



INTEGRATED DEVELOPMENT PLAN 2015/16

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"Ikusasa lisezandleni Zethu, Maskahe"

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FOREWORD BY THE HONOURABLE MAYOR:

M MAGUBANE

I am honoured and humbled to submit to you, in terms of Municipal Systems Act, the revised IDP 2015/2016- 2016/2017. The Integrated Development Plan is a strategic document that will inform decision making on resource allocation and service delivery. We are proud that this IDP has been compiled through extensive public consultation and participation process.

This shows that Mpofana Municipality fully understand the importance of democracy and that no development of people can take place without their involvement.

We have made enormous strides in fulfilling our constitutional obligation by implementing five strategic programmes embedded in our vision: economically viable and developmental municipality, creating job opportunities, affordable place to inhabit, promote environmental sustainability and a strong competitor for economic and tourism investment municipality.

We will continue to put more effort to achieve our vision and forge intergovernmental relations. The existing partnerships formed with private, public and civil society has contributed to positive business environment. The benefit of these partnerships has already started to generate fruits in reviving economic growth within Mpofana Municipality.

We have prioritised economic growth and development to address unemployment and poverty. Industrial Development and Agro-processing is one of the strategic priorities to stimulate economic growth and job creation.

The Municipality has better positioned itself in meeting the needs and priorities of the community by re-aligning its organisational structure and embarked on filling in the critical posts. This will ensure that we strengthen management of resources and accelerate service delivery. We are mindful that an intergovernmental relation is critical for the successful implementation of this IDP. Therefore this revised IDP is inclusive of the programmes, projects and financial investments from other government departments and other key stakeholders.

As the Executive Authority of Mpofana Municipality, I wish to say we are committed to explore all the avenues and mobilise financial and human resources to ensure the successful implementation of this IDP. Better is not good enough the best is yet to come for Mpofana citizens.

INTRODUCTION BY THE MUNICIPAL MANAGER: MR MAXWELL MOYO



This is the time of the year when municipalities are required to prepare and to plan for the new financial year and in the process they are critical steps that the municipality must take in ensuring that the processes comply with the legislative requirements that guide the municipality in preparing its Integrated Development Plan. Most importantly these plans are derived from the inputs drawn from the communities through public participation processes that the municipality has vigorously embarked upon in order for the IDP to give meaning to the needs and aspirations of our communities.

Whilst the financial year 2014/15 has been a very difficult year for the municipality, due to numerous challenges that led to the dissolution of Council in September 2014, the intervention to a certain extent assisted in restoring order, leading to by-elections and subsequently the inauguration of the new Council on the 10th December 2014, a lot of effort politically and administratively has been put in laying a stable foundation on which to build a professional institution going forward. It should also be noted that the qualified audit opinion that the municipality obtained, which portrays stagnation in relation to the audit of the previous year, was attributed on the main, to prior year issues that had not been attended to for a long time. Over and above all this the issues of capacity and cash-flow challenges continue to adversely affect the municipality in all its efforts to turn around the situation.

Notwithstanding all the challenges mentioned above, the processes and systems that have been put in place will undoubtedly assist the municipality in rediscovering itself and indeed it has to be noted and acknowledged that the revival of Ward Committees has had a positive impact in the stabilisation of the municipality thereby enabling the municipality to obtain as much information as it could, to produce a desired and a credible IDP for 2015/16.

The consultation processes that the municipality embarked upon have been very inclusive by accommodation all the sectors of our communities as well as the sector departments who have made their contributions in terms of the service delivery activities that they have planned for the new financial year.

As such therefore, it will be noted that our IDP has a bias towards the service delivery implementation as well as the reversal of service delivery backlogs, maintenance of our dilapidated infrastructure and creation of jobs, amid the very limited financial resources at our disposal.

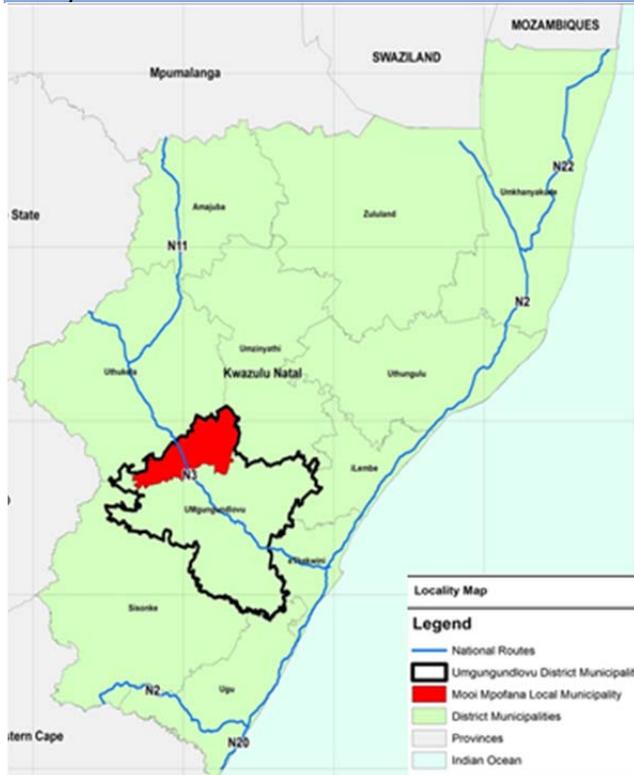
The preparation of this IDP has been a well thought through process built on a strong foundation created through diverse efforts whose aim is to improve the lives of our communities and most importantly management will ensure that the desired objectives are achieved by creating an environment that is results oriented and purpose driven

SECTION A: EXECUTIVE SUMMARY

A1. OVERVIEW

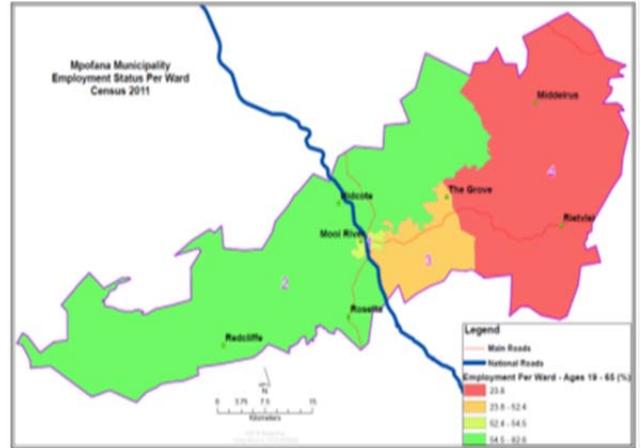
Mpofana Municipality is one of seven local Municipalities that makes-up uMgungundlovu District Municipality. It is located along the N3, approximately 70km west of Pietermaritzburg. It borders ontouMngeni, uMshwathi, uMvoti, Imbabazane and uMtshezi Municipalities. The name Mpofana is derived from a river which runs through the town a unique feature.

Map 1. Location within KZN



The Mpofana Municipality has a population of 38 103 as per the 2011 Census with an unemployment rate of 23.9% in spite of the challenges with attraction of investors in Mooi River. As a predominantly rural Municipality, Mpofana Local Municipality has a large number of its population employed in the agricultural sector. The other key Economic contributors are Tourism, Textile and Building and Construction.

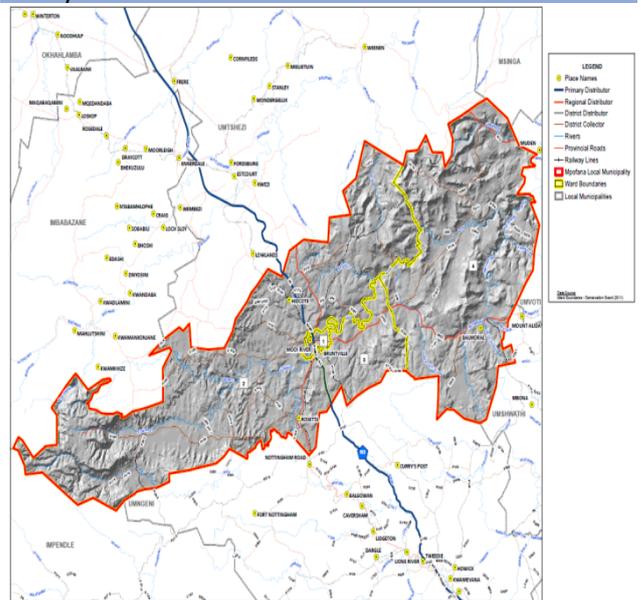
Map 2. Employment Status per Ward



Source: Census 2011

The political leadership of this Municipality consists of seven (7) Councillors of which, four (4) are Ward Councillors and the remaining three (3) are Councillors elected as Proportional Representatives of their political parties. The 4 wards which make up Mpofana Municipality are 1, 2, 3 and 4.

Map 3: Ward Boundaries



Source: Ward Boundaries Demarcation Board 2011

A2. IDP DEVELOPMENT PROCESS

A 2.1 OVERVIEW

In developing this plan, the municipality took cognizance of the process plan that was adopted by council in terms of the Municipal Systems Act, 32 of 2000 to embark on extensive consultative process. The plan also establishes a firm foundation for the alignment of the IDP, budget preparation and performance management processes.

The table below outlines the milestones that have been achieved as per the adopted IDP Process Plan, Strict compliance to the adopted process plan was the order of the day in the review of the 2015/16 IDP.

A2.2. ADOPTON OF PROCESS PLAN AND CONSULTATION DATES

TASK	DATE
IDP/Budget & OPMS Process Plan adoption	August 2015
IDP/ Budget Ward Committee Meeting (Ward 1)	February 2016
IDP/ Budget Ward Committee Consultative Meeting (Ward 2)	February 2016
IDP Ward Committee Meeting Consultative Meeting (Ward 3)	February 2016
IDP Ward Committee Consultative Meeting (Ward 4)	February 2016
IDP Representative Forum Meeting	February
IDP Strategic Planning Session	03 rd to the 05 th January 2016
Ward 1 Community Consultative Meeting	February 2016
Ward 2 Community Consultative Meeting	February 2016

TASK	DATE
Ward 3 Community Consultative Meeting	February
Ward 4 Community Consultative Meeting	February
Tabling and Approval of Draft 2015/16 IDP	March 2016
IDP/Budget IMBIZO	April
Approval of 2015/16 IDP	June 2016

The IDP Consultative Meetings were advertised in all our Notice Boards and the notices were circulated in all the wards. Whilst this strategy was used it was taken into account that not everybody might have access to notice boards. We beefed up our efforts by loud hailing in all corners of Mpopana and also distributing promotional material for the consultative Meeting. The draft IDP was placed on the Mpopana foyer, Libraries, Community Halls for public comments. Needless to say the Process Plan was adhered to.

This IDP is informed has been crafted bearing in mind the National and Provincial Development priorities as reflected in the National

Development Plan (Vision 2030), the New Growth Path, the uMgungundlovu District Municipality's District Growth and Development Plan (DGDP), KZN Provincial Growth Development Strategy (PGDS). Great care has also been taken to ensure that this IDP which has been prepared in-house responds to the 6 National Key Performance Areas as outlined in

the new IDP Framework Guide developed by COGTA. This IDP further addresses the MEC Comments which were raised based on the 2014/15 submitted IDP.

A3. DEVELOPMENT CHALLENGES FACING MPOFANA

A3.1. OVERVIEW

Over the next four year period, the municipality intends to channel its development in the most tangible and effective manner which will directly benefit all of its inhabitants. As with the

previous, the current IDP entails projects that will bring about institutional transformation which shall assist in creating an enabling environment for its employees to deliver on its mandate.

A3.2. MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

The municipality also faces a high rate of staff turnover, which impacts negatively on the ability of the municipality to meet its objectives and target, on time. The downtime during the departure of one employee and recruitment

and filling in of the post impacts negatively on service delivery. This has been worsened by the Municipal cash flow situation, which makes it difficult to fill posts including critical ones.

A3.3. BASIC SERVICE DELIVERY

It's a reality that cannot be ignored that there has been slow progress in the delivery of essential services to our community over the last five years and as such this plan serves as a realistic strategy to realising our objectives. The implementation of projects is hindered by the lack of funding available or the planning process where funds are available especially in the area of housing. As a strategy, closer

working relations with the different government sectors will be essential, moving forward and COGTA will have to play a major role in formulating closer working relations. The plan has been formulated with the national, provincial, and regional objectives in mind. It is noted with great concern that the backlogs in terms of basic services exist.

A3.4. LOCAL ECONOMIC & SOCIAL DEVELOPMENT

There has been a very slow Economic Development Progress and investors shy away from Mpozana due to many inhibiting factors that the municipality currently endeavours to address. Degenerating town characterised by

crumbling and dilapidated infrastructure and poorly maintained buildings have contributed to the inability to attract new investors to boost Mpozana's economy and create job opportunities and jobs.

A3.5. MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT

Debt collection problems, electrical distribution losses were very high due to electricity theft and unpaid services. The electricity losses have exacerbated cash-flow challenges shortage

and financial distress resulting in the municipality not being able to meet its short and long term goals.

A3.6. GOOD GOVERNANCE & PUBLIC PARTICIPATION

The following are the challenges impacting negatively on good governance:

Poor systems, processes and procedure

Poor monitoring and evaluation of municipal decisions

Poor implementation of municipal by-laws and policies

It is worth mentioning that in comparison to the previous IDP Ward Committee

functionality and community participation has improved immensely. Although there is still a need to capacitate Ward Committees in terms of their roles and responsibilities, A training has been scheduled which would assist Ward Committees in executing their duties and responsibilities.

A3.7. CROSS CUTTING

The following are cross-cutting challenges facing the municipality:

Poor land use management systems (LUMS)

Lack of prioritisation of environmental matters (The Municipality has not

employed an Environmental management Officer)

A4. MPOFANA LM LONG TERM VISION

“By the year 2020, Mpošana will be a sustainable, socially and economically developed municipality, that encourages community participation and whose residents live in a safe and healthy environment. Mpošana will, in addition have substantially increased its contribution to its districts gross domestic product whilst also having realized substantially decreased its share of poverty”

A5. MPOFANA LM LONG TERM DEVELOPMENT GOALS

In terms of the vision there are certain elements that provide guidelines for decision-making. These elements form the basis for any decision

made by the Municipality, stakeholders, interested and affected parties and potential investors.

A 5.1. DEVELOPMENT GOALS

The following are Goals the Municipality is planning to achieve between 2012 & 2017.

National KPA	Goal
Municipal Transformation and Organisation Development	To increase organisational capacity
Basic Service Delivery	To increase access to Municipal Basic Services
Local Economic & Social Development	To boost the Local Economy
Municipal Financial Viability and Management	To increase own revenue and be financially sustainable
Good governance and Public Participation	To achieve a clean audit
Cross Cutting Issues	To increase environmental and community safety

A5.2.1. MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT KPA

The municipality has developed an organogram that is inclusive of a Performance Management Unit in order to ensure that the municipality is accountable in terms of the issues that it has promised. In relation to the previous IDP it should be noted that not all section 57 positions were filled. But it's however a relief that the Municipality has filled all Section 57 positions are now filled; The Municipality is now a well oiled organisation with all Senior Positions filled.

The municipal Audit committee in partnership with the council constantly monitors the performance of the organisation, maintain discipline and accountability. Furthermore, the municipality has a functional Municipal Public Accounts Committee (MPAC) as well as the Audit Committee whose function is to ensure compliance with governance matters and oversight.

A5.2.2. BASIC SERVICE DELIVERY KPA

Investment in the maintenance and expansion of essential utilities and services, such as water and sanitation, electricity, solid waste removal and disposal, roads, storm water, and transport infrastructure, is fundamental to improve services and quality of life for all citizens as well as to encourage local and foreign investors to invest in other economic infrastructure areas. As part of the next generation IDP, the municipality has recognized a need to develop an Infrastructure Plan and a Waste and Management Sector Plan which would form part of its strategic objectives. The municipality has also recently benefited from the Small Town Rehabilitation Programme managed by COGTA, in the amount of R5, 000, 000. The Small Town Rehabilitation Programme will assist in terms of reviving confidence of the business sector to invest in Mpofana and the retention of existing businesses. Staff retention through integrated skills management is also one of the priorities of this organisation to ensure sustainable service delivery. While bringing in external talent is a very important component to business continuity, growing and retaining the internal capacity is a far more reliable

approach. Integrated talent management is a strategic initiative aimed at attracting, appointing, and training, developing, retaining and placing competent people in all positions.

The integrated components of this approach include:

- Departmental Staffing Strategies and Staff Planning;
- Skills Assessments and Audits;
- Personal Development Plans;
- Competency Management;
- Attraction and Retention;
- Training and Development;
- Leadership Development;
- Mentoring and Coaching;
- Career and Succession Planning;
- Individual Performance Management;
- and
- Workplace skills plan

A5.2.3. LOCAL ECONOMIC DEVELOPMENT KPA

The District is in the process of finalising its District Growth Development Strategy, Our LED strategy is to be aligned to the District one, Mpofana LED Strategy aims to increase economic growth by seizing the opportunities in the agriculture and

agri-process sector, nature based tourism and. Special manufacturing and services opportunities, where advantage can be easily built in the identified areas.

A5.2.4. FINANCIAL VIABILITY AND MANAGEMENT KPA

The Property Rates Act has been effective as of July 2008 and will help to improve the municipal operations, fund capital projects and go a long way in improving the financial viability of the municipality. However the collection of rates

has to be balanced with ascertaining that the community can actually afford this revenue generating avenue through the creation of jobs in order for people to pay for municipal services rendered.

A5.2.5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The municipality embarked on a strategic planning session and identified critical areas of focus to improve good governance, namely

- Improve municipality's with all legislative and Auditor general's requirements
- Strengthen governance, administrative and IGR structures.

Strengthen public participation and deepen community participation by reviving Ward Committees.

A5.2.6. CROSS CUTTING ISSUES KPA

The municipality has advertised the Spatial Development Framework and is in the process of completing the Land Use Management Scheme for the next financial year in order to address spatial and land use management issues within the municipality. The preparation and adoption of the LUMS will be essential in complying with the KZN Planning and Development Act No. 6 of 2008 whereupon a municipality must within five years from the commencement of this Act adopt a scheme or schemes for its whole area of jurisdiction.

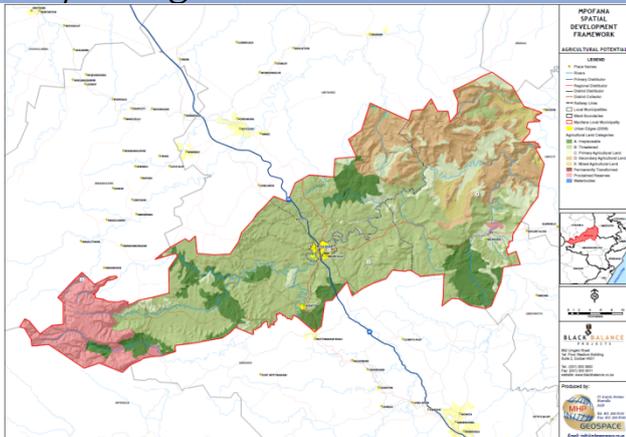
To enable the development of a Spatial Development Framework, a set of principles needs to be adhered to during development. This will assist with conflict resolution between the importance of different land uses and indicate preferred land uses above another. The following sections deal with the principles set out by the Spatial Planning and Land Use Management Bill, as well as the principles set out by the KwaZulu-Natal Provincial Growth and Development Strategy, and based on the current situation in Mpfana combine them into a Logical Framework for strategy implementation in the development of.

