasibility Study for Simunye Lodge	
Municipal Library (Upgrade IT System)	R86 000

SECTION F:
IMPLEMENTATION PLAN

6.0 IMPLEMENTATION PLAN

The following table summarises the three year Implementation Plan for the municipality with committed human and financial resources.

MTHONJANENI IMPLEMENTATION PLAN: 2010/11

IDP NO.	KPA	KPI/Project	Performance Target	OP/CAP	Funding Source	LM Funds	Grants	Total Funded
1.	Municipal Institutional Development and Transformation	Implementation of PMS	OPMS established by 30/06/2010			√		To Be determined
2.		Establishment of Internal Audit System	4 x Audit Committee Meetings to be held by 30/06/ 2010				√	To Be determined
3.		LUMS to be established	LUMS to be approved by PDC by 30/06/2010				√	To Be determined
4.		Budget process to be completed on MFMA	2010/11 Budget to be approved by 30/06/2010					To Be determined
5.	Basic Service Delivery	Upgrading of urban Roads in Melmoth and Thubaletu	Complete the upgrade of urban roads by 30/06/2010		MIG		√	To Be determined
6.		Building of Sportsfield	Completion of the following Sportsfield by 30/06/2010; * Regional Sportsfield Extension * Sportsfield Ward 3 * Sportsfield Ward 4		Municipal	√		To Be determined
7.		Upgrade of Municipal Stores	To complete the upgrade of the municipal stores by 30/06/2010		MIG		√	To Be determined
8.		Provision of access road to Landfill Site	Road to be completed by 30/06/2010		MIG		√	To Be determined

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9.		Provision of low cost housing to Thubalethu	To appoint an Implementing Agent to commence with the township establishment process for low cost housing in Thubalethu				√	To Be determined
10.		Upgrade of electricity in the rural area	To maintain and upgrade the internal electricity network in Melmoth in terms of the SDBIP by 30/06/2010.				√	To Be determined
11.		Provision of electricity in the rural area	Appointment of contractors to implement the Nomponjwana Electricity project by 30/06/2010				√	To Be determined
12.		Play park in all phases.	Completed project by 30/06/2011			√		To Be determined
13.		Hall at Imfule	Completed project by 30/06/2011			√		To Be determined
14.			Completed project by 30/06/2011			√		To Be determined
15.			Completed project by 30/06/2011			√		To Be determined
16.		Nkuzempunga Community Hall	Completed project by 30/06/2011			√		To Be determined
17.			Completed project by 30/06/2011			√		To Be determined
18.			Completed project by 30/06/2011			√		To Be determined
19.		Mgojane Crèche	Completed project by 30/06/2011			√		To Be determined
20.		Hlabathini Crèche	Completed project by 30/06/2011			√		To Be determined
21.			Completed project by 30/06/2011			√		To Be determined
22.			Completed project by 30/06/2011			√		To Be determined
23.			Completed project by 30/06/2011			√		To Be determined
24.		HIV/ AIDS clinic-Ward 6	Completed project by 30/06/2011			√		To Be determined
25.	Local economic Development	Sale of Commercial Property to construct Shopping Mall	To have the Deed of Sale signed and sub-division process completed by 30/06/2010					
26.		Establishment of Industrial Park at Thubalethu	To facilitate the process for the appointment of a consultant for the Industrial Park, by the Dept. of Economic Affairs by 30/06/2010				√	To Be determined
27.		Investigate the of an aloe pla project	To access funds for the establishment of the aloe project by 30/06/2010				√	To Be determined
28.		Provision of funding for the establishment Market	To successfully implement mark gardens			√		To Be determined

		Gardens in the different wards						
29.		Dloziyana Poultry	Completed project by 30/06/2011			√		To Be determined
30.		Ncanyini Garden	Completed project by 30/06/2011			√		To Be determined
31.	Municipal Financial Viability and Management	Ensure process is set in place for the valuation roll	That new values are appointed by 30/06/2010				√	To Be determined
32.		Improve debt collection	Ensure viable programmes for the reduction in outstanding debts be implemented by 30/06/2010					To Be determined
33.		To ensure clean audit	To attain an unqualified audit report for the financial year.					To Be determined
34.	Good Governance Public Participatio	Regular communication with community stakeholders	Newsletter be issued and public meetings be held with members of the community and other stakeholders				√	To Be determined

**SECTION G:
PROJECTS**

7.0 PROJECTS

7.1 IDP PROJECTS COMPLETED BETWEEN 2006 AND 2010

Over the past two Financial Years namely; 2006/2007, 2007/08, 2008/9 2009/10, the Mthonjaneni endeavoured to implement its IDP Projects despite the limited financial resources. The following is list of projects that were completed.

WARD	PROJECT	YEAR	AMOUNT
1	Thubalethu Garden Project	2006/2007	R 120 000
	Upgrade of Jacob Cohn Str. to tar	2006/2007	R 285 000
	Building of HIV/AIDS Centre	2007/2008	R 627 548
	Building of New Protection Services	2006/2007	R3, 404 047
	Extension of Melmoth Cemetry	2006/2007	R1090 000
	Pedestrian Sidewalk	2006/2007	R 549 336
	Upgrading of Urban Roads in Melmoth and Thubalethu (under construction)	2008/2009	R6801 982
	Skills Development Centre Ward 1	2009/2010	R700 000
	Feasibility Study of Vukayibambe Co-Operative: Aloe Production	2009/2010	R180 000
	Municipal Library Installation of the Internet Facility	2009/2010	R86 000
	Upgrading and maintenance of electrical infrastructure for urban areas.	2009/2010	R1,250 000
	Ndiyaza New Gravel Road – Phase 1 (2.5km)	2009/2010	R900 000
	A2162 New Gravel Road (2km)	2009/2010	R900 000
	Manzawayo New Gravel Road (1.6km)	2009/2010	R900 000
Upgrading of roads in Melmoth and Thubalethu. (Phase 1)	2009/2010	R6801982.05	
2	Building of Thengela Creche	2006/2007	R 388 885
	Building of Bomvini Creche	2007/2008	R 595 650
	Skills Development Centre Ward 2	2009/2010	R700 000
3	Building of Mfanefile Payout Point	2006/2007	R 457 429
	Building of Amazule Creche	2007/2008	R 530 342
	Skills Development Centre Ward 3	2009/2010	R700 000
4	Building of Candolo Creche	2006/2007	R 379 980
	Building of Sizanani Payout Point	2008/2009	R 696 879
	Skills Development Centre Ward 4	2009/2010	R700 000
5	Building of Mayeni Creche	2006/2007	R 388 885
	Building of Ndabazensangu Creche	2007/2008	R 455 446
	Skills Development Centre Ward 5	2009/2010	700 000
6	Building of Mabhungu Payout Point	2006/2007	R 459 99
	Building of Dubeni Creche	2007/2008	R 441 367
	Skills Development Centre Ward 6	2009/2010	R700 000
	P253 Nkwali Regravelling (6km)		R1, 550 000

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	D255 Regravelling (3km) Mabhungu grazing camp.	2009/10	R750 000
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7.2 PROGRESS REPORT ON CAPITAL OUTLAY AND LED PROJECTS 2009/10

Department	Capital Project	Funding Source	Project Amount	STATUS
Town Estates	Ward Projects	Equitable Share	R2, 700 000	Completed
Roads	Roads (Phase 2)	Revenue	R6, 800 000	Underway
Town Estates	Roads	MIG	R8, 097 000	Completed
Electricity	Upgrading	Surpluses	R1, 000 000	Completed
Stores Upgrade	Upgrading		R1, 800 000	On Tender
Regional Sportsfield			R1, 200 000	Under Constructio
Access Road to Landfill Site			R1, 100 000	On Tender

7.3 PROJECTS IDENTIFIED DURING THE IDP ROADSHOWS 2010

7.3.1 PRIORITY / CAPITAL PROJECTS 2010/11

WARD	PROJECT NAME
Ward 1	Play Park in all Phases
Ward 2	Hall at Imfule Ground at KwaMagwaza Community Hall at KwaMagwaza
Ward 3	Tshelensimbi Community Hall Mehlamasha Clinic Shelter Plumbing repairs Drop-in Centre Extension / Fencing / Toilet Dloziyana Poultry
Ward 4	Mgojane Crèche Ncanyini Garden Nongalaza Crèche
Ward 5	Paypoint Nkwenkwe Gcongco Crèche Nongalaza Crèche
Ward 6	Drop-in Centre

7.3.2 PROJECT "WISH-LIST"

No.	Ward	Area Name	Project
1	1	Melmoth	Youth Centre
2	1	Thuba lethu	Play Park
3	1	Thuna lethu	Vegetable Market
4	1	Melmoth	Extension to Municipal Offices
5	2	Bomvini	Access Roads
6	2	Bomvini	Clinic
7	2	Bomvini	Water Supply
8	2	Bomvini	Upgrading of Dipping Tank

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9	2	Imfule	Electrification of remaining areas
10	2	Imfule	Water Supply
11	2	Thengele	Rural Housing
12	2	Thunzini	Rural Housing
13	2	Thunzini	Dipping Tank
14	2	Bomvini	Furniture for Crèche
15	2	Bomvini	Rural Housing
16	2	Imfule	Rural Housing
17	2	Thunzini	Cellphone tower
18	2	Thunzini	Upgrading of Ngoqongo Road D77
19	2	Thunzini	Water Supply
20	3	Mfanefile	Phase 2 Electrification
21	3	Ward 3	Ntondweni Primary School Upgrade
22	3	Ncanyini	Water Supply
23	3	Mfanefile	Low Cost Housing
24	3	Mfanefile	Upgrading of Dipping Tank
25	3	Ntembeni	Upgrading of Dipping Tank
26	3	Umgabhi	Upgrading of Dipping Tank
27	3	Umgabhi	High School
28	3	Umgabhi	Housing
29	3	Umgabi	Electricity
30	3	Umgabhi	Water
31	3	Ekuthuleni	Electricity
32	3	Ekuthuleni	Invasive Plants Eradication (Sandanezwe)
33	3	Ekuthuleni	Nogajula Clinic
34	3	Ekuthuleni	Water
35	3	Ekuthuleni	Secondary Schools
36	3	Ekuthuleni	Poultry House Fencing
37	3	Dloziyane	Rural Housing Project
38	3	Msuthu	Rural Housing Project
39	3	Zigagayi	Rural Housing Project
40	3	Mehlamasha	Rural Housing Project
41	3	Ekuthuleni	Rural Housing Project
42	3	Isibaya Esikhulu	Rural Housing Project
43	4	Nqekwane	Clinic
44	4	Nqekwane	Water for Schools
45	4	Phezukwehlanze	Electrification extension
46	4	Phezukwehlanze	Goat Farming
47	4	Phezukwehlanze	Poultry Project
48	4	Phezukwehlanze	Fencing for Orphanage Garden Project
49	4	Phezukwehlanze	Garden Project Support (Seedlings, Fertilizer, and tools)
50	4	Zululiyaduma	Grazing Camp
51	4	Zululiyaduma	Dam
52	4	Mgojane	Roads
53	4	Mgojane	Electricity
54	4	Mgojane	Crèche
55	4	Nongalaza	Garden Project
56	4	Candolo	Water
57	4	Mehhehe	Garden Project
58	4	Mhoyiza	Water
59	4	Nqekwane	Upgrading of Dipping Tank
60	4	Candolo	Upgrading of Dipping Tank
61	4	Hlomu	Upgrading of Dipping Tank
62	5	Hlabathini	Upgrading and renovations to Crèche incl. fencing
63	5	Hawule	Primary School
64	5	Hawule	Electricity
65	5	Hawule	Housing
66	5	Makhasaneni	Sportsfield
67	5	Makhasaneni	Poultry House

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68	5	Makhsaaneni	Paypoint
69	5	Makhasaneni	Crèche
70	5	Makhasaneni	Dipping Tank
71	5	Mayeni	Dipping Tank
72	5	Mayeni	Regravelling of access road
73	5	Mkhindini	Regravelling of access road
74	5	Mkhindini	Crèche
75	5	Mkhindini	Bridge to KwaGconco
76	5	Mkhindini	Poultry House
77	5	KwaGconco	Fencing of community garden
78	5	KwaGconco	Crèche
79	5	Ndabazensangu	Sportsfield
80	5	Nkwenkwe	Crèche
81	5	Nkwenkwe	Paypoint
82	5	Nkwenkwe	Sportsfield
83	6	Mabhungu	High School
84	6	Mabhungu	Upgrading of Main Road D255 to link Mabhungu and Nkwalini
85	6	Mabhungu	Construction of bridge between Mabhungu and Siyavuna.
86	6	Mabhungu/Edubeni	Housing
87	6	Mabhungu	Clinic
88	6	Mabhungu	Supermarket
89	6	Madina/Edubeni	Madina / Edubeni Water Supply
90	6	Mabhungu	Community Gardens
91	6	Mabhungu	Water Supply
92	6	Matshansundu	Upgrading of Main Road to Matshansundu
93	6	Mabhungu/Edubeni	Maize and sugarbeans project
94	6	Ndundulu	Maize and sugarbeans project
95	6	Bedlane	Maize and sugarbeans project
96	6	Bedlane	Rural Housing
97	6	Bedlane	Electrification
98	6	Bedlane	Community Garden
99	6	Mabhungu	Livestock farming project (Bilwayo Livestock)
100	6	Mabhungu	Provide seedlings to community gardens (mango, avocado, and peach)
101	6	Mabhungu	Provide seedlings to community gardens (potatoes)
102	6	Ward 6	Electrification of Skills Development Centre

CURRENT PRIORITY PROJECTS

CP: CURRENT IDP PROJECTS (CP) 08/09

PROJ. NO.	PROJECT DESCRIPTION	SOURCE OF FUNDING	ESTIMATED COST	MUNICIPAL BUDGET	08/09 BUDGET ALLOCATION	09/10 BUDGET ALLOCATION	10/11 MUNICIPAL ALLOCATION	11/12 MUNICIPAL ALLOCATION
CP1.	Skills Development Centre Ward 1	Devine Life / LM	R700 000	R250 000	R700 000	R	R	R
CP2.	Skills Development Centre Ward 2	Devine Life / LM	R700 000	R250 000	R700 000	R	R	R
CP3.	Skills Development Centre Ward 3	Devine Life / LM	R700 000	R250 000	R700 000	R	R	R
CP4.	Skills Development Centre Ward 4	Devine Life / LM	R700 000	R250 000	R700 000	R	R	R
CP5.	Skills Development Centre Ward 5	Devine Life / LM	R700 000	R250 000	R700 000	R	R	R
CP6.	Skills Development Centre Ward 6	Devine Life / LM	R700 000	R250 000	R700 000	R	R	R
CP7.	Feasibility Study and Business Plan for Simunye Lodge	DACT	R	R	R	R	R	R
CP8.	Electrification Infrastructure: Mthonjaneni-Umfolozi 88KV.	Eskom	R702 471.63	R	R	R	R	R
CP9.	Electrification Infrastructure: Benedict SS Turning Line	Eskom	R23 633.95	R	R	R	R	R
CP10.	Electrification Infrastructure: Nsuzu 10MVA.	Eskom	R513 711.83	R	R	R	R	R
CP11.	Nomponjwana Electrifications (1200 connections)	DME	R14860000.0	R	R	R	R	R
CP12.	Extension of Municipal GIS System	DLGTA	R	R	R17,548.29	R132450.71	R	R
CP13.	The Farm Rechterswell/Siyathuthuka Land Reform Project (Timber and Livestock).	DLA	To be determined	R	R	R	R	R
CP14.	The Farm Morgezon/Mapholoba Land Reform Project (Sugarcane and Timber).	DLA	To be determined	R	R	R	R	R
CP15.	The Farm Barneveld/Zabalaza Land Reform Project (Sugarcane and Timber).	DLA	To be determined	R	R	R	R	R
CP16.	The Farm Barneveld/Victory Ticket Land Reform Project (Sugarcane and Timber).	DLA	To be determined	R	R	R	R	R
CP17.	The Farm Rem. of Boegnek Land Reform Project (Sugarcane and Timber).	DLA	To be determined	R	R	R	R	R
CP18.	The Farm Port. 1 of Boegnek Land Reform Project (Sugarcane and Timber).	DLA	To be determined	R	R	R	R	R
CP19.	Melmoth (Victoria Str.) – 10 urban sites	DOH	To be determined	R	R	R	R	R

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CP20.	KwaYanguye Rural Housing – 500 in Phase 1	DOH	To be determined	R	R	R	R	R
CP21.	Melmoth Urban Housing – 500 in Phase 1	DOH	To be determined	R	R	R	R	R
CP22.	Umbumbano Community Care Centre Social Sector Project : Feeding Scheme	DSD	R255673.50	R	R255673.50	R	R	R
CP23.	Ukuphilakwethu Community Care Centre Social & Economical Sector Project, Activities Gardening, Soup Kitchen, Poultry, Pottery and Sewing	DSD	R864714.74	R	R864714.74	R	R	R
CP24.	Philasande Development Organization Social Sector Project: OVC	DSD	R100 000	R	R100 000	R	R	R
CP25.	Ngekwane Electricity (Individual Metres)		R	R	R	R	R	R
CP26.	Hlabathini Grazing Camp		R	R	R	R	R	R
CP27.	KwaMagwaza Electrification (281 connections)	Eskom	R4, 091 000		R4091 000.00	R	R	R
CP28.	Yanguye #3 Electrification (344 connections)	Eskom	R4, 000 000		R4000 000.00	R	R	R
CP29.	Hlaza / Obizo Electrification (645 connections)	Eskom	R7, 500 000		R7.500 000	R	R	R
CP30.	Ekuthuleni Electrification (1599 connections)	Eskom	R17, 500 000		R17 500. 000	R	R	R
CP31.	P700 – Melmoth P253 Upgrade to blacktop (PSEDS Project)	DOT / DED	R102, 000 000		R102, 000.00	R	R	R
CP32.	Mfanefile Soccerfield.	LM						
CP33.	Hlabathini grazing camp.	LM						
CP34.	Mall for Ward 1	LM						
CP35.	waiting shelters.	LM						

PLANNED PRIORITY PROJECTS WITH FUNDING

A: 2009/10 FINANCIAL YEAR

PROJ. NO.	PROJECT DESCRIPTION	SOURCE OF FUNDING	ESTIMATED COST	MUNICIPAL BUDGET	09/10 BUDGET ALLOCATION	10/11 BUDGET ALLOCATION	11/12 MUNICIPAL ALLOCATION	12/13 MUNICIPAL ALLOCATION
A1.	Manzawayo Causeway (1km)	DOT	R800 000		R800 000.00	R	R	R
A2.	D256 Njobelwane Betterment and Regravelling (4km)	DOT	R1, 000 000		R1.000 000	R	R	R
A3.	D779 Ndundulu Betterment and Regravelling.	DOT	R1, 000 000		R1,000 000	R	R	R
A4.	Various roads patching.	DOT	R700 000		R700 000.00	R	R	R
A5.	Jewellery Project - All Wards	DED	R1, 859 000		R1,011 665	R	R	R
A6.	Essential Oils Project – Ward 5	DED	R1, 011 665		R1,011 665	R	R	R

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A7.	Feasibility Study for Melmoth Industrial Park	DED	R1, 500 000		R1,500 000	R	R	R
A8.	Vukayibambe Crop Massification Project (maize and beans).	DAEA	R1, 600 000			R	R	
A9.	Khuthazinqondo Crop Massification Project (maize and beans).	DAEA	R800 000			R	R	R
A10.	Ensengeni Crop Massification Project (maize and beans).	DAEA	R1, 000 000			R	R	R
A11.	Igula Food Security Project (poultry-fencing of units)	DAEA	R250 000			R	R	R
A12.	Bhadaza Food Security Project (poultry-fencing of units)	DAEA	R250 000					
A13.	Victory Ticket Land Reform Project (cane – ploughing, planting, and inputs)	DAEA	R935 000					
A14.	Khandimpilo Land Reform Project (cane – ploughing, planting, and inputs)	DAEA	R925 000					
A15.	Ward 2: Thunzini poultry house.	LM						
A16.	Ward 2: Bomvini Poultry house.	LM						
A17.	Ward 2: Imfule Community Hall.	LM						
A18.	Ward 3: Dloziyane extension and fencing of poultry house.	LM						
A19.	Ward 3: Mehlamasha Clinic Shelter	LM						
A20.	Ward 3: Ekuthuleni Drop-in Centre plumbing and repairs.							
A21.	Ward 4: Nongalaza Creche	LM						
A22.	Ward 4: Ncanyini community garden.	LM						
A23.	Ward 4: Zululiyaduma grazing camp	LM						
A24.	Ward 4: Ntabayenkosi grazing camp.	LM						
A25.	Ward 5: Nkwenkwe sportsfield.	LM						
A26.	Ward 5: Ohawule sportsfield.	LM						
A27.	Ward 6: Dubeni Drop-in / HIV/AIDS Centre	LM						
A28.	Ward 6: Ndundulu Paypoint.	LM						
A30.	Ward 6: Siyavuna community hall.	LM						
A31.	Ward 1 poultry house.	LM						

PLANNED PRIORITY PROJECTS WITHOUT FUNDING

In the 2009/10 Financial Year, Council will set aside R2, 700 000.00 for the implementation of projects to be selected by Council from this category.