The approach and execution of this study is guided by the following key principles;

RURAL SPECIFIC

Considering promoting and developing the rural character of the municipality, while ensuring a co-ordination between the urban-rural continuum and the interdependencies of the rural economies and the urban and peri-urban centres.

Map 4: Agricultural Potential



INTEGRATION

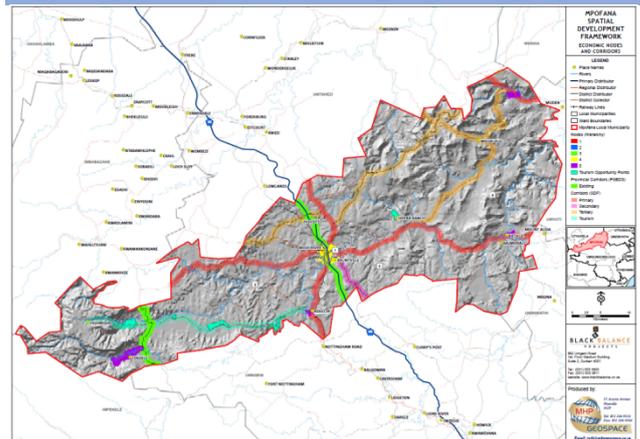
Using the spatial basis of the study for:

- the integration of development intention between the municipality and surrounding municipalities including the district municipality,
- the physical integration of fragmented areas within the municipality towards improved economic imputes and service delivery and
- Sectorial integration of various public and private contributors and departments toward co-ordinated development of individual projects.

STRATEGIC DIRECTION

Providing strategic analysis and direction to the effective utilisation of land within the municipality towards social, economic and environmental development while address current and historic deficiencies and providing future spatial direction within the context of the unique spatial structure of the municipality.

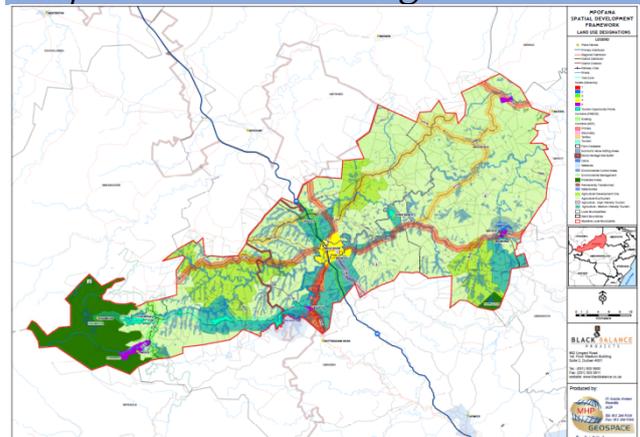
Map 5: Economic Nodes and Corridors



LAND USE MANAGEMENT

Ensuring that the SDF serves as an effective tool between the development intentions within municipality and the practical and responsible management of land uses. Thus providing sufficient intended land use direction to the further development of the land use management system and future planning schemes within the municipality.

Map 6: Land Use Designation



This document is combined report of the outcomes of the first two phases of the process including the IDP spatial issues and the status quo reports.

Thus this phase serves as a guiding input to the next phase intending to conduct a survey of the

current situation within the municipality.

A6. OUTPUTS, OUTCOME AND DELIVERABLES

The municipality programmes and projects have been geared towards delivering of basic services, economic infrastructure development, reducing unemployment and poverty developing thriving communities able to sustain itself and the municipality.

The municipality in partnership with other stakeholders has been working hard to deliver on the following outcomes adopted by the Cabinet Lekgotla in January 2010. The community should expect the following outcomes and deliverables emanating from the implementation of this Integrated Development Plan.

A6.1. MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

Ref No.	Objective	STRATEGY	Ref No.	Deliverable	Outcome 9 Output
A1	To improve functionality of Municipal Performance Management System	Implementation of Municipal PMS Policy & Framework	A1.1	Adopted and Approved PMS Policy and Framework	Differentiated approach to Municipal financing planning and support
			A1.2	Quarterly OPMS Reports	
A2	Reengineer Organisation to enhance strategic needs.	Conduct and Implement Organisational design	A2.1	Approved Organogram	
			A2.2	Section 56 and other critical posts	
			A2.3	Approved Employment Equity Plan	
		Implementation of adopted WSP	A2.4	Skills Audit report	
			A2.5	Approved WSP	
A3	To improve administrative systems and processes	Development / Reviewal and implementation organisational policies	A3.1	Approved policies	
			A3.2	Policy Implementation	
		Develop required administrative system and structures.	A3.3	Required systems in place	

A6.2. BASIC SERVICE DELIVERY

Ref No.	Objective	STRATEGY	Ref No.	Deliverable	Outcome 9 Output
B1	To improve access to basic services	Improve access to electricity	B1.1	Increased number of Consumer units with access to electricity	Improved access to basic services
			B1.2	Increased Number of new consumer units with access to electricity	
B2		Improve access to refuse removal	B2.1	Number of Existing consumer units with access to refuse removal	
			B2.2	Number of new consumer units with access to refuse removal	
B3		Improve access to Roads	B3.1	Improved state of Municipal road infrastructure	
			B3.2	Improved state of rural roads	
			B3.3	Increased number of Municipal access roads	
B4		Improve access to adequate shelter	B4.1	Comprehensive Housing Sector Plan in Place	
			B4.2	New Housing Developments	
B5		Provision of free basic water sanitation and refuse removal	B5.1	Increased number of existing household with free basic Services	
			B5.2	Increased number of New household with free basic Services	
B6		Develop and Implement Infrastructure Maintenance plan	B6.1	Comprehensive Infrastructure Maintenance Plan	

A6.3. LOCAL ECONOMIC DEVELOPMENT

Ref No.	Objective	STRATEGY	Ref No.	Deliverable	Outcome 9 Output	
C1.	To strengthen the economic environment.	Develop and Implement strategies to Improve LED.	C1.1	Conducive business climate	Community work Programmes implemented and cooperatives supported	
			C1.2	Increased revenue Generated from Tourism Establishments		
		C2.	Establishment of partnerships with other stakeholders	C2.1		Functional LED Forum
		C3.	To promote sustainability of SMMEs and Co-operatives entrepreneurship	C3.1		Increased support and capacitation of SMME's and Co-operatives
C4		Creation of Employment opportunities	C4.1	Increased number of Jobs created through LED and EPWP and programmes		
			C4.2	Increased number of Youth women and disabled employed in LED and EPWP programmes		

A6.4. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Ref No.	Objective	STRATEGY	Ref No.	Deliverable	Outcome 9 Output
D1	Increase funding and revenue generation	Financial viability debt recovery ratio	D1.1		
		% of Municipal operations funded	D1.2		
D2	Improve expenditure and maximise the economies of scale.	Financial viability cost recovery ratio	D2.1		
		SCM performance rating	D2.2		
D3	Optimise budgeting and accountability of finances	% compliance with MFMA calendar	D3.1		

6.5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Ref No.	Objective	STRATEGY	Ref No.	Deliverable	Outcome 9 Output
E1	To Improve compliance and audit opinion	Establish and maintain effective audit structures. Resolve AG Audit queries	E1.1	Approved Audit Committee report	Deepened democracy through refined ward committee system
			E1.2	Approved Internal Audit report	
			E1.3		
E2	To Improve Municipal Governance	Development / Review and implementation of organisational By-Laws	E2.1	Approved By-Laws and Gazetted	
			E2.2	Improvement in the Enforcement of Municipal By-Laws	
E3	To Improve public participation and awareness	Ensure Functional community participation structures	E3.1	Improved ward committee Meeting Frequency	
			E3.2	Increased number of Ward committee member attendance	
			E3.3	Increased number of Functional ward committees	
E4	Improve municipal internal and external communication	Training and implementation of Batho Pele Principles	E4.1	Improved understanding of the public opinion on the Municipality	
		Develop/Implement and review communication strategy	E4.2	Approved Communication strategy	

A6.6. CROSS CUTTING MEASURES /INTERVENTIONS

Ref No.	Objective	STRATEGY	Ref No.	Deliverable	Outcome 9 Output
F1	To Strengthen Governance and IGR	Develop partnership with relevant stakeholders	F1.1	Participation in IGR Structures	Single window of coordination
F2	To prevent and mitigate the occurrence of disasters.	Establish Disaster Management Unit.	F2.1	Functional Disaster management structure	
		Facilitation of Disaster Management Awareness campaigns	F2.2	Disaster Management awareness campaigns	
		Improve response to disasters in collaboration with the District Municipality.	F2.3	Improved response to Disasters	
F3	To promote credible, Strategic and spatial municipal planning	Develop a Credible IDP	F2.4	Credible IDP	
		Improved SDF Planning	F3.1	Adopted SDF	
F4	To promote and develop support programmes for Youth and vulnerable groups within the community.	Support the implementation campaigns directed to Youth and vulnerable groups.	F3.2	Identified Spatial Development Priorities	
			F3.3	Increased number of people benefiting from Special programmes	
		Co-ordinate the implementation of HIV & AIDS Strategy	F4.1	Increased number of programmes conducted	
			F4.2	Increased number of Functional Structures	
			F4.3		

A7. MONITORING AND EVALUATION

This IDP contains SMART Objectives, Key Performance Indicators, and Targets which will serve as a guide to measure its performance. The municipal service delivery is guided by legislation and its performance is measured through Performance Management System and Service Delivery and Budget Implementation Plan. This IDP and SDBIP refine and provide more detail to the outputs, targets, indicators and key activities for each strategic objective, and identify required inputs and clarify roles and responsibilities. It also spells out who will do what, by when and with what resources. Monitoring is therefore inevitable. The New Council has taken it upon itself to closely monitor the implementation of the SDBIP in collaboration with the Administration.

In all programmes, strict monitoring will be rigorously adhered to in order to ensure that the objectives of constant service delivery are always being met. Only by being completely open and constantly monitoring ourselves, we can ensure that we deliver on our Constitutional mandate.

SECTION B. GOVERNMENT PRIORITIES

B1. COGTA KZN PLANNING DEVELOPMENT PRINCIPLES

The 2015/16 IDP review, aims to address the development principles contained in different National and Provincial legislations and programmes. Amongst other things, the following are the principles that the IDP will adhere to:

DEVELOPMENT PRINCIPLE	Source	APPLICATION OF THE PRINCIPLE AT MPOFANA
Development / investment will only happen in locations that are sustainable	(NSDP)	The National Spatial Development plan by directing investment in areas closer to developed infrastructure and along development nodes and corridors with high economic activities, seeks to create decent work, reduce inequality and defeating poverty by labour absorption as well as the composition and rate of growth. The National Spatial Development plan has identified certain areas within the SA economy where employment creation is possible. The key sectors identified have a 2020 goal which is aligned to the municipality's long terms vision. With regard to the key sectors, the municipality's plans are centred around the infrastructure, the agricultural value chain, tourism but without trying to exclude the other sectors. The above mentioned key sectors are vital in not only addressing unemployment but in the economic growth of the municipality.
Our IDP will discourage urban sprawl by encouraging settlement at existing and proposed nodes and settlement corridors, whilst also promoting densification.	(NSDP)	Future settlement and economic development opportunities will be channelled into activity corridors and nodes that are adjacent to or that link the main growth centres .The municipality is currently reviewing its Spatial Development framework which will highlight various land uses, environmental sensitive areas, development nodes and corridors.
In localities with low demonstrated economic potential, development / investment must concentrate primarily on human capital development by providing education and training, social transfers such as grants and poverty-relief programmes	(NSDP)	Coordination and facilitation of social services, education and training is the priority of the Municipality. This is done through ward based Operation Sukuma-hSakhe strategy. Volunteers have conducted profiling of the household to which form the basis for intervention from Government Departments. The programme has resulted in increased in number of people accessing social grants as a safety net for poverty relief.
There should be a Balance between urban and rural land development in support of each other	(DFA Principles)	The Mpofana Municipality controls any development and protects land with high agricultural potential. Hence there is a projects initiated with Department of Agriculture and Rural Development to revive farms that were purchased for land reform beneficiaries. These farms will supply vegetables to the agro-processing hub located in the industrial hub of Mooi River.

DEVELOPMENT PRINCIPLE	Source	APPLICATION OF THE PRINCIPLE AT MPOFANA
Provision of Basic services (water, sanitation, access and energy) to all households		The municipality plays a critical role in ensuring that all the households have access to basic services such as water, sanitation and electricity. The UMgungundlovu District however is responsible for the provision of water and sanitation.
If there is a need to low-income housing, it must be provided in close proximity to areas of opportunity (<i>"Breaking New Ground": from Housing to Sustainable Human Settlements</i>)		Rosetta, Bruntville and Townview are located in close proximity to Mooi River where there are opportunities for jobs. Community members do not have to spend lot of money paying for transport. The had earned cash is invested in other areas to improve the standard of living. Communities have access to educational, health and recreational facilities. The principle of self-sufficiency is promoted. Development must be located in a way that reduces the need to travel, especially by car and enables people as far as possible to meet their need locally.
Furthermore, the principle is underpinned by an assessment of each areas unique competencies towards its own self-reliance and need to consider the environment, human skills, infrastructure and capital available to a specific area and how it could contribute to increase its self-sufficiency	(KZN PGDS)	In partnership with the DOE, the municipality has established FET classes in order to provide the skills that might or are required by our economy. The municipality has invested in skills development of young people. Currently there are ten young people attending skills development programme run by UMgungundlovu FET in partnership with the Department of Economic Development and Tourism. There are plans in place to address unemployment and inroads have been made to create an enabling environment for business to invest in the town. The Industrial Hub and establishment of Kentucky Fried Chicken in town of Mooi River will go a long way in attracting further investments in the town.

The constitution of the Republic of South Africa stipulates the role that the local government should play in deepening democracy and promoting of socio-economic and environmental development. Furthermore the municipality provides basic services and conduct its business in accordance with the Municipal Structures Act 1998, Municipal System Act 2000, Municipal Finance Management Act 2003 and Municipal Property Rates Act 2004. Section 34, Chapter 5 of the Local Government Systems Act, 32 of 2000 makes provision for the Integrated Development Plan review process. Hence Mpofana municipality has engaged in a consultative process to comply with legislative mandate regulating the review process.

B2.1. OVERVIEW

In order for municipality to ensure that there is a better vertical alignment of the municipality's plans and other government plans, the 2015/16 IDP review will also have to address Government priorities. The President Jacob Zuma delivered his State of the Nation Address 2015 in which he emphasised critical development priorities to be addressed this financial year. As Mpofana municipality, we are going to ensure that we enhance partnerships with other stakeholders and coordinate our resource efficiently to achieve these goals in our 2015/16 IDP. In his state of the nation address amongst other things the following are the government priorities that the municipality has to address with its 2015/16 IDP:

The municipality will continue to pay more attention on infrastructure development, creation of sustainable human settlement, provision of water, sanitation and electricity as

one of the priorities that were highlighted in the last State of the Nation Address. The Municipality has in this financial year introduced a Project which seeks to deal with the Electrification of houses in the Rural areas. This is as a result of a funding which has been provided by the Department of Energy. Currently some areas have been electrified, however more still needs to be done, that is why the electrification of other households is currently going on.

Also the following are the Development Goals.

- Millennium Development Goals;
- The 12 National Outcomes;
- The 5 National Priorities
- The State of the Nation Address
- The KZD GDS
- State of the Province Address
- The Municipal Turnaround Strategy/
Recovery Plan

1. Resolving the energy challenge.
2. Revitalising agriculture and the agro-processing value chain.
3. Advancing beneficiation or adding value to our mineral wealth.
4. More effective implementation of a higher impact Industrial Policy Action Plan.
5. Encouraging private sector investment.
6. Moderating workplace conflict.
7. Unlocking the potential of small, medium and micro enterprises (SMMEs), cooperatives, township and rural enterprises.
8. State reform and boosting the role of state owned companies, information and communications technology (ICT) infrastructure or broadband roll-out, water, sanitation and transport infrastructure as well.

The set of development principles in this section is derived from the recently enacted Spatial Planning and Land Use Management Act No. 16 of 2013 commonly known as SPLUMA in the planning fraternity. Efforts have and will be made to ensure that these principles are used as a guide in the preparation of the different facets entailed in the municipal IDP. Table 1 below demonstrates how Mpofana Local Municipality is applying or intending to apply these principles in its area of jurisdiction.

NO.	PRINCIPLE	MUNICIPAL RESPONSE
1	Spatial Justice	<ul style="list-style-type: none"> • Since the start of local government in 2000 the Municipality has planned and implemented projects that address issues of improved access to and use of land in previously disadvantage areas but also improving on the already developed areas. • At the start of every elected council, the Municipality develops an SDF which forms part of the IDP and gets reviewed annually. The development of the SDF covers the entire jurisdiction of Mpofana Municipality with an inclusion of persons and areas that were previously unplanned for. • The municipality is currently in advanced stages of developing a municipal wide land use scheme which also incorporate rural areas • The current LUMS of the municipality permit for different types of land use and zones which allows for flexible and appropriate management of previously disadvantage areas • Mpofana is also looking into setting up the Municipal Planning Tribunal which is to abide by the development principles and norms standards. •

2.	Spatial Sustainability	<p>The development of municipal strategies and plans are developed within the economic means and capabilities of the Municipality</p> <p>The SDF has since been reviewed which will allow Mpofana to develop an individual restructuring plans and stimulate the effective and equitable functioning of land markets.</p> <p>The implementation of the long term goals has considered all the current and future costs to all affected parties.</p>
	Efficiency	<p>Mpofana is committed to efficiency, in that development is encouraged in areas that are already serviced. This means that the planning is efficient</p> <p>The Municipality has recently filled the post of Building Inspector and the Town Planner which help deal with PDA applications, every effort is made that there is strict compliance with Development Applications.</p>
4	Spatial Resilience	<p>The Municipal LUMS is in such a way that where a land has been catergored for other uses, this can be changed through</p>

		following proper steps
5	Good Administration	The new council views good administration as an important component of the

B2.2. MILLENNIUM DEVELOPMENT GOALS (MDGS)

South Africa a member of the United Nations member state has agreed to achieve Millennium Development goals by the year 2015. It is only just that Mpofana ascribes to the Development goals, since implementation occurs at a local level of government, Mpofana

municipality IDP will contribute towards meeting the MDGs especially since the goals are to be met by this year.