B: 2009/10 FINANCIAL YEAR

PROJ. NO.	PROJECT DESCRIPTION	POTENTIAL FUNDER	ESTIMATED COST	MUNICIPAL BUDGET	09/10 BUDGET ALLOCATION	10/11 BUDGET ALLOCATION	11/12 MUNICIPAL ALLOCATION	12/13 MUNICIPAL ALLOCATION
B1.	Stock control project – Ward1	DAEA / DED	R4, 075 500	R	R	R	R	R
B2.	Upgrading of Drop-In Centre for Ekuthuleni (Toilets and Plumbing)	LM / DSD		R	R	R	R	R
B3.	Upgrading of storm water system in Melmoth and Thubalethu.	LM		R	R	R	R	R
B4.	Low cost housing scheme for Thubalethu.	DOH		R	R	R	R	R
B5.	Identification of commercial, industrial and township sites in Melmoth.	DLGTA / LM	R200 000	R	R	R	R	R
B6.	Municipal town planning scheme updating.	DLGTA / LM	R100 000	R	R	R	R	R
B7.	Yanguye – Ngyaza road (2.5km)	DOT	R900 000	R	R	R	R	R
B8.	Waiting Shelters – Ward 1	DOT / LM	R	R	R	R	R	R
B9.	Mushroom Production Project	DAEA / DED	R	R	R	R	R	R
B10.	Zenzile Afforestation Project	DAEA	R	R	R	R	R	R
B11.	D395 Betterment Program	DOT	R	R	R	R	R	R
B12.	Construction of bridge over Umhlathuze River link Nkandla (in Ngngumbane) and Mthonjaneni (in Thunzini).	DOT	R	R	R	R	R	R
B13.	Melmoth Landfill site extension, upgrade, and fencing.	LM	R	R	R	R	R	R
B14.	Melmoth cemetery extension.	LM	R	R	R	R	R	R
B15.	KwaYanguye Rural Housing Project (840 units)	DOH	R	R	R	R	R	R
B16.	Ndundulu Rural Housing Project	DOH	R	R	R	R	R	R
B17.	KwaMagwaza Rural Housing Project	DOH	R	R	R	R	R	R
B18.	Melmoth Urban Housing Project (500 units)	DOH	R	R	R	R	R	R
B19.	Melmoth Toursim Project	DACT	R	R	R	R	R	R
B20.	Phobane Tourism Project	DACT	R	R	R	R	R	R

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B21.	Renovation Sizanani Poultry House		R	R	R	R	R	R
B22.	Mahehe Agricultural Project		R	R	R	R	R	R
B23.	Plumbing for Drop in centre		R	R	R	R	R	R
B24.	Fencing for Dloziyane Poultry House		R	R	R	R	R	R
B25.	Toilets next to Magistrates Court	MIG	R	R	R	R	R	R
B26.	Play parks for Ward 1		R	R	R	R	R	R
B27.	Mfenefile sportsfield		R	R				
B28.	Mahehe Grazing Camp		R	R	R	R	R	R
B29.	Ilumbi Community Gardens – Purchase Tracto		R	R	R	R	R	R
B30.	Yanguye Sportsfield		R	R	R	R	R	R
B31.	Mehlamasha sportsfield		R	R	R	R	R	R
B32.	Shopping Centre in Ward 1.	Private	R	R	R	R	R	R
B33.	Melmoth Poultry project.	DAEA	R	R	R	R	R	R
B34.	Thunzini Primary	DOE	R	R	R	R	R	R
B35.	Thunzini Clinic	DOHe	R	R	R	R	R	R
B36.	Poultry Project for Thunzini	DAEA	R	R	R	R	R	R
B37.	Sewing Project for Thunzini		R	R	R	R	R	R
B39.	Crèche for Khatazo		R	R	R	R	R	R
B40.	Ngoqongo road for Thunzini		R	R	R	R	R	R
B41.	Ward 2 – Water and sanitation		R	R	R	R	R	R
B42.	Hlabathini Grazing Camp.	DAEA	R	R	R	R	R	R
B43.	Nkwenkwe sportsfield	DSR	R	R	R	R	R	R
B44.	Dubeni Drop-In / HIV+AIDS Centre		R	R	R	R	R	R
B45.	Mabhungu Clinic		R	R	R	R	R	R
B46.	Mabhungu High School		R	R	R	R	R	R
B47.	Mabhungu-Dubeni Shopping Centre		R	R	R	R	R	R
B48.	Ward 6-Paypoint shop		R	R	R	R	R	R
B49.	Dubeni sportsfield		R	R	R	R	R	R
B50.	Mabhungu Grazing Camp		R	R	R	R	R	R
B51.	Nomndayi Crèche - Furniture		R	R	R	R	R	R
B52.	Mazule Crèche - Furniture		R	R	R	R	R	R
B53.	Fire prevention and fire fighting project.	ZFPS/LM	R	R	R	R	R	R

C: 2010/11 FINANCIAL YEAR

PROJ. NO.	PROJECT DESCRIPTION	POTENTIAL FUNDER	ESTIMATED COST	MUNICIPAL BUDGET	09/10 BUDGET ALLOCATION	10/11 BUDGET ALLOCATION	11/12 MUNICIPAL ALLOCATION	12/13 MUNICIPAL ALLOCATION
C1.	Lumbi/Yanguye Electrification (150 connections)	Eskom	R	R	R	R	R	R
C2.	Thunzini Electrification (600 connections)	Eskom	R	R	R	R	R	R
C3.	Thengele Electrification (300 connections)	Eskom	R	R	R	R	R	R
C4.	Bomvini Electrification (600 connections)	Eskom	R	R	R	R	R	R
C5.	Nomponjwana Bulk Infrastructure for Electrification Project (for 450 connections)	Eskom	R	R	R	R	R	R
C6.	Water supply to KwaMagwaza & surroundings	DM	R	R	R	R	R	R
C7.	Water supply for Matshansundu	DM	R	R	R	R	R	R
C8.	Water supply Mghabi and Sogawu.	DM	R	R	R	R	R	R
C9.	Community access road to Bomvini	DOT	R	R	R	R	R	R
C10.	Community access road to Mghabi and Sogawu across the Mhlathuze River.	DOT	R	R	R	R	R	R
C11.	Clinic for Isibaya Esikhulu	DOHe	R	R	R	R	R	R
C12.	Clinic for Nqekwane	DOHe	R	R	R	R	R	R
C13.	Drop-in/HIV & AIDS Centre for Dubeni	DSD / DOHe	R	R	R	R	R	R
C14.	Electrification for Ndabazensangu	Eskom	R	R	R	R	R	R
C15.	Electrification for Hawule	Eskom	R	R	R	R	R	R
C16.	Mashobeni Crèche.							

D: 2011/12 FINANCIAL YEAR

PROJ. NO.	PROJECT DESCRIPTION	POTENTIAL FUNDER	ESTIMATED COST	MUNICIPAL BUDGET	11/12 BUDGET ALLOCATION	12/13 BUDGET ALLOCATION	13/14 MUNICIPAL ALLOCATION	14/15 MUNICIPAL ALLOCATION
D1.	Poultry house for Thunzini.	DAEA / DED	R	R	R	R	R	R
D2.	Poultry house for Bomvini.	DAEA / DED	R	R	R	R	R	R
D3.	Fencing / Extension of Dloziyane poultry house	DAEA / DED	R	R	R	R	R	R
D4.	Poultry farming for Hawule	DAEA / DED	R	R	R	R	R	R
D5.	Citrus farming Matshansundu	DAEA / DED	R	R	R	R	R	R
D6.	Mabhungu Grazing Camp	DAEA	R	R	R	R	R	R
D7.	Community Hall for Imfule.	DM / LM	R	R	R	R	R	R
D8.	Community Hall Mkhindini	DM / LM	R	R	R	R	R	R
D9.	Community Hall for Siyavuna	DM / LM	R	R	R	R	R	R
D10.	Paypoint for Ndundulu	DSD	R	R	R	R	R	R
D11.	Block making at Mgabhi.	LM	R	R	R	R	R	R
D12.	Block making at Mehlamasha.	LM	R	R	R	R	R	R
D13.	Nongalaza Creche.	LM	R	R	R	R	R	R
D14.	Ncanyini Community Garden	LM	R	R	R	R	R	R
D15.	Zululiyaduma Grazing Camp.	DAEA	R	R	R	R	R	R
D16.	Hlabathini Grazing Camp	DAEA	R	R	R	R	R	R
D17.	Sportsfield for Nkwenkwe	DSR	R	R	R	R	R	R
D18.	Sports field for Mkhindini	DSR	R	R	R	R	R	R
D19.	Sanitation Project – Ward 5	DM	R	R	R	R	R	R
D20.	New public toilets opposite Spar.	LM	R	R	R	R	R	R
D21.	Toilets upgrading Bedlane and Ndundulu	DM	R	R	R	R	R	R

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D22.	Community access roads to Phezukwehlanze	DOT	R	R	R	R	R	R
D23.	Road upgrade Bedlane	DOT	R	R	R	R	R	R
D24.	Upgrading of roads to health facilities.		R	R	R	R	R	R
D25.	Primary Schools – Ward 6	DOE	R	R	R	R	R	R
D26.	Nondweni Primary School		R	R	R	R	R	R
D27.	Upgrading of Siyavuma School	DOE	R	R	R	R	R	R
D28.	Mehlamasha Clinic		R	R	R	R	R	R
D29.	Ohawule Primary School	DOE	R	R	R	R	R	R
D30.	Ndabazensangu Primary School	DOE	R	R	R	R	R	R
D31.	Ofankomo Primary School	DOE	R	R	R	R	R	R
D32.	Ohawule sportsfield		R	R	R	R	R	R
D33.	Upgrading of roads in Melmoth and Thubaleth (Phase 2)	MIG	R	R	R	R	R	R

SECTION H: FINANCIAL PLAN AND SDBIP

8.0 FINANCIAL PLAN AND SDBIP

8.1 FINANCIAL PLAN

8.1.1 LEGISLATIVE FRAMEWORK

The Municipality's Financial Affairs are guided by the -Municipal Finance Management Act (MFMA). This is also the basis upon which the Municipality's Budget will be formulated.

8.1.2 FINANCE

The Mthonjaneni Municipality has been preparing Annual Reports for the past 8 years. The main objective has been that of reporting to the Auditor General on the progress made by the Municipality on the delivery of services and account on public funds spent in this regard.

In the Annual Report of 2008/09, the Municipality noted the following challenges; narrow tax base, chronic unemployment, AIDS, land claims issues, destructive fires, and other natural disasters. Despite the challenges faced , the Municipality 2008/09 Annual Report reported the following:

- About R6m was spent on the upgrading of local roads and making these safer;
- About R3m was spent on Capital Projects including;
 - Aids Centre in Thubalethu,
 - Crèches in Bomvini, Dubeni, Ndabazensangu, and Amazule
 - Paypoint in Sizanani
- Council together with stakeholders have pursued tourism projects;
- The Municipality continued with its electricity infrastructure maintenance;
- The net assets (accumulated surplus, capitalisation reserve, government grant reserve, donations, and public reserve) increased from about R39m to over R52m;
- The liabilities decreased by about R0.5m;
- The accumulated surpluses increased in round figures from R16m to R21m;
- The financial instruments, which consists of short term deposits stand at over R24m presenting a growth of R1.5m;
- The municipality has a relative

8.1.3 MUNICIPAL INCOME

(i) GRANTS AND SUBSIDIES EXCLUDING OPERATING GRANTS

- Grants - MIG is R8.9M for (10/11)
- MSIG (Municipal Systems Improvement Grant) is R1, 5M (10/11)
- Municipal Finance Grant R1,250 000 (2010/11)

(ii) OPERATING INCOME

The Municipality has a total Operating Income of R39m excluding Capital. This is made up as follows:

- Property Rates R4.6M
- Service charges R11.6M
- Investment Revenue R1.9M
- Grants and Subsidies R17.8M
- Own Revenue R3.1M

(iii) BILLING SYSTEM

The Municipality sends out monthly bills for Electricity, Rates and Refuse. Electricity metres are read on a monthly basis. Rates are billed monthly for 10 months from July-April.

8.1.4 MUNICIPAL EXPENDITURE

The Municipal expenditure is R56.6m - Including Capital of R17.4M

(i) CONTRIBUTING TO FIXED AND MOVABLE ASSETS

The amounts contributing to Fixed and Movable Assets

Assets:

Own Funds – R1.7M

Grants – R15.7M

8.1.5 INVESTMENTS, LOANS AND LOSSES

The current status of Investments, Loans, and Losses is as follows:

- R30M is invested;
- R0 Loans
- R0 Losses

8.1.6 ASSETS AND LIABILITIES

The status of assets and liabilities is as follows:
Total Net Assets and Liabilities: R60,108 747
Fixed assets.

8.1.7 COSTS OF SERVICES

The status of costs of services is as follows:

- Electricity – R12.7M
- Refuse – R1.8M
- Other (Health, Protections Services, Corporate, Community etc) – R42.1M

8.1.8 POTENTIAL SOURCES OF INCOME AND REVENUE RAISING STRATEGIES

- Licences (extra classes for learner's)
- Traffic violations and law enforcement
-

8.1.9 DEBT CONTROL MEASURES

- Debt collection (Eskom, DOT, DOW)
- Rate Payers (Prepaid electricity, take portion of that to cover outstanding rates)

8.1.10 MANAGEMENT'S RESPONSE TO THE AUDITOR GENERAL'S REPORT FOR THE YEAR ENDING JUNE 2009

- Fraud Prevention Plan
- Audit Committee

8.2 BUDGET PER KEY FOCUS AREA

The Budget for KPA: Basic Services is R27, 600 000 excluding operational expenses.

8.3 SDBIP

This will be provided once the Budget has been finalised in June 2010

8.4 AUDITOR GENERAL'S COMMENTS AND RESPONSES IN THE 2008/09 ANNUAL REPORT

The Annual Report for 2008/09 made reference to the Auditor General's comments and accordingly provided responses.

The Auditor's reports were as follows:

8.4.1 FRAUD PREVENTION PLAN

(i) Audit Finding

It was noted that there was no fraud prevention plan for the 2008/2009 Financial Year. This was also reported in 2006/07 and 2007/08.

(ii) Management Response

A Risk Management Policy, which incorporates fraud prevention was drafted and workshopped with Senior Management. The policy was placed on the Audit Committee Agenda and was adopted during November 2009.

(iii) Auditor's Response

The matter will be included in the audit report.

8.4.2 AUDIT COMMITTEE

(i) Audit Finding

It was noted that only one Audit Committee meeting was held for the 2008/09 Financial Year.

(ii) Management Response

The Audit Committee will now meet at least 4 times per year as internal auditors have been appointed and are providing audit reports for discussion.

(iii) Auditor's Response

The matter will be included in the audit report.

8.4.3 PERFORMANCE INFORMATION – IDP

(i) Audit Finding

It was note that the Municipality has only prepared a performance report for its Section 57 employees and not the performance of the municipality as required by the MSA. Furthermore, there were no measures documented to improve performance as required by the MSA.

It was also noted that in accordance with Local Government – Municipal Planning and Performance Management Regulation 9, the municipality must set key performance indicators, including input indicators, outcome indicators in respect of each of the development priorities and objectives. Section 43 (2) of the MSA further states that a municipality must include any of the general Key Performance Indicators to the extent applicable to the municipality.

(ii) Management Response

The performance report, which is based on the performance of the Section 57 employees' performance report, has been included in Annual Report for 2008/09 as prescribed. As the performance of Council is dependent on the performance of Section 57 employees, no other report is necessary as the functionaries of the Council are the employees and therefore by definition the Section 57 employees. No format of the Council performance report has been provided by the Department of Corporate Governance who have conducted workshops in this regard, despite having requested them to do so. Until such time as specific guidelines have been issued, it is the submission of Council that there is no right or wrong format in reporting on this.

As set out in the report, key performance indicators have been included in the performance report, as well as performance targets and achievements. The general key performance indicators are included in the report and are based on the KPI's set by National Government for local municipalities. Furthermore, the municipality is not responsible for the functions of water, sanitation and electricity in the rural areas. It is therefore, not possible to establish KPI's in this regard as Uthungulu and Eskom respectively are responsible for those functions.

The review of the key performance indicators are done as part of the IDP review process and then incorporated into the budget and performance plan of Section 57 employees.

(iii) Auditor's Response

We have taken cognizance of the fact that the municipality did not have a format for the presentation of annual performance report for the municipality, however, MSA requires that in addition to performance report for Section 57, municipality should prepare annual performance report for municipality and this was not done during the current financial year and this matter will be reported on.

Regarding KPI's including the general KPI's as prescribed by the regulation, the following should be noted; Section 43 (2) of the MSA further states that a municipality must include any of the general KPI's **to the extent** applicable to the municipality, for example households with access to basic level of water, sanitation, electricity, and **solid waste**.

It should be noted that tgeh MSA doeas not require the municipality to include KPI that are not applicable to the municipality but the one's which are applicable and with reference to the municipality waste removal is applicable to the municipality. The municipality should therefore include KPI's related to removal of waste.

8.4.4 INTERNAL AUDIT AND PERFORMANCE AUDIT COMMITTEE

(i) Audit Finding

It was noted that the municipality's internal auditors did not conduct an audit of performance measurement of the municipality and submit quarterly reports to Performance Audit Committee during 2008/09 year as required by Section 14 (1) (c) of Local Government: Municipal Planning and Performance Management regulations.

The municipality has a performance evaluation committee which met on the 14th of July 2008, 19 February 2009, and 20 May 2009 and on these occasions discussed and reviewed only the Section 57 employees performance information rather than the municipality's performance information as required by the regulation noted from the minutes of meetings provided.

(ii) Management Response

The internal auditors have audited the PMS of the municipality. See report dated October 2009. The reports will be submitted to the audit committee during November 2009. The reason for the late auditing was fact that the internal auditors were only appointed during the latter part of the financial year.

(iii) Auditor's Response

Management response has been noted, and we await the audited reports. No response has been received on the Performance Audit Committee; therefore, this matter is being included as a report paragraph at date.

SECTION I: ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

9.0 ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

9.1 INTRODUCTION AND BACKGROUND

Council has adopted the balanced Scorecard Performance Management System. Annual performance evaluation is undertaken for the organization. Quarterly evaluation of Section 57's is performed in terms of the relevant legislation.

9.2 KEY PERFORMANCE AREAS

The National KPA's are incorporated in this IDP, and form the basis for service delivery projects of the Municipality.

9.3 SECTION 57 MANAGERS

Performance contracts have been signed.

9.4 PERFORMANCE AND FINANCIAL AUDIT COMMITTEE

4.1.1 AUDIT COMMITTEE

The Financial Audit and Performance Audit Committees are functioning.

4.1.2 INTERNAL AUDITING AND RISK MANAGEMENT

This is in place and operational.

9.5 PERFORMANCE AND FINANCIAL AUDIT COMMITTEE CHARTER

The Audit Committee Charter has been approved by the Audit Committee and Council.

9.6 ANNUAL REPORT

The Annual Report for 2008/09 was tabled and approved by Council.

9.7 CUSTOMER SATISFACTION SURVEY

The Municipality has not conducted a Survey as yet. Funding for this exercise will be sourced.

9.8 IMPLEMENTATION OF BATHO PELE

The implementation of Batho Pele is an on going process.

SECTION J:
ANNEXURES

ANNEXURE A: MUNICIPAL TURN AROUND STRATEGY

ANNEXURE B: DRAFT MUNICIPAL BUDGET

ANNEXURE C: SELF-ASSESSMENT FRAMEWORK

ANNEXURE A: MUNICIPAL TURN AROUND STRATEGY

The Municipal Turn Around Strategy will be prepared on the following basis:

XYZ Local Municipality

March 2010-Annexure A: Municipal Turn – Around Template: pre – 2011 priority areas: select your key levers for changes

No.	Priority Turn Around Focal Area	Capacity Assessment findings	March 2010 (Current Situation/ Baseline	Target for December 2011 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Human Resource allocated	Budget	
								Allocated	Projected
1.	Basic Service Delivery								
1,1 And 1,2	Access to water and sanitation, Management And maintenance	Serious Service Delivery challenge							
1,3	Access to electricity, Management And maintenance	Serious Service Delivery challenge							
1,4	Refuse removal And solid waste disposal	Serious Service Delivery challenge							
1,5	Access roads (new) and Maintenance of Municipal roads	Serious Service Delivery challenge							
1,6	Formalisation of Informal Settlements (What is required i.r.o township, formalization, basic services	Serious Service Delivery Challenge Does not get significant							

No.	Priority Turn Around Focal Area	Capacity Assessment findings	March 2010 (Current Situation/ Baseline	Target for December 201 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Human Resource allocated	budget	
								Allocated	Projected
	And housing)								
2.	Public Participation								
2,1	Broader public Participation Policies and (Implemented Framework)	Council to determine							
2,2	Public Communication strategy	Yes. Annual Plan of Action publicized, ward committee meetings and road shows help							
2,3	Complaints Management System and from desk interface	No. Community Satisfaction Survey conducted							
2,4	Municipal Year	Council to							

No.	Priority Turn Around Focal Area	Capacity Assessment findings	March 2010 (Current Situation/ Baseline	Target for December 201 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Human Resource allocated	budget	
								Allocated	Projected
	Planner.	determine							
2.5	Budget Framework.	Council to determine							

2,6	<p>Ratio of CDWs to Wards</p> <p>Performance Management CDWs</p>	<p>All wards do not Have CDWs.</p> <p>CDWs not well Received by Traditional Leadership</p>							
2,7	<p>Functionality of ward Committees.</p> <p>1. A Policy must be in place</p> <p>2. There must be a Ward Committee Database.</p> <p>3. There must be a skills audited for ward Committees. Members must Be trained.</p> <p>4. Ward Committee plans</p>	<p>Insufficient Human and Financial Support.</p> <p>No feedback System of Council Resolution to Ward Committees</p> <p>Ward committee Structures are politicized</p>							

No.	Priority Turn Around Focal Area	Capacity Assessment findings	March 2010 (Current Situation/ Baseline	Target for December 201 (Changed Situation)	Municipa Action	Unblocking Action Needed from other Spheres and Agencies(e .intervention or technical support)	Human Resource allocated	budget	
								Allocated	Projected
	<p>Must be Developed for Each ward and Must be aligned To the IDP Process. (ID process plans Must be Implemented)</p> <p>5.Ward Committee Meetings must be Taking place with The minimal of 4 Meetings a year.</p> <p>6.There must be a strategic Agenders, Minutes Of meetings and Must be Recordings of Meetings taking place.</p>								

No.	Priority Turn Around Focal Area	Capacity Assessment findings	March 2010 (Current Situation/ Baseline	Target for December 201 (Changed Situation)	Municipa Action	Unblocking Action Needed from other Spheres and Agencies(e .intervention or technical support)	Human Resource allocated	budget	
								Allocated	Projected
	7. The existence of sub structure ward committees.								