Goal	Application of the Goal in Mpofana
Eradication of poverty and hunger-	Mpofana Municipality is committed to the Millennium Development Goals that is why the EPWP programme intake has increased by 15 in comparison to the previous IDP; this is just another way by which we are trying to eradicate hunger as per Millenium Development Goal by having an increased intake of the EPWP Programme
Achievement of universal primary education	The Department of Education has seen to it that there are a number of Primary and Secondary schools across Mpofana, although a challenge has been identified in Bruntville with overcrowded classrooms, The Department has been made aware of this and as such has responded by making it known that they plan to build another primary school in Mpofana.
Promotion of gender equality and empowerment of women	The Municipality ascribes to the norms of the South African Constitution of which one of them is equity. The employment equity plan is in place and is thus adopted by council, suffice to say that the gender equality and the empowerment of women is given the attention it needs in Mpofana, Our EPWP staff are mostly women. August being Women month sees the Municipality engage in extensive programmes so as to empower women.
Reduction in child mortality	The data with the District Health Offices shows that this goal is being achieved within our District, the availability of quality health care system within Mpofana Municipality makes one hopeful that indeed child mortality is at a decrease, The incidents of child mortality are not so rampant at Mpofana
Improvement of maternal health	Achieving this goal within the Municipality is underpinned by the Department of Health extensive policy initiatives aimed at reducing maternal mortality and improving the quality of health throughout the health care system. The Department is visible within the Municipality to ensure that there is improvement in the

	maternal health.
Combating HIV/AIDS, malaria and other diseases	The Municipality has an established Local AIDS Council which is chaired by the Mayor, which is tasked with combating the spread of HIV/AIDS this council meets monthly and comprises of CCGS, CDWs and Health Officials. Furthermore WAC (Ward Aids Councillors) are in effect in all the Wards. An HIV/AIDS strategy is also in place.
Ensuring environmental sustainability	Mpofana has an adopted SDF, which highlights environmentally sensitive areas and is in line with the IDP. Environmental Impact Assessments are carried out prior to the commencement of some projects, where projects directly interfere with the environment, the project scope is altered.
Developing a global partnership for development	The new council has most welcome fostering relations with international stakeholders for the development and betterment of Mpofana citizenry. Efforts are made to try and attract global investors into Mpofana, the Mayor has been at the forefront of these efforts while the Municipal Manager supports the mayor in this regard.

B 2.3. THE 12 NATIONAL OUTCOMES

In January 2010, Cabinet adopted 12 outcomes within which to frame public-service delivery priorities and targets. Cabinet ministers have signed performance agreements linked to these outcomes. More detailed delivery agreements have since been developed to extend targets

and responsibilities to national and provincial departments, agencies and municipalities. Mpfana Municipality is attempting to comply with the 12 outcomes by taking them into consideration in the budget and IDP process.

OUTCOME NUMBER	OUTCOME	OUTPUT
1	Improve the quality of basic education	Improve quality of teaching and learning Regular assessment to track progress Improve early childhood development A credible outcomes-focused accountability system Improve quality of teaching and learning
2	Improve health and life expectancy	Increase life expectancy to 58 for males and 60 for females Reduce maternal and child mortality rates to 30-40 per 1000 births Combat HIV/Aids and TB Strengthen health services effectiveness
3	All people in South Africa protected and feel safe	Reduce overall level of crime An effective and integrated criminal justice system Improve perceptions of crime among the population Improve investor perceptions and trust Effective and integrated border management Integrity of identity of citizens and residents secured Cyber-crime combated
4	Decent employment through inclusive economic growth	Faster and sustainable inclusive growth More labour-absorbing growth Strategy to reduce youth unemployment Increase competitiveness to raise net exports and grow trade Improve support to small business and cooperatives Implement expanded public works programme

OTCME NUMBER	OUTCOME	OUTPUT
5	A skilled and capable workforce to support inclusive growth	<p>A credible planning institutional mechanism</p> <p>Increase access to intermediate and high level learning programmes</p> <p>Increase access to occupation specific programmes (especially artisan skills training)</p> <p>Research, development and innovation in human capital</p>
6	An efficient, competitive and responsive economic infrastructure network	<p>Improve competition and regulation</p> <p>Reliable generation, distribution and transmission of energy</p> <p>Maintain and expand road and rail network, and efficiency, capacity and competitiveness of sea ports</p> <p>Maintain bulk water infrastructure and ensure water supply</p> <p>Information and communication Technology</p> <p>Benchmarks for each sector</p>
7	Vibrant, equitable and sustainable rural communities and food security	<p>Sustainable agrarian reform and improved access to markets for small farmers</p> <p>Improve access to affordable And diverse food</p> <p>Improve rural services and access to information to support livelihoods</p> <p>Improve rural employment opportunities</p> <p>Enable institutional environment for sustainable and inclusive growth</p>
8	Sustainable human settlements and improved quality of household life	<p>Accelerate housing delivery</p> <p>Accelerate housing delivery</p> <p>Improve property market</p> <p>More efficient land utilisation and release of state-owned land</p>
9	A response and, accountable, effective and efficient local government system	<p>Differentiate approach to municipal financing, planning and support</p> <p>Community work programme Support for human settlements</p> <p>Refine ward committee model to deepen democracy</p> <p>Improve municipal financial administrative capability</p> <p>Single window of coordination</p>

OTCOME NUMBER	OUTCOME	OUTPUT
10	Protection and enhancement of environmental assets and natural resources	Enhance quality and quantity of water resources Reduce greenhouse gas emissions; mitigate climate change impacts; improve air quality Sustainable environment Management Protect biodiversity
11	A better South Africa, a better and safer Africa and world	Enhance the African agenda and sustainable development Enhance regional integration Reform global governance institutions Enhance trade and investment between South Africa and partners
12	A development-orientated public service and inclusive citizenship	Improve government performance Government-wide performance monitoring and evaluation Conduct comprehensive expenditure review Information campaign on constitutional rights and responsibilities Celebrate cultural diversity

B 2.4. THE 5 NATIONAL PRIORITIES

Government's priorities affect all South Africans, the majority of whom are women and girls. Particularly black women and girls suffer multiple forms of discrimination and are among the most socio-economically disadvantaged groups in South Africa. This review gauges how government's priorities set for 2012 in President Jacob Zuma's State of the Nation Address (SONA 2012) will affect the social, political and economic status of women, and measures the advances made with regards to the five priorities the president set in the 2009 SONA, namely:

- Decent Work
- Education
- Crime
- Health

Rural development & Agrarian reform

Mpofana Municipality through its social and economic development initiatives has played a catalytic role and continue to do so in assuring that all Capital Projects are more labour intensive in order to create an opportunity for the Local communities to acquire necessary skills and employment opportunities as well as ensuring self-sustainability and efficiency. Furthermore direct programmes and awareness campaigns in agriculture, land restitution, HIV/AIDS, Youth, Tourism, Co-operatives and SMMEs are the effective tools to create jobs opportunities and combat crime actions and transmittable deceases.

The National Development Plan aims to eliminate poverty and reduce inequality by 2030. South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society.

The National Planning Commission's Diagnostic Report, released in June 2011, set out South Africa's achievements and shortcomings since 1994.

It identified a failure to implement policies and an absence of broad partnerships as the main reasons for slow progress, and set out nine primary challenges:

- Too few people work
- The quality of school education for black people is poor
- Infrastructure is poorly located, inadequate and under-maintained
- Spatial divides hobble inclusive development
- The economy is unsustainably resource intensive
- The public health system cannot meet demand or sustain quality
- Public services are uneven and often of poor quality
- Corruption levels are high
- South Africa remains a divided society.

The National Development Plan therefore sets out the following priorities, in addressing the aforesaid challenges

Economic Infrastructure

- Transitioning to low carbon economy
- Inclusive rural development
- Positioning South Africa in the World
- Human Settlements
- Improving education, innovation and training
- Promoting health
- Social Protection
- Building safer communities
- Building a capable state
- Promoting accountability and fighting corruption
- Transforming society and uniting the country

The plan focuses on the critical capabilities needed to transform the economy and society. Achieving these capabilities is not automatic, nor will they emerge if the country continues on its present trajectory. Rising levels of frustration and impatience suggest that time is of the essence: failure to act will threaten democratic gains. In particular, South Africa must find ways to urgently reduce alarming levels of youth unemployment and to provide young people with broader opportunities. As a Municipality we are in agreement with the challenges as outlined in the National Development plan and hence we realise the role that we have in addressing these glaring challenges at a local level. The National Development Plan has been taken into account in reviewing this IDP more especially in economic infrastructure, Building Safer communities by reviving Community Policing Forums.

B2.6. PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY

Mpofana Municipality's IDP is aligned to both the National and Provincial Goals and the strategies thereof, Cabinet adopted PGDS Review Framework at the February 2011 Cabinet Lekgotla. The Draft 2030 Vision and PGDS were adopted by Cabinet on 31 August 2011.

The purpose of the PGDS is to focus on a clear vision for the Province; promote vertical, horizontal and spatial alignment; mobilise all development partners to achieve predetermined development objectives and targets; and build on the strengths and opportunities of the Province, while addressing weaknesses and threats.

The Strategic Goals for the province as indicated in the document:

- Job Creation
- Human Resource development
- Human and Community Development
- Strategic Infrastructure
- Response to Climate change
- Governance and policy
- Spatial Equity

The implementation of Vision and Strategic Goals aspire to lead to:

Position the Province as a Gateway to South Africa and Africa

Human & Natural Resources
Safe, Healthy & Sustainable Living
Environments
Healthy Educated Communities
Employable people are employed
Basic Services
More equitable Society
World Class Infrastructure
Investors' Confidence
Skilled Labour Force
Focus on People centeredness.
Strong & Decisive Leadership
Foster Social Compacts. Mpofana
Municipality has tried by all means
necessary to increase the EPWP intake
thereby create Jobs, as part of the goals
of PGDS, In keeping with Human
Resources Development, Mpofana will
be implementing its Work Skills Plan so
that the Officials are trained to full
capacity including, Ward Committees,

The District Municipality leads Climate Change strategies, Mpofana has since followed suite in that a dedicated official has been allocated to deal with Climate Change issues, although the expertise remain a concern, since the individual dedicated to this task is a Disaster Management Officer. With the 2015/16 SDF having been recently reviewed in line with SPLUMA, Spatial Equity is being given the attention it deserves at Mpofana. Governance and Policy remains a priority of the new Council, in that all structures that have been tasked with ensuring good governance meet regularly as legislated and as when required, The MPAC plays its oversight role on behalf of council, Council meets regularly to look into Service Delivery issues.

B2.7. OPERATION CLEAN AUDIT

As part of the Government's Operation Clean Audit, the municipality has implemented the following plans:

The municipality has established MPAC, Internal Audit Unit, appointed Audit Committee and the Internal Audit Manager. The role of these committees and Audit Manager is to oversee and give advice on matters related to internal audits, control, risk management, adherence to accounting policies, review of financial statements, IDP review and implementation and monitoring of performance. The Audit Committee is responsible for development and implementation of strategies to address Auditor-General findings.

The development of the Risk Register has since commenced which is championed by the

Internal Audit Manager who reports directly to the Municipal Manager.

Monitor implementation of internal audit and audit committee recommendations continuously.

Municipality has developed and implemented audit remedial plans, an Action plan has been developed which has been presented to the Audit Committee and to Council.

Monitor the implementation of audit remedial plans and ensure supporting documents on issues resolved. It should be noted that the Municipality received a qualified audit opinion in the 2013/14 financial year, Every effort is being made to move towards a better audit opinion for the 2014/15 audit. The Audit Action Plan is attached in this IDP.

B2.8. STATE OF THE NATION ADDRESS

Our IDP is aligned to the 2015 State of the Nation Address as delivered by the President and there's a commitment on the Mpofoana Council to attend to the issues raised by the President in his State of the Nation Address. The President spoke of the need to embark on radical socio-economic transformation to push back the triple challenges (poverty, inequality and unemployment) which still affect many South Africans. The president made reference to how best we can win the war against poverty; creation of decent jobs is one of the things that he pointed out and that creating decent jobs requires a speedy growth of the economy.

Another point of interest that the president raised was the issue of low level of investments, this he said was a key constraint to economic growth. We are determined to work with the private sector to remove obstacles to investment in the Mpofoana area as well. In addition to speeding up local investment we will continue to support local businesses, in that procurement of services will be from local producers.

The president also spoke of the need to be radical in fighting the economic challenges, It cannot be doubted that Mpofoana's approach

to fighting the slow economy of Mooi-River has been radical this is evident by the fact that the Municipality has earmarked land which is to be used as an Industrial Hub so as to speed up economic activities in the Mpofoana area. The Municipality's policies will favour the previously disadvantaged groups so as to give effect to the president's utterances of sharpening the implementation of the amended Broad-based Black Economic Empowerment. The Municipality has employed 10 interns so as to decrease the number of unemployed graduates, this is in line with the Government's aim to expand the number of internships positions in the public sector as per the President's State of the Nation Address.

The electrification programme which changes the lives of many as per the president's sentiments will be one of the capital projects that Mpofoana Municipality will be undertaking in the 2015/16 financial year. 5 Million Rand has been set aside so as to continue with the Electrification Project.

The National Government is committed to continuing with the National Infrastructure Plan, the president pointed out that over 1 trillion rand has been invested in new infrastructure, We are in line with the National Government's commitment to infrastructure development in that all the 4 Wards will get a share of infrastructure development in the coming financial year.

The construction of Spring Grove Dam which falls under Mpofana's jurisdiction that was launched in November in 2013 is seen as a tourist attraction sight for the tourists that come into the Midlands Meander, We are hoping for an increased number of tourists given the presence of the Spring Grove Dam. As the President rightly pointed out that as a nation we

hope to increase the number of tourists coming into our country, Spring Grove Dam through the Municipality will make this projection by the president a reality.

Issues raised by the President during SONA 2015	Application in Mpofana
1. Resolving the energy challenge.	A project (which is not confirmed as yet) is likely to be implemented which will see Mpofana using Waste to make energy, The community is also educated on an ongoing basis about the challenge in energy that faces us and people are encouraged to use energy wisely.
2. Revitalising agriculture and the agro-processing value chain.	Agriculture remains the dominant sector in Mpofana, Rural Development has been approached to help support the farmers which the government has handed to the previously disadvantaged groups as some of them lie doormat. The aim really is to revitalise the agricultural sector
3. Advancing beneficiation or adding value to our mineral wealth.	Mpofana has no Minerals, and this can not be applied in Mpofana
4. More effective implementation of a higher impact Industrial Policy Action Plan.	
5. Encouraging private sector investment.	The new council has most welcome fostering relations with international stakeholders for the development and betterment of Mpofana citizenry. Efforts are made to try and attract global investors into Mpofana, the Mayor has been at the forefront of these efforts while the Municipal Manager supports the mayor in this regard.
6. Moderating workplace conflict.	Mpofana Local Municipality has a Local Labour Forum which meets to look into issues of the Staff at length, The labour is in turn represented by the chosen representatives. This forum has helped ease tension between the Labour, Council and Administration as all the three parties are represented and conflict is thus avoided.
7. Unlocking the potential of small, medium and micro enterprises (SMMEs), cooperatives, township and rural enterprises.	The Municipality supported over 10 Co-operatives in the 2014/15 financial year, The support continues in the year that has just commenced. A budget to support the SMMEs has thus been set aside.
8. State reform and boosting the role of state owned companies, information and communications technology (ICT) infrastructure or broadband roll-out, water, sanitation and transport infrastructure.	The District Municipality is to implement a project namely Emakhuzeni Water Scheme which will see over 1000 people having safe drinking water in Ward 4, where major water backlogs exist. Transport Infrastructure is also continuously being upgraded so that people can move easily
9. Operation Phakisa aimed growing the ocean economy and other sectors.	Mpofana has no ocean and this does not be apply in Mpofana

B2.9. BACK TO BASICS PROGRAMME

At the Presidential Local Government Summit the Back to Basics Strategy was presented where DCOGTA undertook a review of South Africa's 278 municipalities.

The Back to Basics programme is designed to ensure that all municipalities perform their basic responsibilities and functions without compromise. The programme is built upon the 5 pillars namely:

1. Putting people and their concerns first;
2. Demonstrating good governance and administration;
3. Delivering municipal services;
4. Sound financial management and accounting; and
5. Sound institutional and administrative capabilities.

The Back to Basics approach will institutionalize a performance management system that will recognize and reward good performance, and ensure sufficient consequences and appropriate support for under performance. The approach will integrate information on municipalities and ensure that the current challenges in the local government sphere, in the short and medium term specifically, are addressed. (*Circular No: 47/2014*)

Over and above this, municipalities will be required each month to submit information to the Minister for COGTA in order to assess performance in this regard. Provision of this

through the Back to Basics approach, This effort has also seen the culmination of a Support Plan which has recently been populated during COGTA's visit to Mpošana Local Municipality. The support plan has since been sent to the Department and presented to the Council. Mpošana has also

information will result in intervention measures being employed by the Minister on areas where municipalities are facing challenges.

At the Presidential Local Government Summit, the level of performance of municipalities were confirmed and classified according to which category they belong. Municipalities were categorised either as functional, challenged or requiring intervention. The Mpošana Local Municipality was categorised as requiring intervention. The justification for this categorization included but not limited to;

- Community Protests
- Capacity of the Municipality
- Poor Electricity Infrastructure
- MIG Expenditure
- Water Provision
- Housing Backlogs
- Equitable Share allocation inadequacy
- Non- payment of Services
- Council dissolution
- Critical Posts in the Finance Department

On the basis of the above the Municipality (both the Administrative and Political arm) have made a collective effort to address the aforementioned issues as identified implemented the Back to Basics programme through various programmes and activities like the Clean-up Campaign and the Public Participation Meetings. There is a plan to host the official pothole filling week and is currently making plans to host the official launch of the Back to Basics Approach.

BACK TO BASICS IMPLEMENTATION PLAN

Challenge(s) Identified	Progress in addressing the Challenge
Community Protests	1. Public participation to assist municipality with communication strategy. 2. Municipality to look at best practice with other municipalities with the same issues. 3. Public Participation Unit is to have a session with the municipality.
Capacity of the Municipality to deal with service delivery backlogs	The Municipality, through the consultation with Ward Committees and Councillors are trying to reduce backlogs. However, there are many constraints that the Municipality is faced with, e.g. financial constraints and lack of human capacity. On the 20th of February 2015, there was a service delivery protest in Ward 4 which caused roads to be blocked. The DM assisted the Municipality by providing an excavator to clear the roads. EMakhuzeni water scheme are working with UMzinyathi DM to address the water issues. There are areas in Ward 2 that require housing; however, the challenge is the lack of infrastructure. The LM requires commitment from the DM in terms of the delivery of water and housing. Electrification has started in Ward 2 and 4, however the funds are being used from the Department of Energy's approved funds for Ward 1 which is the licenced Ward in Mooi Mpofana. This is due to the fact that the Municipality cannot ignore the concerns of the people. Progress is made in the area of community participation.
Non-payment of Services	The Municipality has had a Revenue Enhancement Strategy Workshop. The main challenge is the illegal connection of electricity. Revenue Enhancement Strategy is yet to be presented to the Council for adoption and implementation. The strategy is in part being implemented although it's yet to be approved. One of the strategy's recommendations is that The Municipality should visit their Wards with the Mayor, Officials and Councillors so as to encourage the community to pay for services. The Municipality applied to NERSA to charge companies within Mooi Mpofana normal rates. This matter was settled out of court and the companies are not paying special rates any longer.
MIG Expenditure	Due to the lack of cash flow, the Municipality cannot achieve this target. DCOGTA to communicate with National Treasury to escalate the issue of MIG funding since it is not enough and does not adequate cover operational and maintenance.
Water Provision	Once the reservoir is in place, water issues in Ward 1 and 3 will be resolved. UMDM through uMngeni Water is in the process of constructing a reservoir to ensure better access to water.