	Monitoring and evaluation Mechanisms in place: The dept has a tool that measures Functionality. From the tool you see the functionality Indicators.								
2.8	Progress on implementation of framework incorporated in the annual Report.	Council to Determine.							
3.	Governance								
3.1	Political Management And Oversight								
3.1.1	Stability of Council	Opposition Parties feels Sidelined and Are unable to Fully debate View of minority							

No.	Priority Turn Around Focal Area	Capacity Assessment findings	March 2010 (Current Situation/ Baseline	Target for December 201 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Human Resource allocated	budget	
								Allocated	Projected
		Parties is that all municipal functions are extremely politicized							
3.1.2	Delegation of functions	Adopted written							

	Between political And administration	Delegations in plac							
3.1.3	Training of councillors	Council to determine							
3.1.4	Councillor Oversight Framework (functioning Scopa0	No formal Oversight Framework Adopted. Systems and Procedures in plac for reporting.							
3.1.5	Feedback to Communities (Ward councillor To ward	In form of Annual Action							

No.	Priority Turn Around Focal Area	Capacity Assessment findings	March 2010 (Current Situation/ Baseline	Target for December 201 (Changed Situation)	Municipa Action	Unblocking Action Needed from other Spheres and Agencies (e .intervention or technical support)	Human Resource allocated	budget	
								Allocated	Projected
	Committee and Vice versa)	Plan, ward Committees And road Shows.							
3.2	Administration								
3.2.1	HR Policies Availability, Adoption and implementation	Council to determine							
3.2.2	Vacancies (S57) Status of filling of	Council to determine							

	Vacant positions								
3.2.3	% Vacancies in other levels. Status of filling of critical Vacant positions	Council to determine							
3.2.4	S57 appointed With signed Performance Agreements	Yes							
3.2.5	Has a skills Audit been	Council to determine							

No.	Priority Turn Around Focal Area	Capacity Assessment findings	March 2010 (Current Situation/ Baseline	Target for December 201 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Human Resource allocated	budget	
								Allocated	Projected
	Conducted for all employees								
3.2.6	Does the municipality have a workplace Skills plan	Council to determine							
3.	Labour Relations								
3.3.1	Functionality of LLF	LLF does not Meet regularly.							
3.3.2	Employment Equity plan	Council to determine							
4.	Financial management								
4.1	Revenue Enhancement strategies	Council to Determine Private sector							

		Not confident That municipal Has required Competence to manage							
--	--	--	--	--	--	--	--	--	--

No.	Priority Turn Around Focal Area	Capacity Assessment findings	March 2010 (Current Situation/ Baseline	Target for December 2011 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Human Resource allocated	budget	
								Allocated	Projected
		Financial affairs							
4.2	Debtors Management	Council to determine							
4.3	Cash flow management	Council to Determine Municipality Slow in Expenditure of Grant funding.							
4.4	Repairs and Maintenance provision	Council to determine							
4.5	Capital Expenditure	Council to determine							
4.6	Clean Audit	Four disclaimers and one adverse AG report in recent past							
4.7	Submission of Annual Financial Statement	Council to determine							
4.8	% MIG expenditure	Council to determine							

No.	Priority Turn Around Focal Area	Capacity Assessment findings	March 2010 (Current Situation/ Baseline	Target for December 201 (Changed Situation)	Municipa Action	Unblocking Action Needed from other Spheres and Agencies(e .intervention or technical support)	Human Resource allocated	budget	
								Allocated	Projected
4.9	Asset management	Council to determine							
4.10	Credibility, and Transparency of supply Chain Management	Council to determine							
4.11	Capacity Building	Oversight on Financial and SCM processes.							
5	LED								
5.1	LED Strategy Adopted by council	Council to determine							
5.2	LED Plan aligned To the PGDS and adopted by Council	Council to determine							
5.3	LED Manager appointed	Council to determine							

ANNEXURE B: DRAFT MUNICIPAL BUDGET

KZN285 Mthonjaneni – Table A1 Budget Summary

Description	2006/7	2007/8	2008/9	Current year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget year 2010/11	Budget year 2010/11	Budget year 2010/11
R thousands									
Financial Performance									
Property rates	3,5	3,3	3,6	3,9	4,4	4,4	4,6		
Service charges	5,3	5,9	8,2	3,4	3,4	3,4	11,6		
Investments revenue	1,5	2,3	2,9	1,5	1,5	1,5	1,9		
Transfers recognised	14,0	12,8	13,7	21	23,6	23,6	17,7		
Other own revenue	2,9	2,8	3,4	3,1	3,1	3,1	3,1		
Total Revenue (excluding capital transfers contributions)	27,4	27,4	31,9	39,5	42,0	42,0	39,0		
Employee costs	7,2	8,3	9,2	10,6	10,6	10,6	12,0		
Remuneration of councilors	1,8	1,9	2,1	2,3	2,3	2,3	2,4		
Depreciation & asset impairment	1,3	1,6	1,3	2,1	2,1	2,1	2,5		
Transfers and grants									
Other expenditure	3,5	3,9	6,1	6,8	6,8	6,8	8,8		
Total Expenditure									
Surplus/(Deficit)	15,2	15,7	22,4	2,9	2,9	2,9	30,6		
Transfers recognised-capital									
Contributions recognised-capital & contributions ass	29,2	30,5	40,3	49,5	52,1	52,1	56,5		
Surplus/(Deficit) after capital transfers & contributions	(91,63)	(4,06)	(98,41)	(10,01)	(10,01)	(10,01)	(17,54)		
Share of Surplus/(Deficit)	4,5	2,9	10,3	8,0	8,0	8,0	15,6		

Surplus/(Deficit) for the year	2,7	(1,14	1,9	(1,91	(1,91	(1,91	(1,66		
	2,7	(1,14	1,9	(1,91	(1,91	(1,91	(1,66		
Capital expenditure & funds sources	4,8	4,3	4,4	,9	9,9	9,9	17,3		
Capital expenditure	4,55	2,9	10,3	8,0	8,0	8,0	15,6		
Transfers recognised-capital									
Public contributions & donations									
Borrowing	2	1,3	1,1	1,8	1,8	1,8	1,7		
Internally generated funds	4,8	4,3	11,4	9,9	9,9	9,9	17,3		
Total sources of capital funds									
Financial Position	25,8	26,0	28,7	28,1	28,1	28,1	29,8		
Total current assets	20,6	21,0	31,3	33,0	33,0	33,0	17,5		
Total non current assets	8,4	8,0	7,5	8,1	8,1	8,1	5,0		
Total current liabilities									
Total non current liabilities	37,8	39,1	52,5	54,4	53,0	53,0	68,9		
Community wealth/Equity									
Cash flows									
Net cash from (used) operating	11,7	4,7		13,9	13,9	13,9	16,5		
Net cash from (used) Investing	(482	(17,53		(9,91	(9,91	(9,91	(917,38		
Net cash from (used) financing			1,0						
	13,1	2	1,2	5,3	5,3	5,3	3,4	3,4	3,4
Cash/cash equivalent at the year end									
Cash backing/Surplus reconciliation	22,8	23,2	25,7	25,5	25,5	31,0	27,0		
Cash and investments available	5,6	6,9	10,8	9,3	9,4	9,4	4,0		
Application of cash and investments	17,2	17,3	14,8	16,1	16,	21,5	23,0		
Balance – surplus (shortfall)									

Asset management									
Asset register summary (WDV)	1,3	1,6	1,3	2,1	2,1		2,5		
Depreciation & asset impairment						2,1			
Renewal of existing assets									
Repairs and maintenance									
Free services									
Cost of free basic Services provided									
Revenue cost of free services provided									
Households below minimum service level									
Water									
Sanitation/sewerage									
Energy									
Refuse									

KZN285 Mthonjaneni – Table A2 Budget Financial Performance (Revenue and expenditure by standard classification)

Description	Ref	2006/7	2007/8	2008/9	Current year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget year 2010/11	Budget year +1 2010/11	Budget year+2 2010/11
R thousands	1									
Revenue – Standard										
Governance and administration		14,6	17,3	22,1	21,0	24,4	24,4	29,8	-	-
Executive and council		1,6	1,6	2,4	2,2	2,2	2,2	6	-	-
Budget and treasury office		11,0	13,6	16,9	19,5	22,1	22,1	29,2	-	-
Corporate services		2,0	2,0	2,7					-	-
Community and public safety		4,0	1,6	1,5	4,5	4,5	4,5	1,2	-	-
Community and social services		2,8	5	4	3,2	3,2	3,2	4	-	-
Sport and recreation									-	-
Public safety		2	3	3	3	3	3		-	-
Housing									-	-
Health		8	8	7	8	8	8	8	-	-
Economic and environmental services		5,5	3,9	8,7	10,7	10,7	10,7	11,4	-	-
Planning and development									-	-