Housing Backlogs	The challenge is that the project commenced, however, the implementing agent did not complete the project. Since then the Municipality appointed another implementing agent to complete the housing project but an increase in money for the project to be completed was demanded from the IA which was not initially budgeted for. Engagement with the community has led into the project continuing. The Municipality stated that follow up must be conducted with COGTA: Municipal Finance.
Equitable share allocation inadequacy	5.8 million Of conditional grants was spent of operational expenditure (salaries). The Municipality was in consultation with the Department of Human Settlement, however, the Department requires the Municipality to repay the monies that was supposed to be utilised for the Craighburn housing fund(project was never initiated). The Municipality is requested DCOGTA assistance in intervening to get the Dept of Human Settlements to write off the debt. This is due to the fact that the Municipality is currently budgeting on a deficit and does not possess monies to re-pay this debt.
Non-payment of services	With the Revenue Enhancement Strategy in place, the Municipality will be able to address this matter. The Municipality has identified services that the community will pay for: bids and rates. However, internal problems on revenue collection is required to be addressed first.
Council Dissolution	Council and Ward Committees are functional. Council meets monthly and Ward Committee meetings are held regularly. DCOGTA proposed to attend a Council meeting. The Municipality Inaugurated Traditional Leader (Inkosi) who sits in Council meetings. One gazetted.
Critical Posts in the Finance Department	Unfortunately, the crack team/consultants terms has terminated without much work being done. The Municipality is working closely with Treasury who is assisted the Municipality with numerous items, e.g. filling of positions. PMU position was advertised and short-listing is to be carried out soon including the interviews. Provincial Treasury provided support through uMngeni. There is interim finance committee will be meeting weekly so also to allow the Council to play its oversight role. PMU advertised and to be filled soon. Traffic, LED, SCM has challenges financially. Weigh bridge to be implemented in Mpofana.

SECTION C: SITUATIONAL ANALYSIS

C1. SPATIAL ANALYSIS

C1.1. REGIONAL CONTEXT

Mpofana Municipality is one of seven local Municipalities that makes-up uMgungundlovu District. It is located along the N3 approximately 70km west of Pietermaritzburg. It borders onto uMngeni, uMshwathi, uMvoti, Imbabazane and uMtshezi Municipalities. Mooi River is the only major town in the area and provides services to areas within the municipal boundaries. The other emerging small town is Rosetta which has a smaller catchment and a strong eco-tourism character. The area is within Mooi-River catchment and is dominated by commercial farmlands.

Mpofana municipal boundaries were delineated in terms of the Municipal Demarcation Act and the criteria set therein.

This includes population movement trends, regional economic patterns and land use pattern. The municipal boundaries are not just administrative, but are also intended to promote social and economic development. They are also spatial planning boundaries in line with the municipal planning mandate of local government. To the West are the former District Management Areas of the Drakensberg that fall under the Transfrontier Development Initiative related to the World Heritage Site, Mpofana Local Municipality has thus formed close ties with uMngeni Local Municipality and uMtshezi Local Municipality that lies north of Mpofana Local Municipality.

C1.2. ADMINISTRATIVE ENTITIES

The Mpofana Local Municipality is a Category 2 Municipality as established in terms of Chapter 2 of the Municipal Structures Act 1998. The Municipality functions under a plenary executive system combined with a ward participatory system. The political leadership of

this Municipality consists of seven (7) Councillors of which four (4) are Ward Councillors and the remaining three (3) are Councillors elected as Proportional Representatives of their political parties.

B1.3. STRUCTURING ELEMENTS

The Integrated Development Plan depicts a number of challenges related to the existing spatial structure. These challenges are translated to elements that must form the basis of analysis and needs to be addressed in the spatial development framework.

These structuring elements include the following:

The majority of the area located north-eastern part of the municipal area are characterised by poor soil conditions and low mean precipitation rate;

A large number of properties acquired by the previously marginalised through the land reform program are lying idle or grossly underutilised. This has potential to undermine the viability of the agricultural sector and the economy of the area as whole;

Fragmented spatial structure with settlements located far apart from each

other and away from economic/employment opportunity areas.

Environmentally sensitive areas with endemic species, which limits the nature and extent of development.

Inadequate capacity of the bulk services such as electricity, water and sewer systems.

Rugged terrain in the bush thicket areas.

It should be noted however that the Municipality is strategically located on the N3, Making it easier to access. Most land is agricultural which has a potential of unlocking Mpofana's economic growth.

The Municipality is located closer to the Drakensberg which is well developed and functional tourism industry.

B1.4. NODES ASSESSMENT AND DEVELOPMENT CORRIDORS

In Accordance with the current Mpofana Spatial Development Framework, the following hierarchy of nodal areas is defined for the Mpofana Local Municipality.

Large Convenience Centre	Serve as administrative and economic centre
Service Centre	Serves as distribution point
RSC Satellite	Serves as area for delivery of supplementary services.

The proposed development nodes for Mpofana Municipality are the following:

C1.4.1. PRIMARY DEVELOPMENT NODES / LARGE CONVENIENCE

CENTRES

Mooi-River is the major residential and commercial centre within the Mpofana Municipality. The town is highly accessible at both regional and local scale with the N3 and R103 running through in an east-west axis, R622 and P169 linking the town with the Berg and areas as far as Greytown and beyond respectively. Passenger and freight railway line linking Durban and Johannesburg also runs through the town.

ROLE AND FUNCTION

Mooi River performs a number of functions within its sub regional context. These could be summarised as follows:

SERVICE CENTRE:

It provides access to a range of higher order services to its sub-region and beyond.

ECONOMIC HUB:

It provides the highest concentration of commercial and industrial uses with strong functional linkages with the

Table 1 Proposed Nodes

Large Convenience Centre	Service Centre	RSC Satellite
Mooiriver	Rosetta	Tendele
		Rietvlei
		Middelrus / R74 (Rocky Drift)

surrounding major centres such Pietermaritzburg.
 Transport interchange: It provides transportation
 Linkages between various parts of the municipal area and major urban centres such as Pietermaritzburg, Durban and Estcourt.

RESIDENTIAL AREA:

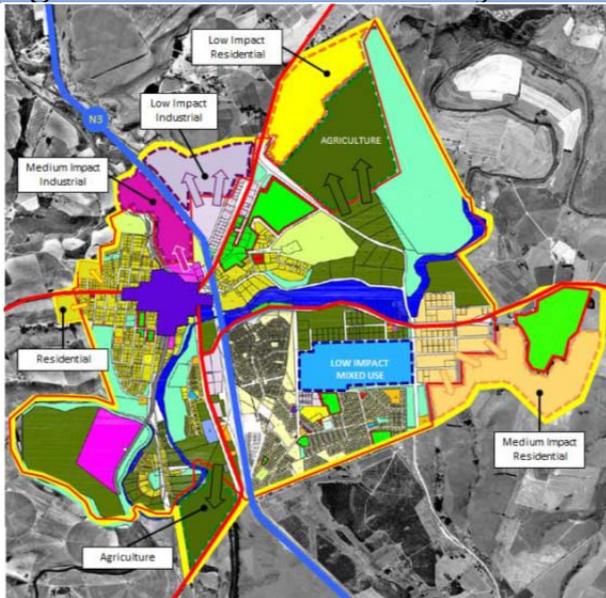
A large number of people reside within Mooi River Bruntville area.
 The following interventions / developments are envisaged within this Node:

- Industrial development based on the agro-economy;
- Commercial Development;
- Decentralization point for local administration of provincial and local government services;
- Higher order social and commercial services;
- Integration with major urban centres;
- Housing development.

C1.4.2. MOOI RIVER NODE

Mooi River is the only primary node within Mpošana Local Municipality. Mooi River Town is the primary node and the most densely populated area within the municipality. It serves as the main commercial and administrative centre and is a priority focus area. With a large concentration of people, development efforts are focused on economic development & service provision, job creation, government services and ensuring basic services. The Node and a conceptual boundary is illustrated below.

Figure 1: Mooi River Primary Node



existing facilities within this node Includes:

- Primary School x 3
- Secondary School x 1
- Clinic x 1

- Library x 1
- Community Hall x 2
- Post office x 1
- Magistrates Court x 1
- Police Station x 1
- Civic Centre x 1
- Sports Field x 2
- Regular Bus Service
- Taxi Rank x 1

Although the above table only reflects facilities within the nodal point, various projects are being implemented in the nodal area of influence. A Nodal Sphere of Influence could technically be defined as the halfway mark between two nodal areas. This is an assumption made when a fairly even spread of population exist. It is necessary to investigate travelling distances, travelling times and locational challenges which impacts on accessibility of a node.

According to the Standards for Provision of Services the following additional social amenities and services are to be provided within this Primary Node.

- Multi Skilling & ABET Training Centre x 1
- Hospital x 1
- Emergency Services Facility x 1
- Church x 1
- Multi-Purpose Community Centre/ Thusong Centre x 1
- Old Age home & Service Centre x 1
- Pension Pay Point x 1
- Post Office x 1
- Sports Complex (Including Swimming Pool) x 1.

C1.4.3. SECONDARY DEVELOPMENT NODES / SERVICE CENTRES

The area of Rosetta has been identified as Secondary Node or Service Centre. The town plays an important role as service centres to communities and farmers in the western and central portions of the municipality, providing housing and a smaller range of commercial and social services than what is offered in the

Primary Node Rosetta is accessed off R103 linking Mooi-River town and Nottingham which is within Umngeni Municipality and it forms part of the Midlands Meander. The development of the Spring Grove Dam is anticipated to lead to further development around Rosetta, especially related to tourism.

C1.4.4 ROSETTA NODE

Rosetta is characterised by locally handcrafted artefacts, accommodation such as B&B's and Rosetta Hotel, restaurants, low-density residential facing the scenic views of Mooi-River, local convenient shops and modern smallholdings. The intention with Rosetta is to protect the country landscape (which has aesthetic value and attracts small scale economic and tourism activities related to the Midlands Meander). The Node and a conceptual boundary are illustrated below.

Existing facilities within this node includes:

Primary School x 1

According to the Standards for Provision of Services the following additional social amenities and services are to be provided within this Secondary Node Node.

Preschool Facilities x 1

Emergency Service Facilities x 1

Police Station Mobile x 1

Church x 1

Pension Pay Point x 1

Post Office x 1

Bus Service on Regular Basis x 1

Taxi Rank x 1

Figure 2 Rosetta Secondary Node



C1.4.5. TERTIARY DEVELOPMENT NODES/ RSC SATELLITE

Tertiary nodes/ RSC satellite are the lowest order nodes identified within this SDF and may develop a nucleus and emerge into higher order nodes over time. A range of services for local communities could be concentrated within these nodes in a sustainable way. In identifying service satellites a number of factors should be considered to determine the most suitable / optimal locations.

These include, amongst other factors:

Density and distribution of population to be served

Level of existing economic activity

Proximity of transport routes and modes of transport

Topography of locality

Land Tenure arrangements

Levels of service infrastructure

C1.4.6. TENDELE NODE

Tendele identified as a tertiary node is located few kilometres away from the P164 approximately 52km south-west of Mooi-River and within the foothills of UKhahlamba Drakensberg and in close proximity to Kamberg Nature Reserve. The area is dormitory rural residential settlement and it currently exists informally with limited social and economic activities taking place within it. The node is illustrated on the figure below.

Figure 3: Tendele Tertiary Node



Existing facilities within this node Includes:

Combined School (Primary and Lower Secondary) x 1

According to the Standards for Provision of Services the following additional social amenities and services are to be provided within this Secondary Node.

Preschool Facilities x 1

Clinic x 1

Church x 1

Pension Pay Point x 1

Bus Service on Regular Basis x 1

Taxi Rank x 1

C1.4.7. RIETVLEI NODE

Rietvlei is situated directly east of Mooi River on the R622 and has been identified as a tertiary node offering limited services to surrounding rural areas within the Mpozana Local Municipality. The node is illustrated on the figure below.

Figure 4: Rietvlei Tertiary Node



Existing facilities within this node Includes:

Combined School (Primary and Lower Secondary) x 2

According to the Standards for Provision of Services the following additional social amenities and services are to be provided within this Secondary Node.

Preschool Facilities x 1

Clinic x 1

Church x 1

Pension Pay Point x 1

Bus Service on Regular Basis x 1

Taxi Rank x 1

C1.4.8. MKHOLWANE NODE

uMkholwane has been identified as a tertiary node within Mphofana Municipality and is situated in the north eastern corner of the municipal area. As with Tendele and Rietvlei it offers limited commercial and social facilities for surrounding rural areas. The Node and a conceptual boundary is illustrated below.

Figure 15: uMkholwane Tertiary Node



Existing facilities within this node Includes:
Combined School (Primary and Lower Secondary) x 1

According to the Standards for Provision of Services the following additional social amenities and services are to be provided within this Secondary Node.

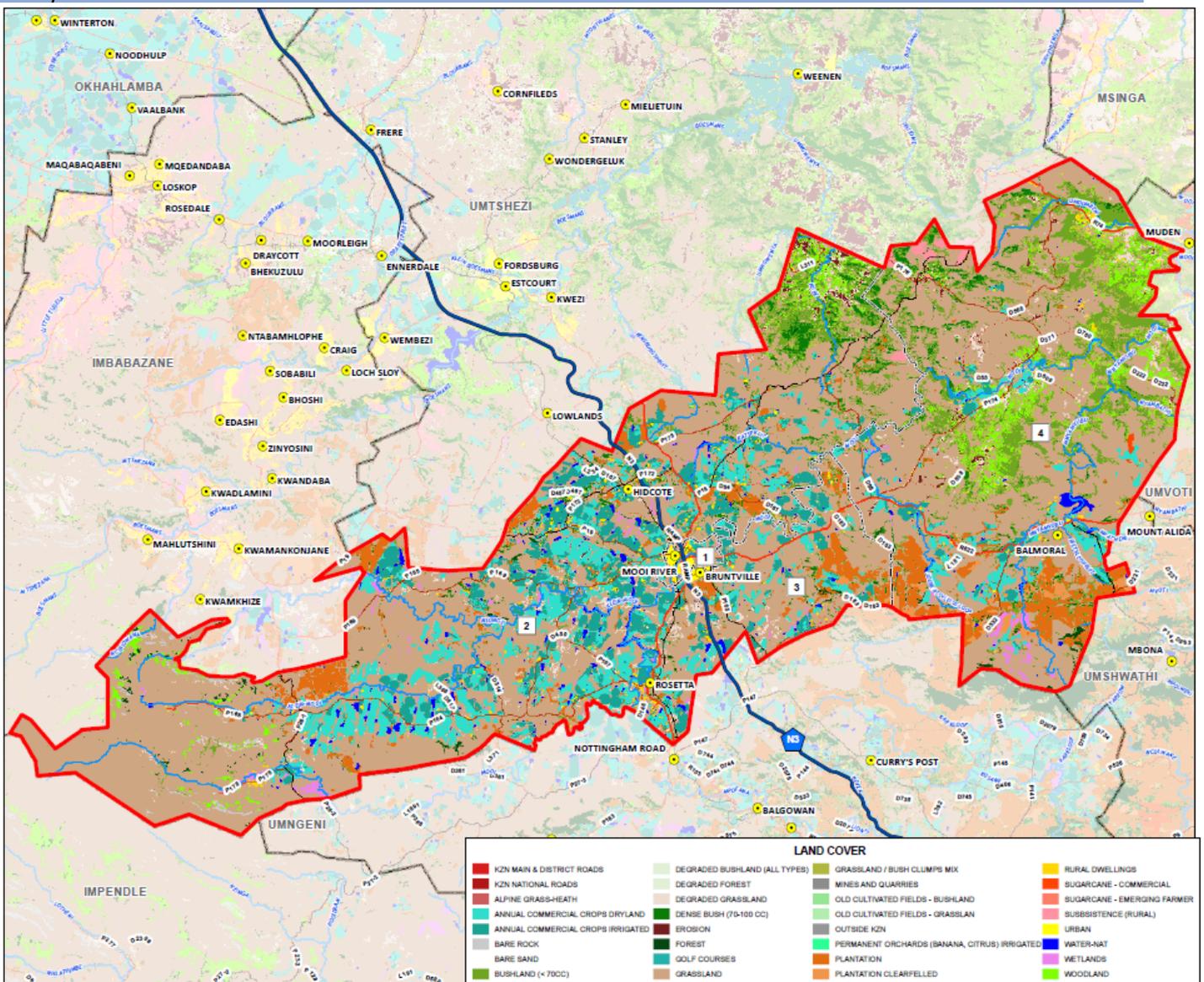
- Preschool Facilities x 1
- Clinic x 1
- Church x 1
- Pension Pay Point x 1

C1.5.1. LAND COVER

The broad land cover found in municipality, can be depicted below. From the land cover data it is evident that the evaporation in the municipality is relatively low, with virtually the entire municipal area falling in the 1400 1600mm range (dry land and Irrigated), with especially high occurrence of this around the Mooi River area. The north and north eastern mountainous areas are mainly covered with woodland and bush land with some scattered dense bush, whilst the southern sloped areas are distinctively

covered with commercial crops (dry land), plantations and some wetland areas with dense bush. The majority of settlements are characterised as rural in terms of density and character. These settlements are scattered all over the municipality occurring along national and provincial roads. The main concentration of subsistence farming is found in the northern portions of the municipality. There is a noticeable concentration of urban built up areas adjacent to the N3.

Map 3: Land Cover



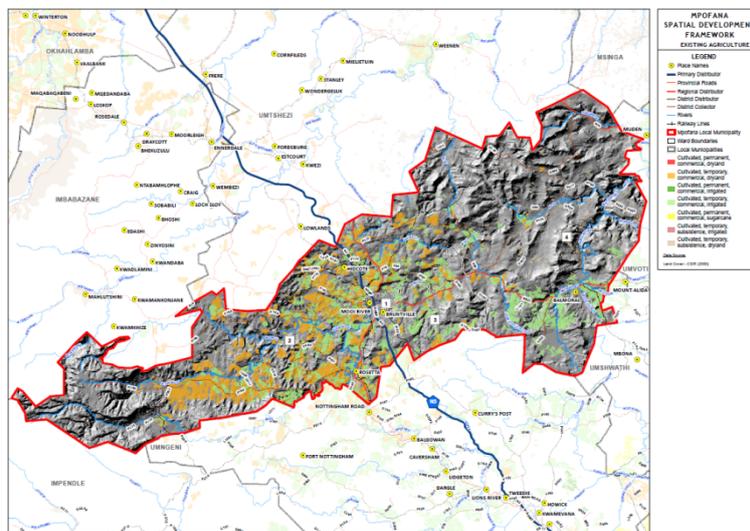
C1.5.2. EXISTING AGRICULTURE AND AGRICULTURAL POTENTIAL

The various agricultural land uses in the municipality is indicated on Existing Agricultural Map, and corresponds greatly with Map 8: Agricultural Potential This map becomes particularly useful in identifying uncultivated opportunities in the agricultural sector when it is overlaid with the land capabilities in the municipality, with specifically land capability classes I to IV. From this map it is clear that the areas with higher agricultural opportunities (or potential) in the southern and western parts of the municipality have already been utilised to a great extent for cultivated temporary

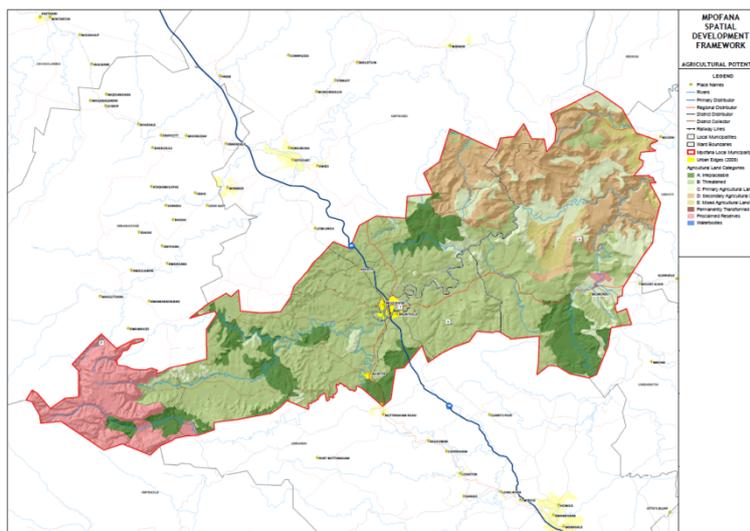
commercial and cultivated permanent commercial irrigated purposes. The evaporation in the municipality is relatively low, with virtually the entire municipal area falling in the 1400 1600mm range.