Road and transport		5,5	3,9	8,7	1,7	10,7	10,7	11,4	-	-
Environmental protection									-	-
Trading services		7,7	7,4	9,8	10,4	10,7	10,7	12,1	-	-
Electricity		6,3	6,0	8,5	9,0	9,03	9,03	11,1	-	-
Water									-	-
Wast water management									-	-
Wast management		1,4	1,4	1,3	1,4	1,4	1,4	9	-	-
Other									-	-
Total Revenue – Standard		31,8	30,3	42,2	47,6	50,1	50,1	54,7	-	-
Revenue – Standard									-	-
Governance and administration		12,0	14,1	15,9	16,3	17,1	17,1	15,3	-	-
Executive and council		2,7	3,2	3,2	3,6	3,6	3,6	3,9	-	-
Budget and treasury office		5,6	6,3	7,7	9,0	10,7	10,7	7,7	-	-
Corporate services		3,6	4,5	4,9	2,6	2,7	2,7	3,6	-	-
Community and public safety		8,7	7,6	12,4	10,3	19,9	19,9	29,9	-	-
Community and social services		7,7	6,5	11,3	18,0	10,7	10,7	22,5	-	-
Sport and recreation									-	-
Public safety		3	3	2	3	3	3	5	-	-
Housing									-	-
Health		6	8	8	8	8	8	8	-	-
Economic and environmental services		1,7	2,2	2,2	2,5	2,7	2,7	2,7	-	-
Planning and development									-	-
Road and transport		1,7	2,2	2,2	2,5	2,7	2,7	2,7	-	-
Environmental protection									-	-
Trading services		6,7	7,4	9,6	12,2	12,2	12,2	14,4	-	-
Electricity		6,8	6,3	6,4	10,8	10,8	10,8	12,7	-	-
Water									-	-
Wast water management									-	-
Wast management		9	1,1	1,2	1,4	1,4	1,4	1,7	-	-
Other									-	-
Total expenditure - Standard		29,2	31,5	40,3	49,5	52,1	52,1	56,5	-	-
Surplus/(Deficit) for the year		2,7	(1,14)	1,8	(1,91)	(1,91)	(1,91)	(1,85)	-	-

KZN285 Mthonjaneni – Table A3 Budget Financial Performance (Revenue and expenditure by municipal vote)

Description	Ref	2006/7	2007/8	2008/9	Current year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget year 2010/11	Budget year + 2010/11	Budget year 2010/11
R thousands	1									
Revenue by vote										
Vote 1- Council	1	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 3 - Financial Service		1,033	1,640	2,424	2,275	2,275	2,275	600	-	-
Vote 4 - Corporate and Community Service		11,028	13,691	16,988	19,574	22,142	2,142	29,246	-	-
Vote 5 – Public Service		2,000	2,000	2,704	68	68	68	8	-	-
Vote 6 – Public Health		270	340	340	360	360	360	-	-	-
Vote 7 - Protection Services		886	689	716	893	893	893	850	-	-
Vote 8 – Technical Services		1,816	11,882	1,968	1,815	1,815	1,815	2,075	-	-
Vote 9 – Refuse Removal		6,643	2,642	7,250	12,188	12,188	12,188	9,803	-	-
Vote 10 – Electricity		1,405	1,463	11,330	1,409	1,409	1,409	967	-	-
Example 11 – Vote 11		6,324	6,018	8,,565	9,039	9,039	9,039	967	-	-
Example 12 – Vote 12		-	-	-	-	-	-	11,186	-	-
Example 13 – Vote 13		-	-	-	-	-	-	-	-	-
Example 14– Vote 14		-	-	-	-	-	-	-	-	-
Example 15 – Vote 15		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	31,988	30,365	422,285	47,620	50,188	50,188	58,589	-	-
Expenditure by Vote to be appropriate	1									
Vote 1- Council		-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		1,914	2,393	2,350	2,521	2,524	2,524	2,693	-	-
Vote 3 - Financial Service		684	900	927	1,120	1,145	1,145	1,210	-	-
Vote 4 - Corporate and Community Service		5,624	8,330	7,729	9,069	10,721	10,721	7,753	-	-
Vote 5 – Public Service		3,849	4,749	5,183	2,961	3,060	3,060	3,994	-	-
Vote 6 – Public Health		338	307	279	360	360	360	660	-	-
Vote 7 - Protection Services		654	802	836	893	893	893	871	-	-
Vote 8 – Technical Services		1,732	2,208	2,288	2,572	2,702	2,702	2,788	-	-
Vote 9 – Refuse Removal		7,639	6,342	11,123	17,741	18,398	18,398	22,231	-	-
Vote 10 – Electricity		917	1,126	1,,228	1,460	1,482	1,482	1,776	-	-
Example 11 – Vote 11		5,823	6,351	8,4406	10,816	10,816	10,816	12,705	-	-
Example 12 – Vote 12		-	-	-	-	-	-	-	-	-
Example 13 – Vote 13		-	-	-	-	-	-	-	-	-

Example 14– Vote 14		-	-	-	-	-	-	-	-	-
Example 15 – Vote 15		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	29,275	31,509	40,349	49,534	50,188	50,188	58,589	-	-
Surplus/(Deficit) for the year	2	2,732	(1,143)	1,935	(1,914)	(1,914)	(1,914)	(1,859)	-	-

KZN285 Mthonjaneni – Table A4 Budget Financial Performance (revenue and expenditure)

Description	Ref	2006/7	2007/8	2008/9	Current year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget year 2010/11	Budget year 2010/11	Budget year 2010/11
R thousands	1									
<u>Revenue by Source</u>										
Property		3,2	3,1	3,4	3,5	4,1	4,1	4,3		
Property – penalties & connection charges		3	2	2	4	3	3	2		
Service charges – electricity revenue		4,6	5,2	7,3	8,5	8,5	8,5	10,8		
Service charges – water revenue										
Service charges – sanitation revenue										
Service charges – refuse revenue		7	7	8	8	8	8	9		
Service charges – Other										
Rental of facilities & equipment		3	3	3	4	4	4	3		
Interest earned – outstanding debtors		1,5	2,3	2,9	1,5	1,5	1,5	1,9		
Divided received										
Fines										
Licenses and permits		1	1	1	1	1	1			
Agency services		1,6	1,7	1,7	1,7	1,7	1,7	2,		
Transfers recognised – operational										
Other revenue		14,0	12,0	13,7	21,5	21,5	21,5	17,7		
Gains on disposal of PPE		8	6	1,2	8	8	8	7		
Total Revenue (excluding capital transfers and contributions)		27,4	27,4	31,8	39,5	42,0	42,0	39,0		
<u>Expenditure By Type</u>										
Employee related costs										
Remuneration of councilors		7,2	8,3	9,2	10,5	10,6	10,6	12,0		
Debt impairment		1,8	1,9	2,1	2,3	2,3	2,3	2,4		

Depreciation & asset impairment		1	1	1	1	1	1	1	
Finance charges		1,3	1,6	1,3	2,1	2,1	2,1	2,5	
Bulk purchases									
Other material		3,5	3,9	5,1	6,8	6,8	6,8	8,8	
Contracted services									
Transfers and grants			6	6	9	9	9	1,1	
Other expenditure									
Loss of expenditure	4	14,0	14,9	21,8	26,5	26,5	26,5	29,3	
Total Expenditure		29,2	31,5	40,3	49,5	52,1	52,1	58,6	
Surplus/(Deficit)		(1,85)	(4,06)	(8,41)	(10,01)	(10,01)	(10,01)	(17,54)	
Transfers recognised – capital		4,5	2,9	10,3	8,0	8,0	8,0	15,6	
Contributions recognised – capital									
Contributed assets									
Surplus/(Deficit) after capital transfers & contributions		2,7	(1,14)	1,9	(1,91)	(1,91)	(1,91)	(1,85)	
Taxation									
Surplus/(Deficit) after taxation									
Attributable to minorities									
Surplus/(Deficit) attributable to municipality		2,7	(1,14)	1,9	(1,91)	(1,91)	(1,91)	(1,85)	
Shares of surplus/ (deficit) of associate									
Surplus/(Deficit) for the year		2,7	(1,14)	1,9	(1,91)	(1,91)	(1,91)	(1,85)	

KZN285 Mthonjaneni – Table A5 Budget Capital Expenditure by vote, standard classification and funding

Description	Ref	2006/7	2007/8	2008/9	Current year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget year 2010/11	Budget year 2010/11	Budget year 2010/11
R thousands	1									
Capital Expenditure – Vote										
Multi – year expenditure to appropriated										
Vote 1 – Council		-	-	-	-	-	-	-	-	-
Vote 2 – Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 3 – Financial Services		-	-	-	-	-	-	-	-	-
Vote 4 – Corporate and Community Service		-	-	-	-	-	-	-	-	-
Vote 5 – Public safety		-	-	-	-	-	-	-	-	-
Vote 6 – Public Health		-	-	-	-	-	-	-	-	-
Vote 7 – Protection services		-	-	-	-	-	-	-	-	-
Vote 8 – Technical services		-	-	-	-	-	-	-	-	-
Vote 9 – Refuse removal		-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-	-	-
Example11 – Vote 11		-	-	-	-	-	-	-	-	-
Example12 – Vote 12		-	-	-	-	-	-	-	-	-
Example13 – Vote 13		-	-	-	-	-	-	-	-	-
Example14 – Vote 14		-	-	-	-	-	-	-	-	-
Example15 – Vote 15		-	-	-	-	-	-	-	-	-
Capital multi – year expenditure sub-total		-	-	-	-	-	-	-	-	-
Single – year expenditure to be appropriate										
Vote 1 – Council		-	321	4,419	-	-	-	1,208	-	-
Vote 2 – Municipal Manager		-	11	-	26	26	26	30	-	-
Vote 3 – Financial Services		-	-	30	41	41	41	50	-	-
Vote 4 – Corporate and Community Service		141	1,300	18	55	55	55	300	-	-
Vote 5 – Public safety		-	-	-	-	-	-	-	-	-
Vote 6 – Public Health		20	8	-	-	-	-	15	-	-
Vote 7 – Protection services		-	288	51	50	50	50	100	-	-
Vote 8 – Technical services		4,122	1,846	5,985	8,740	8,740	8,740	14,008	-	-
Vote 9 – Refuse removal		-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		507	830	988	1,000	1,000	1,000	1,000	-	-
Example11 – Vote 11		-	-	-	-	-	-	-	-	-
Example12 – Vote 12		-	-	-	-	-	-	-	-	-
Example13 – Vote 13		-	-	-	-	-	-	-	-	-

Example14 – Vote 14										
Example15 – Vote 15										
Capital single – year expenditure sub-total		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote										
Capital Expenditure – standard										
Governance and administration		1	1,6	4,4	1	1	1	1,6		
Executive and council			3	4,4				1,3		
Budget and treasury office										
Corporate services								3		
Community and public safety		1	1,0					8,1		
Community and social services			2					5,0		
Sport and recreation										
Public safety			2					1		
Housing										
Health										
Economic and environmental services		4,1	1,6		8,7	8,7	8,7	9,5		
Planning and development										
Road and transport		4,1	1,6		8,7	8,7	8,7	9,5		
Environmental protection										
Trading services		8	8		1,0	1,0	1,0	1,0		
Electricity		5	5		1,0	1,0	1,0	1,0		
Water										
Waste water management										
Waste management										
Other										
Total Capital Expenditure – Standard		4,820	4,312	11,483	9,912	9,912	9,912	17,389	-	-
Funded by										
National Government		4,559	2,919	10,352	8,097	8,097	8,097	15,688		
Provincial Government										
District Municipality										
Other transfers and grants										
Transfers recognized – capital		4,559	2,919	10,352	8,097	8,097	8,097	15,688	-	-
Public expenditure & donation										
Borrowing										
Internally generated funds		26	1,384	1,182	1,918	1,918	1,918	1,701		
Total Capital Funding	7	4,620	4,912	11,483	8,812	8,812	8,812	17,380	-	-

KZN285 Mthonjaneni – Table A6 Budgeted Financial Position

Description	Ref	2006/7	2007/8	2008/9	Current year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget year 2010/11	Budget year 2010/11	Budget year 2010/11
R thousands	1									
ASSETS										
Current assets		13,157	293	1,209	1,000	1,000	1,000	1,000		
Cash	1	9,739	23,000	24,540	24,540	24,540	30,040	26,040	-	-
Call investment deposits	1	2,348	2,069	1,968	2,052	2,052	2,052	2,404	-	-
Consumer debtors		549	389	788	250	250	250	200		
Other debtors			-	-						
Current portion of long- term receivable										
Inventory	2	98	274	246	300	300	300	250		
Total Current assets		25,898	26,025	28,142	28,142	28,142	33,642	29,894	-	-
	3	20,543	21,208	31,358	33,000	33,000	33,000	47,500	-	-
Total non current assets		20,543	21,208	31,358	33,000	33,000	33,000	47,500	-	-
TOTAL ASSETS		46,433	47,233	60,109	61,142	61,142	66,642	77,394	-	-
LIABILITIES										
Current liabilities										
Bank over draft	1									
Borrowing	4	-	-	-	-	-	-	-	-	-
Consumer deposits										
Trade and other payables	4	490	487	505	500	500	500	550		
Provisions		7,850	7,462	5,838	7,500	7,500	7,500	4,300	-	-
		110	147	209	140	140	140	200		
Total current liabilities		8,460	8,085	7,552	8,140	8,140	8,140	5,050	-	-
Non current liabilities										
Borrowing		-	-	-	-	-	-	-	-	-
Provision		-	-	-	-	-	-	-	-	-
Total non current liabilities		-	-	-	-	-	-	-	-	-

Total Liabilities		8,460	8,095	7,552	8,140	8,140	8,140	5,050	-	-
NET ASSETS	6	37,973	39,138	52,557	53,002	53,002	58,502	72,344		
COMMUNITY WEALTH/EQUITY										
Accumulated surplus/(deficit)		17,430	15,927	21,199	21,492	21,492	21,492	21,492		
Reserves	4	20,543	23,211	31,358	33,000	31,510	31,510	47,500	-	-
Minorities Interests										
TOTAL COMMUNITY WEALTH/EQUITY	5	37,973	39,138	52,567	54,492	53,002	53,002	68,882		

KZN285 Mthonjaneni – Table A7 Budgeted Cash flow

Description	Ref	2006/7	2007/8	2008/9	Current year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget year 2010/11	Budget year 2010/11	Budget year 2010/11
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and others										
Government- operating		29,698	29,520	-	19,432	19,432	19,432	19,432		
Government – capital	1				18,591	18,591	18,591	17,701		
Interest	1				8,097	8,097	8,097	15,680		
Dividends		1,542	2,387	-	1,500	1,500	1,500	1,900		
Payments										
Suppliers and employees										
Finance charges										
Transfers and grants	1	(19,462)	(27,194)	-	(33,696)	(33,696)	(33,696)	(39,194)		
NET CASH FROM USED OPERATING ACTIVITIES		11,789	4,714	-	13,924	13,924	13,924	15,534		
CASH FLOW FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE										
Decrease (increase) in non – current debtors		(4,820)	(4,312)	-	(9,912)	(9,912)	(9,912)	(17,389)		
Decrease (increase) other non- current receivables										
Decrease (increase) in non-current investments		-	(13,281)	-						
Payments										
Capital assets										
NET CASH FROM USED INVESTMENT ACTIVITIES		(4,820)	(17,573)	-	(9,912)	(9,912)	(9,912)	(17,389)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES										

Receipts				1,000						
Short term loans										
Borrowing long term/refinancing				-						
Increase (decrease) in consumer deposits		37	(4)							
Payments										
Repayment of borrowing										
NET CASH FROM USED FINANCING ACTIVITIES		37	(4)	1,000	-	-	-	-	-	-
NET INCREASE (DECREASE) IN CASH HELD										
Cash/cash equivalents at the begin		7,005	(12,863)	1,000	4,012	4,012	4,012	(1,855)	-	-
Cash/cash equivalents at the year end		6,151	13,157	283	1,283	1,283	1,283	5,305	3,450	3,450
		13,157	297	1,283	5,035	5,035	5,035	3,450	3,450	3,450

KZN285 Mthonjaneni – Table A8 Budgeted Cash backed reserves/accumulated

Description	Ref	2006/7			2007/8			2008/9			Current year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget year 2010/11	Budget year 2010/11	Budget year 2010/11						
R thousands	1															
<u>Cash and investments available</u>																
Cash/cash equivalents at the end		13,157	293	1,293	5,305	5,305	5,305	3,450	3,450	3,450						
Other current investments >90 days		9,739	23,000	24,456	20,235	20,235	20,235	23,589	3,450	3,450						
Non current assets-investments		-	-	-	-	-	-	-	-	-						
Cash and investments available		22,898	23,293	25,749	25,540	25,450	25,450	27,040								
<u>Application of cash and investments</u>																
Unspent conditional transfers		4,106	3,865	4,809	4,500	4,500	4,500	2,300	-	-						
Unspent borrowing																
Statutory requirements		1,632	2,134	6,0505	4,884	4,956	4,956	1,726	-	-						
Other working capital requirements																
Other provisions		-	-	-	-	-	-	-	-	-						
Long term investments committed																
Reserves to be backed by cash/investments																
Total Application of cash and investments		5,637	5,988	10,859	9,304	9,456	9,456	4,025	-	-						
Surplus/(Deficit)		17,259	17,305	14,890	18,156	18,156	21,584	23,015	-	-						

KZN285 Mthonjaneni – Table A9 Asset Management

Description	Re	2006/7	2007/8	2008/9	Current year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget year 2010/11	Budget year 2010/11	Budget year 2010/11
R thousands	1									
CAPITAL EXPENDITURE										
Total New Assets	1	4,620	4,312	-	8,312	8,312	8,312	17,380	-	-
Infrastructure- Road transport		227	45	-	8,220	8,220	8,220	9,400	-	-
Infrastructure- Electricity		837	539	-	1,000	1,000	1,000	1,000	-	-
Infrastructure- Water		-	-	-	-	-	-	-	-	-
Infrastructure- Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure- Other		-	-	-	-	-	-	-	-	-
Infrastructure										
Community		783	584	-	8,220	8,220	8,220	10,400	-	-
Heritage assets		3,884	2,911	-	-	-	-	8,288	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other needs		-	-	-	-	-	-	-	-	-
Agricultural assets	8	372	817	-	892	892	892	701	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangible		-	-	-	-	-	-	-	-	-
Total Revenue of existing assets										
Infrastructure- Road transport		-	-	-	-	-	-	-	-	-
Infrastructure- Electricity	2	-	-	-	-	-	-	-	-	-
Infrastructure- Water		-	-	-	-	-	-	-	-	-
Infrastructure- Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure- Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other needs		-	-	-	-	-	-	-	-	-
Agricultural assets	8	-	-	-	-	-	-	-	-	-
Biological assets	6	-	-	-	-	-	-	-	-	-
Intangible		-	-	-	-	-	-	-	-	-
Total Capital Expenditure										
Infrastructure- Road transport		-	-	-	-	-	-	-	-	-
Infrastructure- Electricity	4	-	-	-	-	-	-	-	-	-

EXPENDITURE OF OTHER ITEMS										
Depreciation & assets impairment		1,931	1,844	1,333	2,100	2,100	2,100	2,550	-	-
Repairs and Maintenance by Asset		-	-	-	-	-	-	-	-	-
Infrastructure- Road transport		-	-	-	-	-	-	-	-	-
Infrastructure- Electricity		-	-	-	-	-	-	-	-	-
Infrastructure- Water		-	-	-	-	-	-	-	-	-
Infrastructure- Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure- Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other needs		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OF OTHER ITEMS		1,931	1,844	1,333	2,100	2,100	2,100	2,550	-	-
% of capital expenditure on renewal of assets		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Renewal of existing Assets as % of depreciation		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
R&M as % of PPE		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Renewal and R&M as a % of PPE										

ANNEXURE C: IDP SELF ASSESSMENT FRAMEWORK

A Credible IDP Analysis Framework

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
1. Spatial Considerations						
Legal Compliance 1.1 Is there a council adopted SDF and on what date was it adopted? [If no, a local municipality may adopt the District SDF in the interim]		Y	The current SDF was prepared during the 2007/08 IDP Review process. It now requires a review to reflect the changes over the past 3 years.	Preferred Service Provider	30/06/2011	
1.2. Does the IDP contain a statement on whether (or not) the SDF needs to be drafted or reviewed?		Y	This has been mentioned.			
1.3. Does the IDP contain applicable tools to address environmental challenges (i.e. environmental management framework, integrated waste management plan, air quality management plan, strategic environmental assessment and/or coastal management plan)?		Y	This is partly addressed. SEA is an attachment of the IDP. Further plans have to be prepared by the municipality.			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
Spatial Rationale 1.4. Are there maps and text that illustrate future investment in settlement and/or rural geographical areas? (I.e. including growth nodes, corridors)		Y	There is a SDF Section and Map only the document.			
1.5 Does the IDP (and SDF) contain maps and/or text that describe the location of future types of basic service/infrastructure investment per specific localities?		N	This will be done as part of the holistic review of the SDF.			
1.6 Does the IDP (and SDF) describe the environmental resources in the municipal area that must be managed? (I.e. ecological services / biodiversity / water resources)		Y	This is addressed in the Environmental Analysis section and a SEA report is attached.			
1.7 Does the IDP (and SDF) align to the principles of the national (NSDP) and speak to the elements of the respective provincial spatial development framework?		Y	This is part of the SDF Section.			
1.8 Please identify elements of this KPA that has been considered as part of the LGTAS.						
1.9 Please identify those elements of this KPA that should be considered as part of the LGTAS						