Consideration of these two maps, with its medium to high rainfall and low precipitation makes it clear why large areas of the municipality is suitable for sugarcane production and has a relatively high agricultural potential. The central parts of the municipality are further given this advantage by the relatively low gradient of slopes.

Map 4: Existing Agriculture



Map 5: Agricultural Potential



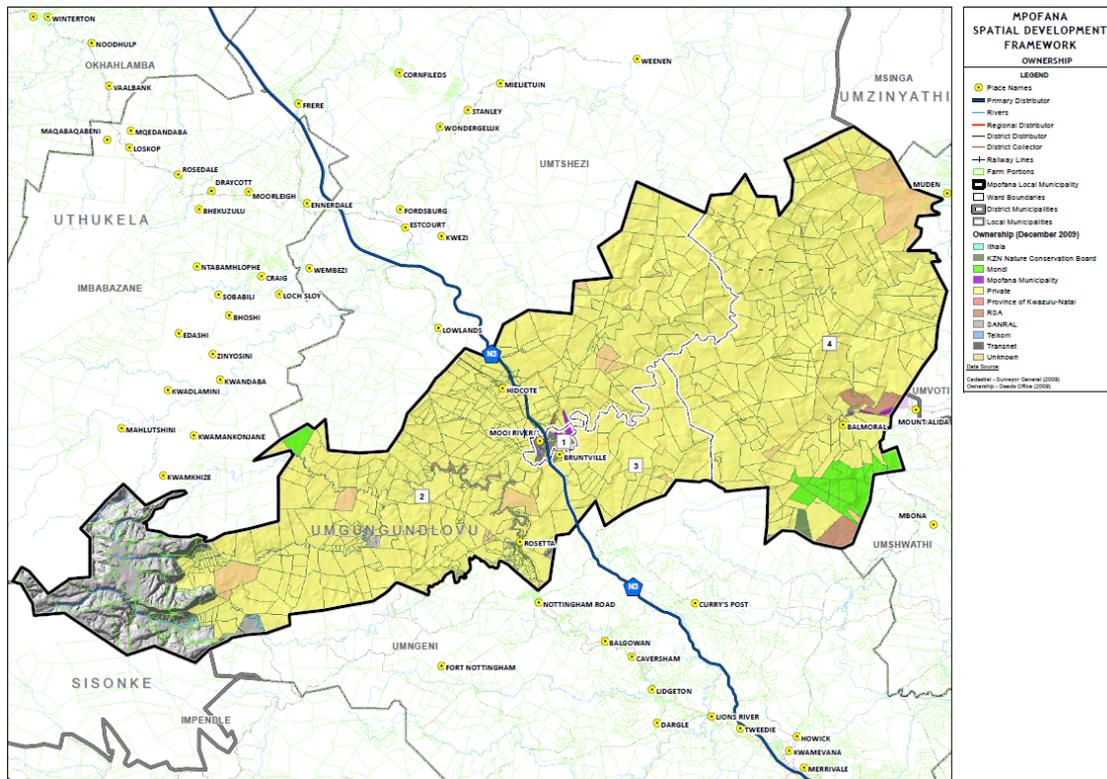
It is evident from the above Map that, there is a lot of agricultural potential in Mpofofana Spatial & Environmental: SWOT Analysis. Agriculture sector is to be

C1.6. LAND OWNERSHIP

The entire municipality is characterised by privately owned farms that consist of private, trust and private business ownership while State and Provincially owned land are found along the eastern boundary and in the central areas of the municipality. A relatively large area owned by Mondi can be depicted in the south eastern corner. The far western section consists

of land previously known as District Management Areas (DMA). The majority of the land is privately owned, although a greater portion of the land is owned by Department of Public Works.

Map 6 Land Ownership



C1.7. LAND REFORM

The implementation of the land reform program in Mpofoana Municipality is progressing very slowly. As indicated on figure 11 below the land redistribution program has delivered 3 246ha (18%) and land restitution is hovering at about 3 023ha (17%). Approximately 7 050ha (40%) worth of farms are under the labour tenant program. The other restitution claims that have been lodged amount to 4 248ha (24%). Land reform projects have serious spatial implications within Mpofoana Municipality. It is important for the municipality to monitor this program given its potentially serious implications for the implementation of the Municipal Property Rates Act (MPRA).

applications is one of the priority programs of the Provincial Land Reform Office (PLRO). A number of labour tenant applications spread unevenly in space were lodged with the Department of Land Affairs and are currently being assessed and finalised. The outcome of this process has serious spatial implications including emergence of small isolated settlements in the middle of commercial agricultural land.

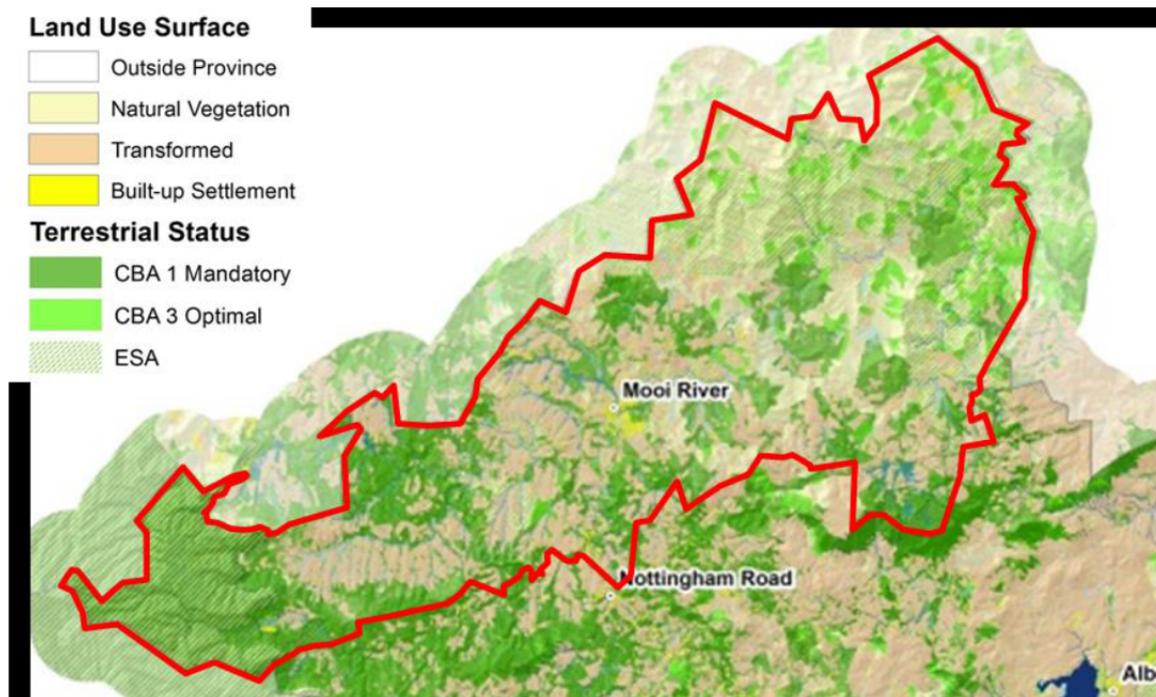
These land reform projects are located within various parts of the municipal area. It involves land ranging from good to low agricultural potential. The settlement of labour tenant

C1.8.1. BIODIVERSITY (INCLUDING PROTECTED AREAS)

Ezemvelo KZN Wildlife compiled a map depicting Critical Biodiversity and ecological support areas for the uMgungundlovu Municipality.

The image below is an extract from this map depicting the Municipality.

Map 7 : Critical Biodiversity



The map depicts Critical Biodiversity Areas (CBA's) as well as Ecological Support Areas in Local Municipality.

The two environmental areas are defined as follow:

CBA's depicts landscapes that need to be maintained in a natural or near-natural state in order to ensure the continued existence and functioning of species and ecosystems as well as facilitate the continued delivery of ecosystem services. Maintaining an area in a natural state can include a variety of land uses compatible with the present biodiversity resources. Ecological support areas (ESA's) are areas that are not essential for meeting biodiversity representation targets/thresholds but which nevertheless play an important role in supporting the ecological functioning of

critical biodiversity areas and/or in delivering ecosystem services. Support socio-economic development, such as water provision, flood mitigation or carbon sequestration. The degree of restriction on land use and resource use in these areas may be lower than that recommended for critical biodiversity areas.

The purpose of CBA's is simply to indicate spatially the location of critical or important areas for biodiversity in the landscape.

The CBA, through the underlying land management objectives that define the CBA, prescribes the desired ecological state in which we would like to keep this biodiversity. Therefore, the desired ecological state or land management objective determines which land-use activities are compatible with each CBA category based on the perceived impact of

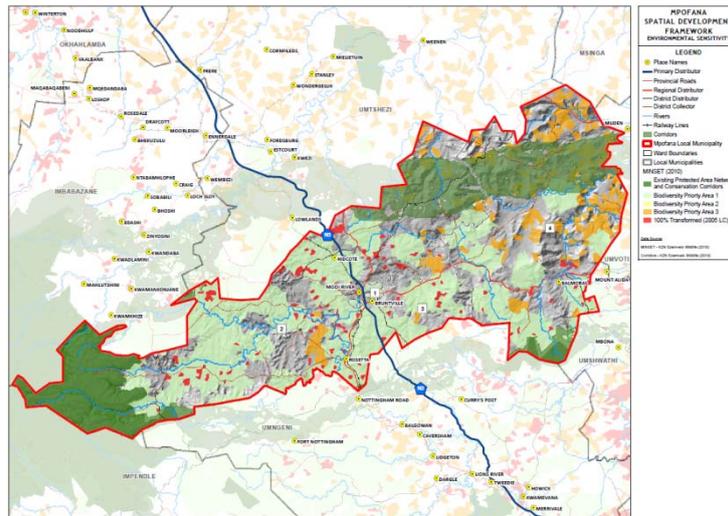
each activity on biodiversity pattern and process.

From the map above it is clearly seen that the largest part of the municipality is classified as Transformed Land Areas in terms of its land use surface, where very little conservation status exist. Through rural residential and subsistence farming activities, the land has been transformed from ecologically sensitive, to land uses associated with residential activities.

Drakensberg Park Boundary Scattered areas around Mooi River are classified as a CBA 1 area where Critically Endangered eco-systems are functioning and strict land use management procedures need to be implemented.

The outer periphery towards the western boundary is depicted as CBA 1 areas. CBA 3 areas are scattered throughout the north eastern part of the municipal area. Other smaller residential groupings are situated on the western boundary of Mooi River town.

Map 7 Environmental Sensitivity



C1.8.2. HYDROLOGY

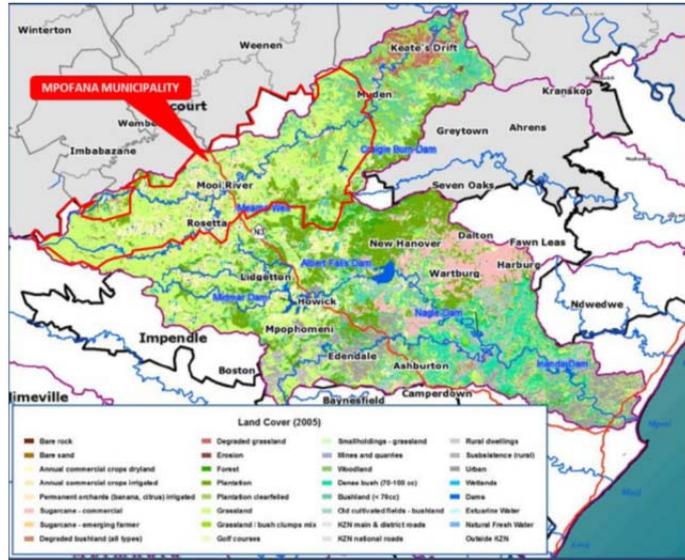
The Mpofoana Municipality falls within the Umgeni/ Mooi Catchment of the Umgeni Operational Region. The uMgeni/Mooi region comprises of the two tertiary catchments of U20 (Mgeni River) and V20 (Mooi River).

The major urban centres of Durban and Pietermaritzburg are situated within the Mgeni catchment. There are a number of other urban and peri-urban centres within this region including Mooi River, Rosetta, Nottingham Road, Howick, Wartburg,

Cato Ridge, and the greater surrounds of both Durban and Pietermaritzburg. The urban centres from Howick towards the coast receive their water from the Mgeni system.

According to the Umgeni Water Infrastructure Master Plan the demands in the Umgeni catchment currently exceed the available yield. The risk of water restrictions within the next few years is unacceptably high as a result of the ever increasing demands in the uMgeni system.

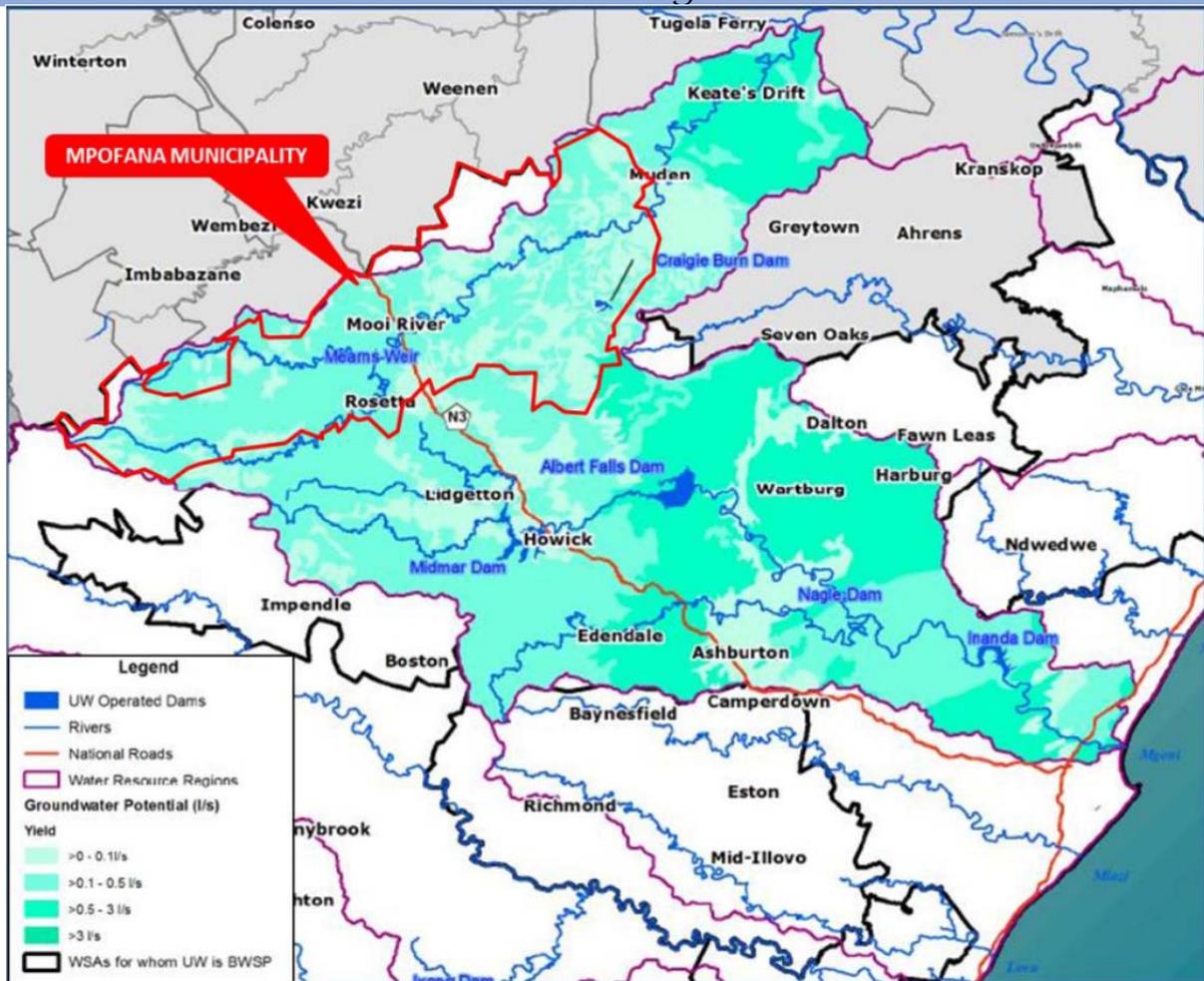
Map 7: General Layout of the Umgeni/Mooi.



The figures below illustrate the groundwater potential of the Umgeni/Mooi Region. The central area around Albert Falls Dam indicates a yield of >3 l/s, with the

northern section of Mpozana Municipality around Means Weir depicting >0.1-0.5 l/s.

Map 8: Groundwater Potential of the Umgeni/ Mooi.



Significant growth in water demand from the Mgeni system has occurred since the implementation of MMTS-1, such that

the required level of assurance of supply is not being met.

Therefore it is important that Phase 2 of the Mooi-Mgeni Transfer Scheme is implemented, as it is the project closest to implementation and is the least expensive project per cubic metre of yield obtained. At the end of 2007 the Minister of Water and Environmental Affairs instructed the Trans-Caledon Transfer Association (TCTA) to implement this project as quickly as possible in order to augment the existing system and reduce the risk of possible future restrictions.

Two stages were defined in the feasibility study of MMTS-2. In the first stage only Spring Grove Dam (MMTS-2A) would be constructed. During this stage water will be released from Spring Grove Dam down the Mooi River into the impoundment of the Mearns Weir (MMTS-1) from where it will be abstracted and transferred. The Mearns Weir is situated just downstream of the confluence of the Little Mooi and Mooi rivers.