2. Service Delivery and Infrastructure Planning						
Sanitation		N	This is a district competency.			
2.1. Is there a budget and plan to ensure that all households have access to basic sanitation by 2010?		N				
2.2. Does the above plan contain bulk infrastructure development?		N				
2.3. Does the infrastructure plan consider waste water treatment?		N				
Water		N	This is a district competency.			
2.4. Is there a budget and plan to ensure that all households have access to basic water by December 2010?		N				
2.5. Does the Municipality have a clear water quality monitoring programme (If WSA)?		N				
2.6. Is there resource capacity, both human and financial?		N				
2.7. Is the WSDP approved?		N				

Energy and Electricity 2.8. Is there a budget and plan to ensure that all households have access to electricity by 2012?		N	This is an Eskom competency.			
2.9. Are alternative and renewable energy options considered?		N				
2.10. If applicable, plans to manage status as a RED?		N				
2.11. Is there resource capacity, both human and financial? (Municipal to include a clear statement of filled and vacant posts, as well as the capacity to perform the responsibility)		N				
2.12 What is the status of the Energy Sector Alignment Plan?		N				
2.13 Is there an indication of an energy plan linked to conservation?		N				
Roads and Transport 2.14 Is there a budget and plan for integrated roads and transport system (included non-mechanized, etc.)?		N	This is a district and provincial DOT competency.			
2.15. Is there a budget and plan for new roads and O&M of old roads?		N				

2.16. Is there a resource capacity: both human and financial? (Municipality to include a clear statement of filled and vacant posts, as well as capacity to perform the responsibility)		N				
2.17. Does this relate to ITP?		N				
Storm Water Drainage 2.18. Is there a budget and plan to manage and maintain storm water drainage?		Y	There is an operational budget that addresses these.			
2.19. Is there resource capacity, both human and financial? (Municipality to include a clear statement of filled and vacant posts, as well as capacity to perform the responsibility)		N				
Waste management 2.20. Is there an Integrated Waste Management Plan?		N	This is a district competency.			
2.21. Is environmental Impact Assessment of waste management options included in Waste Management Strategy/Plan?		N				
2.22. Is there an evaluation and implementation of environmentally friendly practices for re-cycling, landfill sites and economic opportunities?		N				

General Infrastructure Planning 2.23. Is there an integrated infrastructure investment plan?		Y	Only for the Melmoth town where Council provides some of these services.			
2.24. Does investment planning utilizes the MIG grant over the next MTEF?		Y				
2.25. Is there indication of own revenue usage for Infrastructure?		Y				
2.26. Are other vehicles being used to aid investment in Infrastructure?		Y	Grants are solicited.			
2.27. Other revenue sources articulated?		Y				
2.28. Is there evidence of holistic infrastructure development?		Y	Only where the Municipality is responsible ie; Melmoth.			
2.29. Identification of challenging areas needing Special attention (e.g. Former cross –boundary Municipalities)		N				
2.30. Is there evidence of well researched backlog data on households and residents without access to services both in urban and rural areas?		N	Council will solicit funds to conduct these studies.			
2.31. Is there evidence of statistical information and usage of the demographic data?		Y	The Analysis section covers this.			

2.32. Does the infrastructure plan incorporate operations, maintenance and capital budgets for service delivery and O&M for all services?		Y				
2.33. Is there a minimum of a 3 year plan and budget to Support the plan?		Y				
2.34. Is EPWP identified as a means to provide job opportunities and training, along with identification of sectors / areas where the EPWP can be Implemented?		N				
FBS 2.35. Is there evidence of an indigent policy?		Y				
2.36. Is there a budget to manage the indigent policy?		Y				
2.37. Is there a budget to manage implementation of FBS?		Y	Only for electrify.			
2.38 Please identify elements of this KPA that has been considered as part of the LGTAS.						
2.39 Please identify those elements of this KPA that should be considered as part of the LGTAS						

3. Financial Planning and Budgets						
The Financial Plan						
Compliance 3.1 Is there a financial plan which includes a budget projection for at least the next three years in line with section 26(h) of MSA?		Y	An extract of the Draft Budget is annexed.			
3.2 What key financial policies does the municipality have/lack and should consider?		Y	The necessary policies are in place and functional.			
3.3 In view of the global economic crisis, are there alternative mechanisms being sought to finance investment in infrastructure?		N				
Expenditure 3.4 How much of the Municipality's last capital budget was actually spent (as a percentage)						
3.5 What the extent is of own revenue and grant usage for infrastructure investment?						

<p>3.6 From the questions above, is the 10/11 IDP able to be implemented? (Consider in the context of capacity, external parties etc.)</p>		Y	For all priority / capital projects only.			
<p>3.7 What are some of the major observations that can be made in relation to operating and capital expenditure analysis for 2009/10?</p>			Only a few projects can be priorities because of financial constraints.			
<p>3.8 SDBIP?</p>						
<p>Alignment 3.9 To what extent are there linkages between the IDP and Budget? (1. Can only establish for CAPEX Projects; 2. Limits here but necessary for development; 3. Might not address soft issues – so understand it in the context of what it can provide; 4. Look at this closer with service delivery section)</p>		N	The SDBIP will only be prepared in June 2010 after budget is approved.			
<p>3.10 Is there a reflection of Provincial and National allocations in the IDP? Do DMs reflect their LM's budgets and do LM's reflect their DM's budgets?</p>		Y	Where projects are to be funded by departments.			
<p>The AG 3.11 What were the Audit Opinions for this municipality over the last three years? How does this compare to its counterparts (as a district or LMs within the district)?</p>						

3.12 Is there evidence that comments from the AG reports are being given due consideration through adequate corrective measures being put in place?		Y	Responses to the AG's report are provided in the report.			
General 3.13 What observations can be made in relation to own revenue generation and debt collection analysis?		Y	The municipality is financially stable, but has a small revenue base. There are measures in place to deal with debt collection and recovery of rates.			
3.14 Please identify elements of this KPA that has been considered as part of the LGTAS.						
3.15 Please identify those elements of this KPA that should be considered as part of the LGTAS						

4. LED

4. LED						
4.1. Is there a LED strategy/plan developed and is it Council Adopted for DM/LM?		Y	This is annexed to this document and included in the main body.			
4.2. Does the LED strategy consider the linkage of sustainable livelihoods to economic activities		Y				

4.3. How is the LED strategy/plan aligned with the national, provincial and district objectives including spatial and economic investment choices?		Y	It has considered the main economic Drivers in the LM nad has prioritised these.			
4.4. How do LED priorities inform the spatial rationale of municipalities?						
4.5 Is there a thorough understanding of local economic profile (Comparative and competitive advantages), informed by quality assured statistical and empirical evidence to support the main development thrust of the strategy?		Y	This is partly covered.			
4.6. Does the municipality have the capacity to implement the plan/ strategy (e.g. budget, human resource, institutional arrangements)?		Y	Some of the projects have been budgeted for.			
4.7. Is there stakeholder and community involvement on LED activities?		Y				
4.8. Are there clearly identified objectives and strategic priorities with a clear set of indicators, targets and milestones		Y				
4.9. Has the municipality set targets and established a database for BBBEE programmes, SMME & cooperative support and EPWP?		Y	This is covered in the Procurement Policy.			
4.10. Does the municipality have a business retention, expansion and attraction strategies in their plans/ strategies?		N				
4.11 Please identify elements of this KPA that has been considered as part of the LGTAS.						

4.12 Please identify those elements of this KPA that should be considered as part of the LGTAS						
5. Good Governance: Public Participation, labour, IGR etc.						
5.1. Is there an IDP Process Plan – Adopted by DMs and LMs?		Y	This is annexed.			
5.2. Is there a community participation strategy /plan and is there a community accountability plan?		Y	All community meetings were held as planned. Minutes are attached.			
5.3. Does the Municipality show a commitment to community participation in the IDP/ Budget design and Development?		Y	Schedule of public meetings in place.			
5.4. Is there contribution of Ward committees to development priorities in the IDP? Are ward based plans included in the IDP?		Y	Ward level meetings were held and ward committees were involved.			
5.5. Does the Municipality have strategies to involve traditional leaders and their communities in the IDP process if applicable? (DM's only)		Y	Amakhosi are engaged through the Mayor's office and the Representatives Forum.			

5.6. Is there an audit committee? Does the audit committee have a framework to audit, regularly the implementation of the IDP?		Y	Its functional			
5.7 Were the recommendations of the previous years IDP assessments taken into account?		Y	Responses to these are provided in the document.			
5.8 Is there an indication of an integrated social cohesion plan within the IDP? Has the Integrated Social Cohesion Plan been adopted by the council? Is the integrated social cohesion plan alligned to other development frameworks?		N				
Special Groups 5.9 Is there a strategy for HIV and AIDS mainstreaming ?		Y	The document is annexed.			
5.10 Is there special focus to promote people with disabilities?			This still requires much more attention			
5.11 Is there evidence indicating that youth issues are mainstreamed in key plans of municipality and sector plans? Is there evidence indicating that gender issues are mainstreamed in key plans of municipality and sector plans?			This still requires much more attention			
5.12 Is there a unit responsible for youth matters within the municipality? Is there a unit responsible for gender matters within the municipality?			This still requires much more attention			

5.13 Is gender equity promoted for access to economic opportunity?		Y	This is part of Council's Procurement Policy.			
5.14 Do IDP details support initiatives to other special groups?			This still requires much more attention			
5.15 Please identify elements of this KPA that has been considered as part of the LGTAS.						
5.16 Please identify those elements of this KPA that should be considered as part of the LGTAS						

6. Institutional Arrangements

6.1 Is there a HR Strategy that responds to the long-term development plans of the municipality as reflected in the IDP?		Y				
6.2 Is there an approved organisational organogram that is aligned to the core business of the municipality? Is the structure affordable and sustainable? Are the Vacancies funded or unfunded? Are there Plans with deadlines to fill the vacancies?		Y	The vacancies are funded by the Municipality.			

6.3 Is the organogram and the IDP aligned or vice versa?		Y				
6.3 Is there evidence that the municipality has an employment equity plan?		Y	This is in place.			
6.4 Does the workplace skill plan respond to the capacity challenges of the municipality?						
6.5 Does the municipality show evidence that it has a recruitment, training and retention strategy for scarce skills?		N				
6.6 Is there evidence of a succession plan especially for key positions?		N				
6.7 Is there an Organisational Performance Management Systems (OPMS) and is it aligned with IDP as well as key performance indicators and targets in line with the MSA		Y	An Implementation Plan is included in this document.			
6.8 Is there usage of IGR structures to facilitate intergovernmental dialogue with relevant national and provincial sector department?		N				
6.9 are there an audit action plan to deal with issues raised by the AG.		Y	The responses to the AG's report are provided.			
6.10 Is there evidence of efforts aimed at Inter-municipal planning		N				
6.11 Are there measures put in place to address issues raised by the MEC?		Y	The responses to MEC comments are included.			
6.12 Please identify elements of this KPA that has been considered as part of the LGTAS.						
6.13 Please identify those elements of this KPA that should be considered as part of the LGTAS						