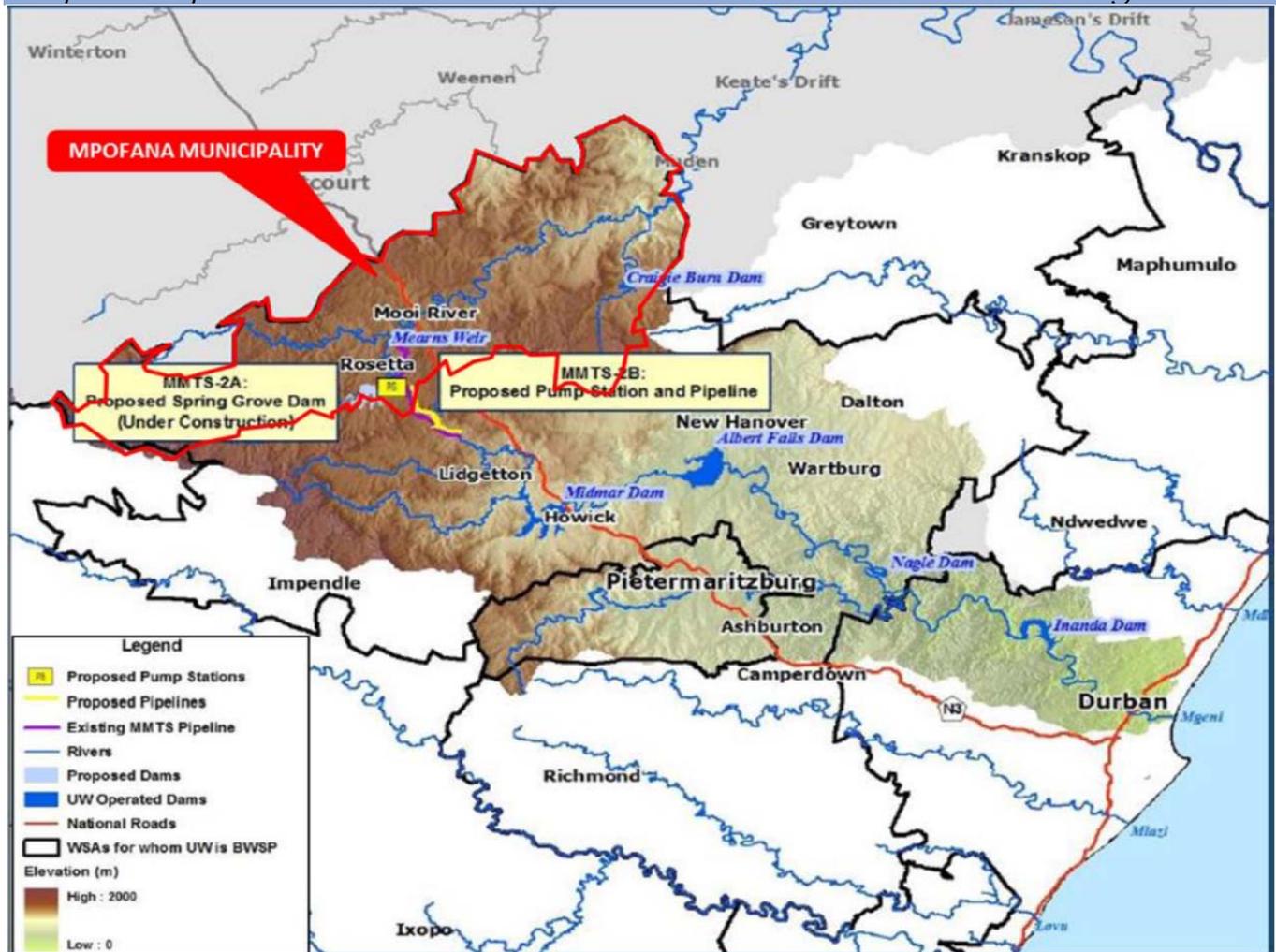
For the second stage (MMTS-2B) a new pumping station would be constructed at Spring Grove Dam from where the bulk of the transfer from the Mooi to the Mgeni River would take place. This would include the construction of a new transfer pipeline from Spring Grove Dam that would, apart from following an initial short route from the dam through an area of small holdings to the existing transfer route, be following the same route as that of the existing Mearns pipeline, and running parallel to it within the existing servitude, to the discharge point in the Mpofana River.

Salient features of the proposed Spring Grove Dam, as determined during the detailed design phase of the dam are as follows:

- Full supply level: 1 433.50 mASL
- Minimum operating level: 1 408.00 mASL
- Gross storage volume: 139.5 million m³
- Water surface area at FSL: 1 021.8 ha

The figure below illustrates the proposed water resource infrastructure within the Umgeni/Mooi Region. Depicted on the figure it is clear that the construction of the Spring Grove dam is underway which will lighten the burden on the current demand of water provision.

Map 9: Proposed Water Resource Infrastructure in the Mooi/ uMngeni.



The Pipeline is due to commence soon, this will also service other areas outside of Mpoofana as can be seen in the map above. The pipeline will also help with the eradication of some backlogs

that exist with the public's access to water, as areas that have not had water are earmarked to benefit from the pipeline.

C1.8.3. CLIMATE CHANGE

The Umgeni Water Infrastructure Master Plan make reference that that the climate is changing globally and that this will have an amplified impact on water resources and therefore on water security and supply. In South Africa, the Department of Environment Affairs (DEA) is designated to lead the country's climate change agenda, guided by their recently adopted Long Term Mitigation Strategy on Climate Change. Umgeni Water developed a framework to guide its efforts towards quantifying the possible impacts of a changing climate on its business. At the core of the framework is a hydrological model wherein

rainfall and temperature are altered to represent possible scenarios of the impact of future climates on runoff in rivers. The most up-to-date science has been used in this assessment but unfortunately these results are far from conclusive because performing impact studies, such as water resources, based on scenarios of future climates is relatively new and would therefore need more available data to depict any changes that might occur in the Mpofana Municipality.

C1.8.4. STRATEGIC ENVIRONMENTAL ASSESSMENT

The municipality needs to provide a strategic assessment of the environmental impact of the spatial development framework on the natural environment. This is a particularly involved task in the Municipal area, due to the importance and environmental significance of the municipal area. This statement is underpinned by the strategic importance of the UKhahlamba World Heritage Site, in particular.

Although the UDP WHS Buffer Technical Committee have proposed number of guiding principles and rules to be used by developers

and authorities in establishing the appropriateness of a proposed development within the buffer to the UDP WHS, the restrictive implications of some of these proposals on the agricultural and tourism development potential of the municipality needs to be considered before is adopted as policy by the municipality. The list below provide a summary of the guiding principles proposed by the buffer committee for development within the so called "Trail Zone" and "Buffer Zone" areas associated with the UDP WHS.

STRENGTHS

- LAND AVAILABILITY FOR FUTURE SPATIAL PROJECTS
- SDF IS REVIEWED ANNUALLY
- LOCATION ALONG THE N3
- WELL DEFINED NODAL AREAS IN THE MUNICIPALITY

OPPORTUNITIES

- WATER SOURCES (DAMS)
- MUNICIPAL LOCATION
- R622 PROVINCIAL ROAD
- UNCOMMITTED LAND ALONG THE N3

WEAKNESSES

- 1 PRIMARY NODE
- 1 AREA IDENTIFIED AS AN INDUSTRIAL HUB LACK OF INDUSTRIAL LAND
- LACK OF HUMAN RESOURCE WITHIN THE TOWN PLANNING UNIT AND BUILDING INSPECTORATE
- HIGH POTENTIAL AGRICULTURAL LAND

THREATS

- CLOSE PROXIMITY OF HOUSES TO THE N3 (TOWNVIEW)
- NO FIRE PROOF CABINETS WITHIN THE BUILDING INSPECTORATE UNIT
- ENCROACHMENTS (LAWLESSNESS IN COMPLYING WITH PLANNING LAWS)

ANTICIPATED DEVELOPMENT CHALLENGES

In order to realise the spatial development vision proposed within this report, various anticipated development challenges will need to be acknowledged, considered and systematically addressed.

These include:

Limited frontage onto the N3 growth corridor. Although the municipality is strategically located along the N3, the national standards firstly allow for limited access point along the national routes and as a result the R103 is frequently congested with traffic accessing Rosetta and Nottingham Road areas.

Land Reform Projects.

The large number of land reform projects identified within the north eastern portions of the municipality, and within

As mentioned above, certain key areas are vital economic generators and /or social

DETAILED RESEARCH & PLANNING

Table 28 : Necessary Further Planning & Research

Detailed Research / Planning	Brief Description
SIP2 Corridor Interventions Planning	More detailed assessment and precinct planning around Mooi River with particular reference to its role and contribution towards the larger SIP2 Corridor initiative. This will include a detailed regional infrastructure assessment, rail linkage assessment, roads upgrading requirements especially the R103 capacity and the N3 interchanges within the municipal area etc.
Mooi River Urban Regeneration Plan	The Mooi River Urban Regeneration Plan is being formulated with specific attention to the potential additional facilities to be incorporated within this node to serve the wider community of the municipality.
Nodal Development Plans	Nodal Development Plan Study with more detailed spatial structure and implementation planning for each of the identified nodes and addressing the land requirements for proposed facilities and services.
Infrastructure Investigation and Sector Planning	Identify, quantify and provide location requirements of engineering infrastructure and service provision for existing and future development needs. This will include a quantification of needs and estimated budgets towards a systematic Infrastructure Investment Plan.
Agricultural Development Strategy	Investigation into the further expansion and diversification of agricultural production within the area. Specific focus will also be given to the potential unlocking of the agricultural potential within the eastern portions of the municipal subject to land reform projects.
Land Reform Investigation and Strategy	Conclusion of land reform projects as well as a sustainable implementation, rehabilitation and management plan of settled communities within especially the northern areas of the municipality.

C1.10.1. MUNICIPAL INSTITUTIONAL CAPACITY

According to section 52, subsection (1) of the Disaster Management Act of 2002, Act no.57, each Municipal entity indicated in the national or the relevant provincial or municipal disaster management framework must-

- Prepare a disaster management plan setting out the way in which the concept and principles of disaster management are to be applied in its functional area;
- Its role and responsibilities in terms of the National, Provincial or Municipal Disaster Management frameworks;
- Its role and responsibilities regarding emergency response and post disaster recovery and rehabilitation;
- Its capacity to fulfil its role and responsibilities;
- Particulars of its disaster management strategies; and

Contingency strategies and emergency procedures in the event of a disaster, including measures to finance these strategies;

Co-ordinate and align the implementation of its plan with those of other organs of state and institutional role-players; and

Regularly review and update its plan. Mpofana Local Municipality has a Disaster Management Plan in place, although it is in its draft stages and an official is dedicated to the task, although resources for the said individual are a challenge.

The uMgungundlovu District Municipality is the responsible authority to attend to disaster issues within the Mpofana Municipality. The roles of various stakeholders for disaster management in the district are listed in the following table:-

Table 3: Roles of disaster management stakeholders

Agency	Role
Head: Disaster Management	Coordinate disaster management within the District, Local Municipalities, Sector Departments and other agencies. Provide strategic direction on issues of disaster risk management in the District and provide linkage on district disaster operations with the Provincial Disaster Management Centre. Co-ordinate Volunteer Teams to support the district.
District Disaster Advisory Forum	Advisory body which consult one another and co-ordinate their actions on matters relating to disaster management in the municipality. Provide policy directions and integration of Disaster Management programmes.
International Agencies/NGOs	Provide relief, coordinate with Government Departments, conduct awareness and capacity building programmes, preparedness activities at community level, assist in reconstruction and rehabilitation
Department of Agriculture, Environmental Affairs and Rural Development	Co-ordinate agricultural related incidents or disaster such as drought, animal epidemics and many others. Be the primary agency responsible for pest attacks, cattle epidemics, assessment of agriculture crops, livestock damage and food needs, provide seeds for early recovery.
Department of Social Development	Provide social relief of Distress during disaster related incident to the victims and provide counselling to the victims. Assist with profiling of social welfare special cases as and when need arise during disaster assessments.

Agency	Role
Department of Health	Be the primary agency responsible for biological disasters and epidemics, first aid, health and medical care, ambulance arrangements, preventive steps for other diseases, record of dead persons, mobile clinics and supply of medicines.
Department of Transport	Provide road traffic management during disaster related incidents. Logistics, transfer of relief material and relocation of affected people, road repairing, alternate routes
Department of Public Works	Maintenance of public infrastructure, search and rescue, identify safer places, assess physical damage, identify safer routes, provide necessary equipments for search and rescue, reconstruction and rehabilitation
Department of Water Affairs	Be the primary agency responsible for floods, dam failures, flash floods, landslides and mud flows. Drought and flood management, watershed management, enforcement of land-use plan, evacuation from low-lying areas, identification of safer places, construct embankments, arrangement of boats and pump sets, swimmers and divers. Strengthening of river banks.
South African Police Services	Be the primary agency responsible security, evacuation, emergency assistance, search and rescue, law and order, communication, setting up of emergency evacuation centers, shifting of people to relief camps, traffic management.
Department of Human Settlements	Develop appropriate national building codes and their proper implementation. In the post disaster phase, the Department will take adequate steps to undertake building damage assessment and promote reconstruction.

C1.10.2. RISK ASSESSMENT

The main hazards faced by the Mpofana Municipality are floods, house fires, veld fires, environmental pollution, transport accidents, epidemic human diseases, snow, severe storms and lightning and thunderstorm. The risk rating of severe storms and flooding is very high. It is possible or almost certain that one can expect flooding or severe storms to happen in all the wards. The houses in rural areas such as Ward 4, Muden area are of poor standards. These conditions make these areas vulnerable to floods and severe storms.

The risk level of house fires is high. This could be attributed to the lack of information. The risk level of lightning and thunderstorm is high. People are economically and socially vulnerable because of a lack of economic growth potential and high level of unemployment and poverty. Road accidents happen frequently along N3. Roads in many wards are in poor conditions.

C1.10.3. RISK REDUCTION & PREVENTION

Mitigation activities actually eliminate or reduce the probability of disaster occurrence, or reduce the effects of unavoidable disasters. A precursor to mitigation is the identification of risks.

Disaster mitigation planning will comprise all activities that can be done for risk reduction. Mitigation measures can be structural or non-structural. Structural measures use technological solutions like flood levees. Non-structural measures include legislation and land-use planning.

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

The detailed planning of the above activities will lead to the preparation of budget for disaster mitigation activities.

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

- Roads and bridges or culverts
- Flood control measures
- Disaster awareness campaigns
- Upgrade and maintenance of landfill sites
- Upgrade and maintenance of waste water treatment works
- Road sidewalk maintenance
- Prevent forest fires by having fire breaks
- Response & Recovery

Disaster preparedness activities will be planned and decided upon by the District Disaster Advisory Forum.

The District Disaster Advisory Forum comprises the following district authorities:

Head: Disaster Management

Members

- South African Police Services
- Department of Transport
- Department of Health
- Department of Transport
- Department of Water Affairs
- Department of Public Works
- Department of Agriculture, Environmental Affairs and Rural Department
- Department of Social Development
- Department of Human Settlements
- Representatives of Local Municipalities
- Non-Governmental Organizations

The meetings of the District Advisory Forum will be held on quarterly basis, when a disaster or major incident occurs, the district will activate all members of the forum to convene for a special meeting. Those members will form a Joint Operations Committee (JOC) to assess the situation and make prompt decision on provision of rapid and effective response to normalize the lives of the victims.

The communities pass on information on the likely occurrence of a disaster to the respective authorities or JOC. The magnitude of the incident will determine whether there is a necessity to convene a special JOC. The Head: District Disaster Management will coordinate the meeting and other logistics required for the committee to execute its tasks diligently.

During established disaster prone phases in the year, the Forum will meet as a preparedness measure and will oversee preparedness activities being implemented on the ground.

Once the Joint Operations Committee (JOC) deems magnitude of the incident to be beyond its management and capability, the committee shall activate the Provincial Disaster Management Centre (PDMC) and forward the report to the Provincial Disaster Management Centre (PDMC) to seek immediate support and appropriate provincial/national intervention.

C1.10.4. TRAINING & AWARENESS

Mpofana Municipality in collaboration with the District Municipality will

- Identify and train volunteers in all 4 wards of the municipality.
- Assess and Increase the capacity of the municipality to handle disasters and

- improve on the state of readiness to deal with disasters.
- Increase public awareness on disasters
- Prevention and mitigation of man-made disasters.

C1.10.5. Funding arrangements

The District Municipality leads the process of Disaster and have been identified as the funders of Disaster Management Operation in all the 7 Local Municipalities. Mpofana although aware of its responsibility in Disaster Management since a lot of areas which fall within Ward 4 are prone to disasters, is heavily dependent on the District's Funding for carrying out its Disaster

Management Functions. Mpofana however has one dedicated official for the task at hand, who will still be further trained for disaster related issues including the drought crisis facing KZN province.

STRENGTHS

- * DISTRICT'S MUNICIPALITY'S SUPPORT
- * CONSTITUTIONAL MANDATE
- * LOCAL RESPONSE PERSONNEL TO DISASTER RELATED ISSUES IN PLACE

WEAKNESSES

- LACK OF WARM BODIES WITHIN THE DISASTER MANAGEMENT UNIT IN THE MUNICIPALITY
- LACK OF PROPER HOUSES IN WARD 2 AND 4 (SUSCEPTIBLE TO DISASTER)
- LACK OF FUNCTIONAL DISASTER MANAGEMENT ADVISORY FORUM
- LACK OF CO-ORDINATED PLANNING BETWEEN MPOFANA AND NGONYAMA TRUST BOARD
- CENTRALISATION OF THE DISASTER MANAGEMENT UNIT AT THE DISTRICT MUNICIPALITY

OPPORTUNITIES

- REVIEW OF THE DISASTER MANAGEMENT PLAN
- DISASTER MANAGEMENT OFFICIAL TO BE APPOINTED
- EDUCATION, TRAINING AND PUBLIC AWARENESS

THREATS

- FLOODING AND HOUSE FIRES
- STORMS
- NO DISASTER MANAGEMENT ADVISORY FORUM
- HEAVY RAINFALL
- IMMINENT DROUGHT IN KZN

C2. DEMOGRAPHIC CHARACTERISTICS

C2.1. DEMOGRAPHIC INDICATORS

C2.1.1. POPULATION

Local authority has a total population of approximately 38 301 according to the 2011 Population Census compared to the 36 832 in 2001. The highest numbers of residents are settled in Ward 1 and 4 with the lowest number of people situated within ward 3. It should be noted that Ward 2 had the highest number of people according to the 2001 Population Census, which means there has clearly been internal migration within the boundaries of the municipality. Ward 1 includes the dense settlements of Mooi River and Bruntville whilst Ward 4 is inclusive of Middelrus and Rietvlei.

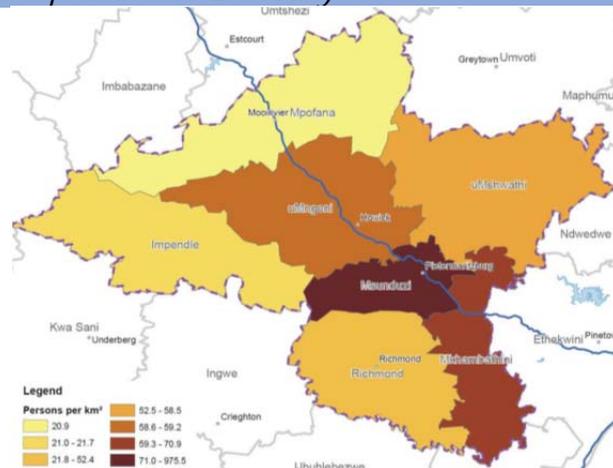
Utilising these 2001 and 2011 figures and the growth rate between 2001 and 2011, the following table was developed which depicts the estimated population growth over the 5 year period of the 2012 to 2017 IDP cycle.

Table 3: Future Population Estimates for the Municipality

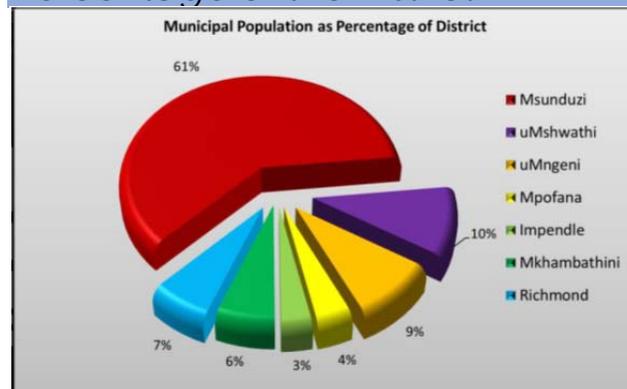
Future Year	Future Population
2012	38101
2013	38219
2014	38337
2015	38301
2016	38573
2017	38692

According to the IDP 2012/2013 – 2016/2017, the municipality has shown a net increase in population between 2001 and 2011. According to the IDP, the 2007 community survey estimated the population at 31 517. This indicates either a discrepancy in the data or an incline in population numbers in the more recent years. A possibility for discrepancies in numbers could be due to an undercount during the 2007 community survey. This however seems unlikely to be the cause of such a substantial difference, and specifically decline in the population with the 2001 and 2011 population figures being relatively close. This can however be confirmed by the uMgungundlovu District Population Density.

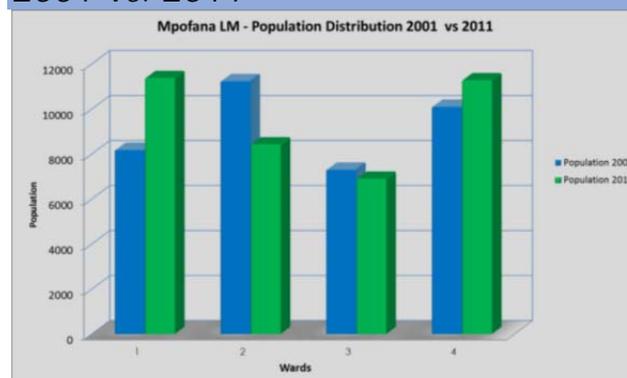
Map 10: uMgungundlovu DM Population Density



Graph 2: Population as a Percentage of the District



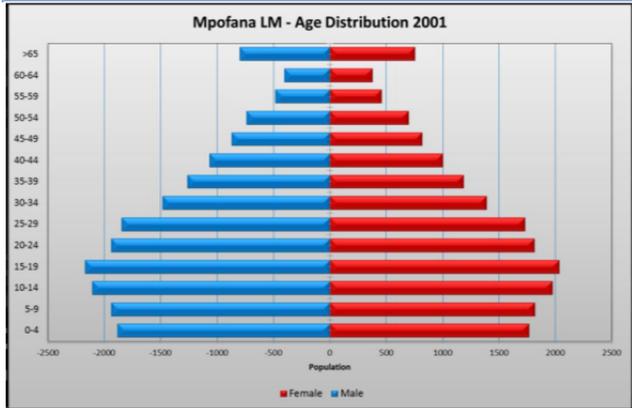
Graph 3: Population per Ward 2001 vs. 2011



C2.2.1. AGE AND GENDER DISTRIBUTION

The demographic pyramids of municipality is illustrated by the graphs below and evidently in 2001 the population of working age was far less than the population going to school and of retired age groups.

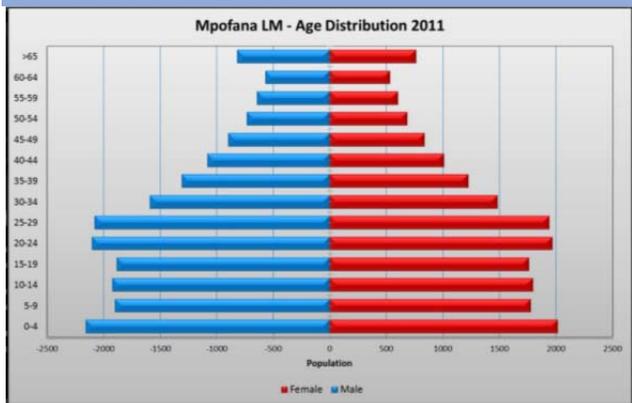
Graph 4: Gender & Age Distribution 2001



Source: Stats SA Census 2001

The situation however has changed slightly with a shift in population in the 20-29 year category making it a more evenly population spread. A large portion of the population is still dependent on a relatively small portion of the population earning an income. This, combined with the high unemployment rate, the situation becomes dire.

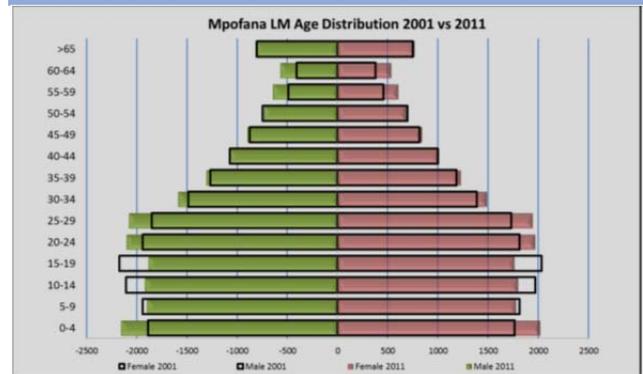
Graph 5: Gender & Age Distribution 2011



Source: Stats SA Census 2011

Depending on the birth rates during the following years, this pattern should stay very similar in the years to come. The number of men in the municipality is slightly higher than that of women, probably indicating the pattern of male migrant workers into the municipality, seeking work on commercial farms with women tending to household needs and practicing subsistence farming in the traditional areas of the municipality, especially those areas in the central and eastern parts of the municipality.

Graph 6: Gender & Age Distribution 2001 vs. 2011



Source: Stats SA Census 2001 & 2011

C2.2.2 HOUSEHOLD SIZE

The average household size for the Municipality is calculated by dividing households into population the population recorded. The average household size for Mpfana is 5.8 persons per household. There has been a significant increase in the number of persons per

household from 2001 with the average then recorded as 3.8 persons per household. Ward 2 has the highest number of households within the municipality with Ward 1, existing mainly of Mooi River Town having the second highest number of households.

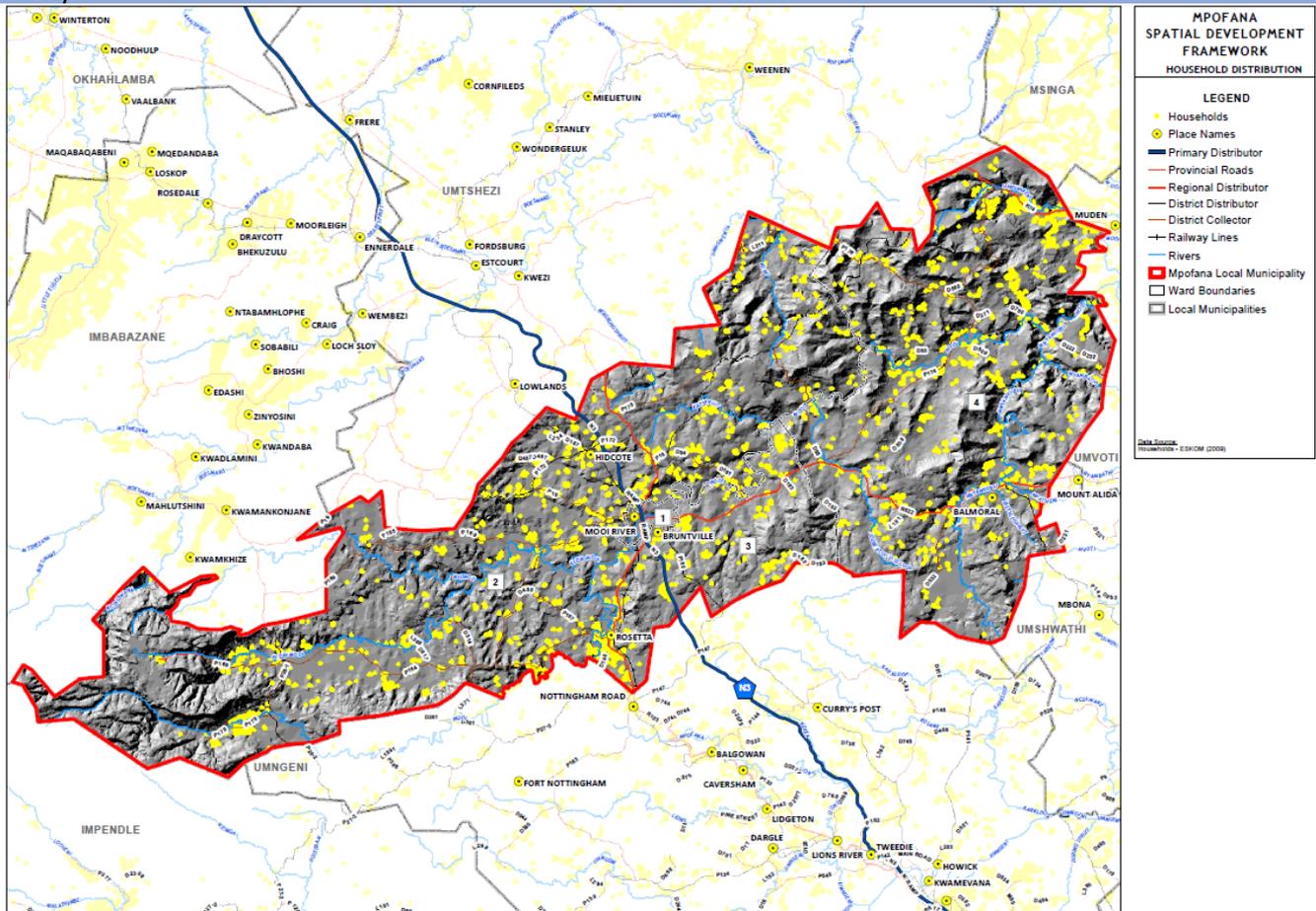
C2.2.3. POPULATION DENSITY

The population density within the municipality is illustrated by the Household Distribution Map which depicts the number of household points within the Local Municipality. It is clearly visible that the household distribution is scattered throughout the entire municipal area with higher density areas found south of Rosetta, north of Middelrus and in the town of Mooi River. This scattered distribution creates a lot of

challenges with regards to equal provision of services, as well as the identification of a common Economic Development Initiatives to impact on the livelihoods of all residents in the municipality.

It will be necessary to identify potential areas for densification, where provision of services can be achieved cost-effectively, and efficient economic initiatives could be implemented.

Map 11: Household Distribution



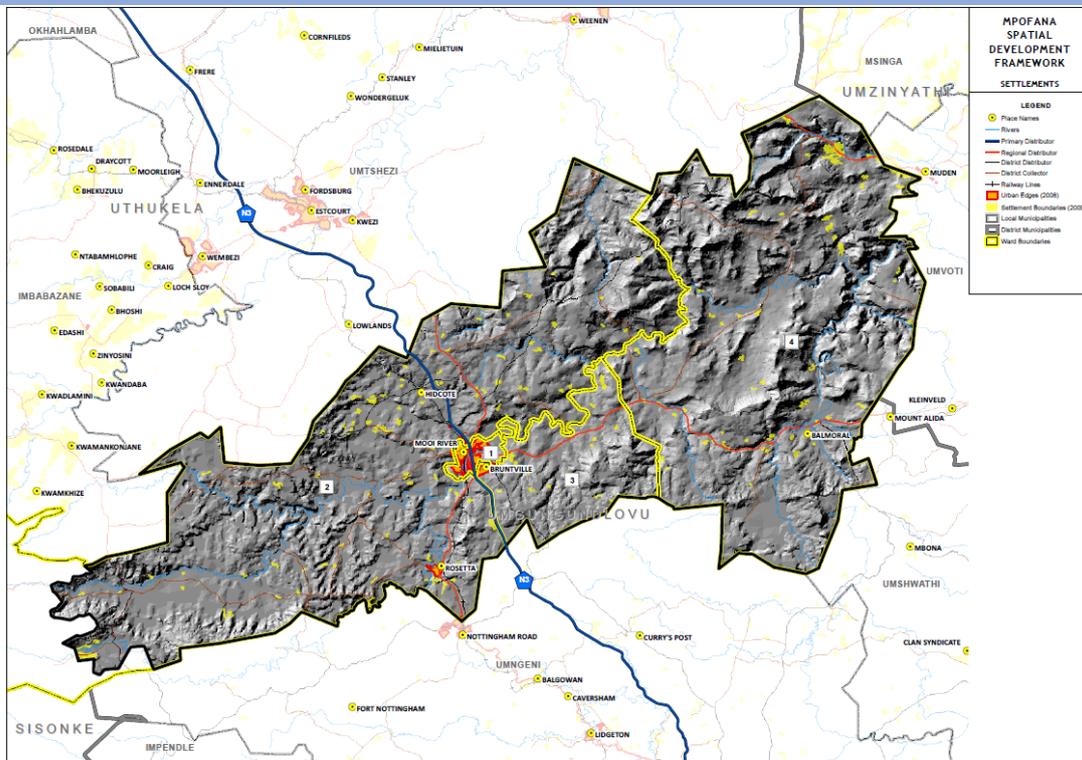
The above map shows household distribution in Mpfana.

C2.2.4. SETTLEMENT PATTERN

As indicated previously the municipality is characterised by scattered population distribution. The population towards the central parts of the municipality especially in Mooi River and Rosetta on the Settlements Map illustrates the concentrations around these because of its economic attractions. Although the settlements are scattered in nature with relatively low spatial densities, it is important to note that these settlements are not structured in formally established towns and thus the provision of services to these areas without linear patterns and limited servitude reserves are often challenging.

There is also no identifiable hierarchy of service centres that serves as a node to the majority of the population, while the only formal town is Mooi River. This poses a challenge in the provision of services, and a densification strategy / grouping of people will have to be considered in order to ensure cost effective provision of services, especially in the scattered rural areas with large numbers of households not living in close proximity and in a serviceable urban formation.

Map12: Settlements

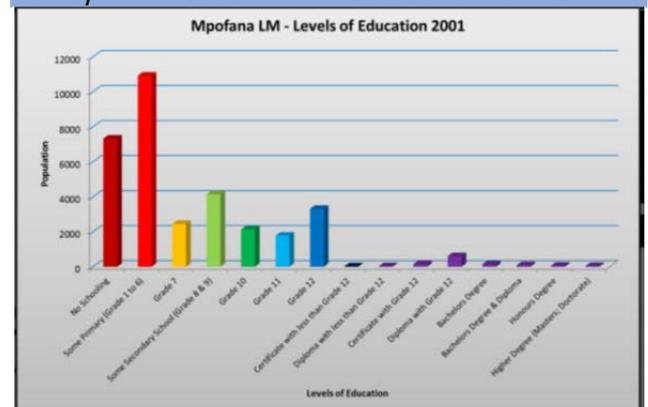


C2.2.5. LEVELS OF EDUCATION

The graphs below depict the levels of education for residents for 2001 and 2011. Almost 3500 of residents had no formal school education in 2011 compared to approximately 7000 people in 2001 indicating a positive change education levels.

A significant difference in population with grade 12 can be depicted on the 2001 and 2011 combined graph, Graph 9 with approximately 3000 more residents completing grade 12. It must be mentioned that the figures in the some primary (grade 1-6) category are less in 2011 than in 2001

Graph 7: Levels of Education 2001



OTHER FINDINGS BASED ON DEMOGRAPHICS

- The demographics show that there is an increase in as far as the population is concerned, this could be accredited to the fact that there is an existing Tai-Yuen Textile which has attracted quite a number of people from neighbouring towns.
- There is an average of 5 people per household which suggests that there might be overcrowding, this means there is a need for more Housing Projects
- It is also evident that the levels of education are quite low, numbers show that a greater number of the older generation are illiterate which therefore arises a need to develop ABET classes so the levels of illiteracy are considerably reduced.

C3. MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT ANALYSIS

C3.1. MUNICIPAL TRANSFORMATION

The municipality fully subscribes to the requirement and provisions of the employment equity act and in giving effect to that all section 56 positions have all been filled by historically disadvantaged individuals.

Municipal Manager: Male
Chief Financial Officer: Male
Acting Director for Corporate Services:
Male

Director for Youth Economic and Social Development: Female
Director for Infrastructure Development and Maintenance: Male

It has also been noted that a lot of the staff are people from previously disadvantaged communities.

C3.2. ORGANISATIONAL DEVELOPMENT

C3.2.1. INSTITUTIONAL ARRANGEMENTS

Approval of key operational matters within the Municipality follows the following approval

process, namely Portfolio Committees, and Council.

C3.2.2. POWERS AND FUNCTIONS

MAYOR

The Mayor is the chair of the Full Council and is also responsible for overseeing the functioning of the municipality in partnership with administration and duties of the Ward Committees.

FULL COUNCIL

The Mpošana Local Municipality is a category B municipality as established in terms of Chapter 2 of the Municipal Structures Act 1998. The Municipality functions under a plenary executive system combined with a ward participatory system. The political leadership of this Municipality consists of seven (7) Councillors of which four (4) are Ward Councillors and the remaining three (3) are Councillors elected as Proportional Representatives of their political parties. The full council has powers to take executive decisions and delegate functions.

The Council has 5 seats for the ANC and 2 seats for the DA and IFP. The Mayor is both the Mayor and Speaker of the Council, with a Chief whip who also serve as a Ward Councillor.

MPAC

MPAC continues to play an oversight role on behalf of Council, MPAC has through the COGTA's support received extensive training so as to be fully equipped to deal with their oversight role. They are responsible for tabling the annual report to the Council and for providing comments and making recommendations to the Council. They are also empowered to look closely on public affairs in the Municipality under the authority of Council.

PORTFOLIO COMMITTEES

Council Portfolio Committees are structured as per national guidelines and meet once a month. Issues requiring Council resolution are raised for deliberation at portfolio committee meetings. Recommendations are then made to the full Council.

The following are the Mpošana Council Portfolio Committees:

Youth, Economic and Social Services
Infrastructure and Maintenance
Finance
Corporate Governance

MANAGEMENT COMMITTEE (MANCO)

MANCO is chaired by the Municipal Manager and consists of the Directors of the four municipal departments and considers issues relating to the strategic issues of the said departments and makes recommendations to the relevant Portfolio Committees depending on the matter.

C3.2.3. SEE ATTACHED
ORGANISATIONAL STRUCTURE /
ORGANOGRAM

The Organogram for the year under review has been approved. Consultation with the Labour is still was done and all stakeholders are in agreement with the approved organogramIt has gone to the Portfolio Committee which has noted it. The following is the proposed/ draft organogram. It should be noted that one vacancy exists in the S57 Managers, but with one acting appointment.

OVERVIEW

Mpofana Municipality consists of four departments each managed by a Director (section 56 managers) who report directly to the Municipal Manager. The functions of the Municipal Manager and each of the four departments are outlined below, Mpofana has approved its organogram for the 2014/15 Financial Year at a Council Meeting. All Section 57 posts have been filled, with the Technical Director having recently joined the Municipality.

OFFICE OF THE MUNICIPAL MANAGER

The Municipal Manager is responsible for the following strategic issues:-

- The formation and development of an economical, effective, efficient and accountable administration.

- The management of the municipality's administration in accordance with the legislation applicable to the municipality,

- The implementation of the municipality's integrated development plan,

- The management of the provision of services to the local community in a sustainable and equitable manner,

- Manage the communications between the municipality administration and its political structures,

- Carry out the decisions of the structures and functions of the municipality,

- To administer and implement the municipal By-laws and other legislation,

- Implement national and provincial legislation applicable to the municipality, and

- Internal Audit and Risk Management.

FINANCE SERVICES

The Finance Department provides financial control, support and guidance to all other departments within the municipality on financial related matters. The following are the strategic issues that the department deals with:-

- Financial planning and reporting
- Design and implementation of internal controls
- Development of financial policies
- Maintenance of financial records
- Revenue collection
- Supply chain management
- Management of Municipal Stores
- Financial Interns Development
- MFMA Compliance
- Payroll administration

Financial planning and reporting

CORPORATE GOVERNANCE

The Corporate Governance department is responsible for the following key strategic issues:-

- Human Resources Management and Development

- Performance Management

- Policies, Processes and Procedures

- Labour Relations

- Recruitment and Selection

- Job evaluations

- Training and Development

- Compliance with legislation

- Enforcing by-laws

- Disaster management

- Offices and buildings maintenance

- Legal and Estate

- Hall Bookings

- Events Management and

- Communication Strategy

- Management of Ward Committees

- Fleet Management

- Secretariat

- Information and Communication

- Technology Administration

- Support the mayoralty and council activities

YOUTH, ECONOMIC & SOCIAL SERVICES

The Youth, Economic and Social Services department is responsible for the following key strategic issues:-

- To create and ensure a conducive environment for Economic Growth

- To promote and ensure coordinated land use planning and

- To identify specific development activities to empower women, in

- To promote road Safety and Traffic

- To ensure development and implementation of the Youth Development Strategy

- To ensure improved and adequate access to educational facilities

- To ensure all communities have access to basic community facilities

- To promote sound Environmental Management practices

- To promote access to arts and culture opportunities

- To encourage participation in sporting codes for development

INFRASTRUCTURE DEVELOPMENT & MAINTENANCE

The Infrastructure Development and Maintenance department is responsible for the following key strategic issues:-

- Infrastructure planning which includes
- Infrastructure Budgeting and Management
- Project and asset management

- Contracts Management
- Catchment, and River management
- Storm Water Management
- Waste Management
- Infrastructure Maintenance
- Provision of Basic Services.
- Electricity
- Infrastructure Planning
- Provision of sustainable housing

C3.2.4. MUNICIPAL INSTITUTIONAL CAPACITY AND STATUS OF CRITICAL POSTS

The municipality has filled 4 out of 5 s57 positions, namely the Municipal Manager, the CFO, the Technical Director, the Social and Community Director Services. The Municipality has recently dismissed one s57 Manager due to misconduct and contravening the MFMA. An

acting appointment has been made through the MEC's advise. The Municipality has gone further to beef up its middle Management by filling the post of Human Resources, Manager Internal Audit and Manager IDP & PMS.

C.3.2.5. HUMAN RESOUCSE DEVELOPMENT

SKILLS SHORTAGES

The municipality has embarked on a Workplace Skills Audit which will assist in the identification of the required trainings to be undertaken. This exercise will also give the Municipality a clear direction of the required scarce skills resources to be acquired in order to achieve its mandate. The findings of the Skills Audit have been brought to the attention of Council. Through the WSP the shortages identified are to be addressed.

need to capacitate the workforce this will take place. If more staff developmental needs are identified this will be addressed through the LGSETA and the relevant SETAs and Training Institutions, while the District's support which has come in handy previously will also be pursued.

TRAININGS

The municipality has conducted a number of trainings internally and externally. Future training needs will be informed by the Workplace Skills Audit Report, for the year that is upon us. It is worth mentioning that in the 2014/15 financial year the entire Finance Staff were trained on MFMP, a course that Treasury has labelled compulsory for all Finance Staff and Senior Managers.

SHARED SERVICES

Mpofana LM has shared services arrangements with sister Municipalities within the District on Town Planning. An example is Shared Service Centre which is at uMngeni Municipality which specifically deals with GIS, Mpofana also benefits from the centre.

CAPACITY BUILDING

It is worth mentioning that Mpofana Local Municipality prepared its annual financial statements in-house, This was as a result of a capacity building initiative that saw a few individuals attending the course which would in turn capacitate them to prepare the Annual Financial Statements in-house. This task was normally done by external service providers. The skills audit will without any hesitation help in identifying more gaps and where there's a

EMPLOYMENT EQUITY PLAN

All appointments are made in line with the approved Employment Equity Plan; It is for this reason that most of our employees are previously disadvantaged individuals. The Employment Equity plan is reviewed annually at Mpofana as recommended by the new Council.

HUMAN RESOURCE STRATEGY

This policy is developed and helps the Municipality in selection and retention of the employees. The Human Resource Strategy was outdated but has since been reviewed by the new Council. The appointment of the Human Resources Manager has seen the development of some positives within the HR Department, as Workplace Skills plan is implemented and all HR

policies are being strictly adhered to by the administration.

HR RELATED POLICIES

The following Human Resource related Policies are in place:

Name of Policy	In Place (Yes/No)
Human Resource Strategy	YES
HR Policy	YES
Recruitment Policy	YES
Selection Policy	YES
Retention Policy	YES
Exit Policy	YES

Name of Policy	In Place (Yes/No)
Human Resource Strategy	YES
Workplace Policy on HIV/AIDS	YES
Code of Ethics for Municipal Staff	YES
ICT governance Framework and Strategy	YES
Compliance Management Policy	YES
Overtime Policy	YES
Employment Equity Plan	YES
Workplace Skills Plan	YES

As depicted in the above table, it should be noted that Mpofana has an approved Human Resource Strategy which seeks to help in guiding the allocations, systems and procedures in dealing with Human Resources. Furthermore an employment Equity plan is in place and its implementation has been a smooth, as seen on page 55, in that all section 56 appointments are in line with the organisation's Employment Equity Plan.

INFORMATION COMMUNICATION TECHNOLOGY

Mpofana Local Municipality has an ICT Framework in place as can be seen in the above table, Not only does the framework exist, The administration sees to it that it is indeed implemented. The Auditor General during their audit found Mpofana's ICT framework to be compliant with both the national and international standards, however a few exceptions were raised which have subsequently been addressed as can be seen below. Mpofana has its own domain, which ensures faster emails internally between staff members, In the past an internet firewall did not exist, but of late this is in effect and exists. Mpofana now has an antivirus installed on all its

computers so that risk of computer crashing is minimized. During a strategic planning session, the Municipality has reviewed its ICT Risk Register. The above serves as evidence in how seriously ICT is viewed in Mpofana, all strides are made to ensure that our ICT framework and policy is compliant with national and international standards, while implementation of the adopted ICT policy is being monitored closely by the Corporate Services Department. The challenge however with the ICT is the fact we do not have an offsite server, meaning that Mpofana seems to be at risk due to the aforementioned challenge.

INTERNAL
EXTERNAL

ENABLER

STRENGTH

- Top Management positions filled;
- Harmony between Administration, political leadership and Labour
- Strong Intergovernmental Relations;
- Middle-Management Appointments

OPPORTUNITIES

- Readily available labour source
- Government Legislations
- Government Departments support with providing Warm Bodies
- Usage of ICT to automate and enhance internal processes

CHALLENGE

WEAKNESS

- Inadequate systems and processes
- Lack of controls and monitoring systems;
- No-off site server
- Skills shortages
- Financial constraints;
- Poor implementation of projects and strategies;

THREATS

- High Staff Turnover
- Sense of entitlement for local community to be employed in the Municipality (Possible Protest)
- Worsening Staff Morale

C4.1. WATER AND SANITATION

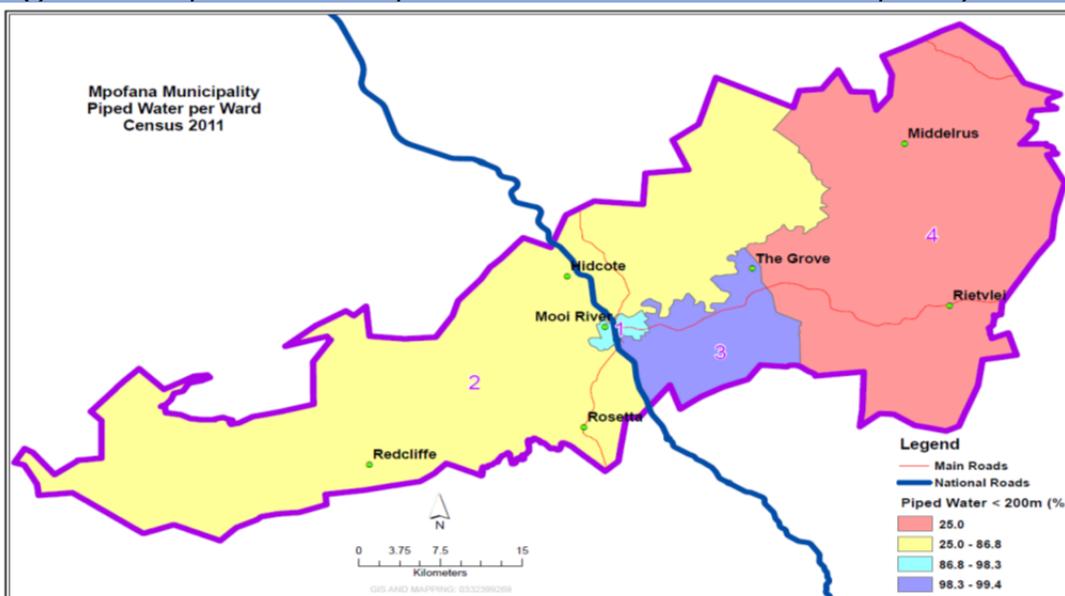
Water and sanitation is one of the most basic needs in our society and a major municipal developmental mandate within the Republic of South Africa.

The Mpofana Municipality still has a major backlog in terms of water and sanitation in certain municipal areas. Ward 2 and 4 are most affected by lack of access to suitable water and sanitation. These two wards are mostly rural in nature with a fragmented household landscape and this could be a contributing factor in the slow progress of service delivery in these areas.

In the 2008/2009 IDP, the municipality handed over the Water and Sanitation functions to the

uMgungundlovu District Municipality which is now the Water Services Authority (WAS). The construction of the Spring Grove Dam will assist in curbing the water shortages experienced in Bruntville, A project which is commissioned by the District Municipality, with Umngeni Water being the implementing agents. The project will see the construction of a steel-pipe-line from Roseta to the Bruntville area Ward 1&3, where it will be feeding the Reservoir, which is currently being constructed. It is anticipated that this project will go as far as Ward 2 and 4, As reflected in the Umgungundlovu District Municipality.

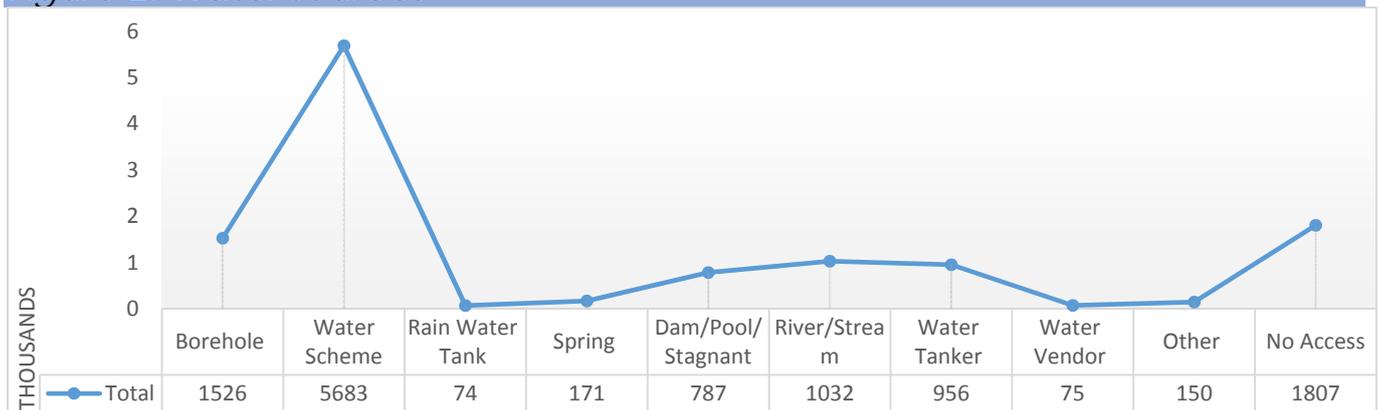
Figure 1: Piped Water per ward within the municipality



The majority of households in the municipality forms part of a water scheme. However, there is still a significant amount of households that do

not have access to water or use water sources that might compromise their health.

Figure 2: Water sources



The majority of households have access to

piped water within their dwelling or yard.

Figure 3: Piped water



The uMgungundlovu District Municipality is the Water Service Authority

Indigent Households Receive Free Basic Water Supply and about 40% of Households in Mpfana LM receive 6 KL free water per month

The district municipality is currently conducting a water meter audit in the Mpfana LM

The next stage will be installing water leak detection systems and pressure management

Mpfana LM has a water demand of 7 -8 MI/d

The UMDM is currently rated as having one of the highest non water revenue losses in KZN due to ageing infrastructure, lack of or inaccurate metering

The extent of water losses within Mpfana LM is unknown

There are no known water conservation strategies in the Mpfana LM

Alien Plant Control and Rainwater Harvesting are High Priority Projects in the Mpfana LM

UMDM spent R1,5 mln in 2012 to install a sludge dewatering plant to improve performance of Mooi River Waste Water Works (WWW)

Design Capacity of Mooi River WWW – 5MI/d

Annual Average Daily Flow of Mooi River WWW – 4.09MI/d

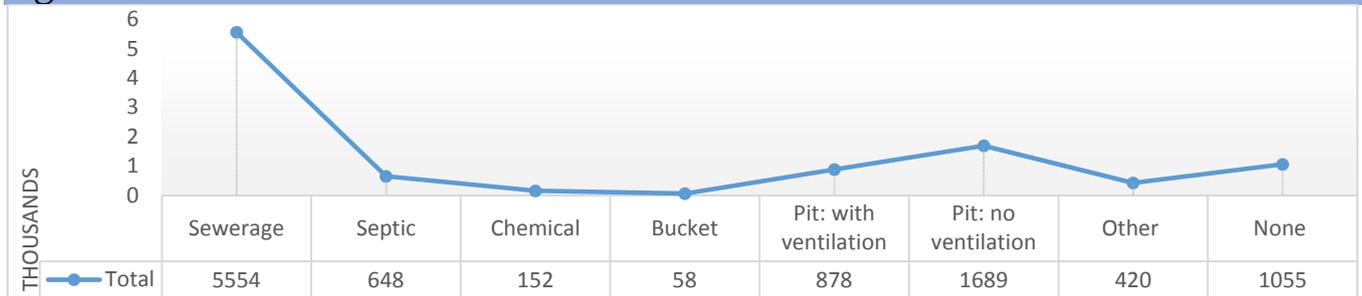
Peak WWF on any day – 10 MI/d

Effluent Quality Compliance – Poor Microbiological Compliance

DWA has approved R2,9 mln for a planning study to be undertaken to look at condition of bulk sewer pipelines and the feasibility of upgrading or building a new Waste Water Works in Mooi River

The availability of toilet facilities has been no exception in the improvement of service delivery since 2001 within the Mpfana Municipality. There has been an approximately 16% increase in the number of flush toilet that are connected to a sewerage system with a significant drop in the bucket system. These are mostly located in Ward 1 and Ward 3 which are the urban centers. Ward 2 with the Rosetta village also forms part of the areas with flush toilets.

Figure 4: Sanitation



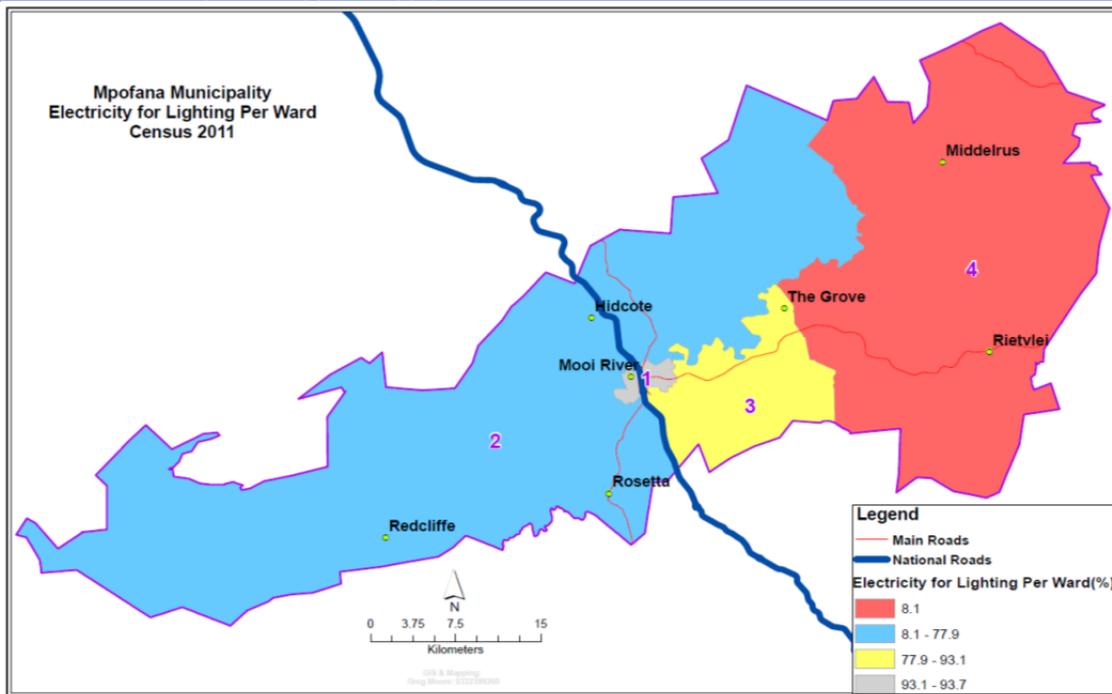
There has been a substantial improvement in the percentages of households that use electricity for lighting purposes. The majority of the households using electricity are located in the urban centers of the municipality, more especially Mooi River, Bruntville and Rosetta. The use of candles has been proven to have hazards effects and the development of the Electricity Sector Plan within the current IDP will properly address areas that require electricity for lighting. Within the current context of the electricity crisis in South Africa, it would be imperative for the municipality to also promote alternative sources of electricity hence addressing the shortages.

It cannot be denied that major backlogs exist in as far as access to Electricity is concerned, that

is why 5 Million Rand has been set aside for the Electrification Project which will aid in dealing with these backlogs in the affected wards (Ward 2 and 4). The Municipality currently does not have an Energy Sector Plan but this is receiving the attention it deserves. This is to be developed soon seeing that a lot of houses will be electrified.

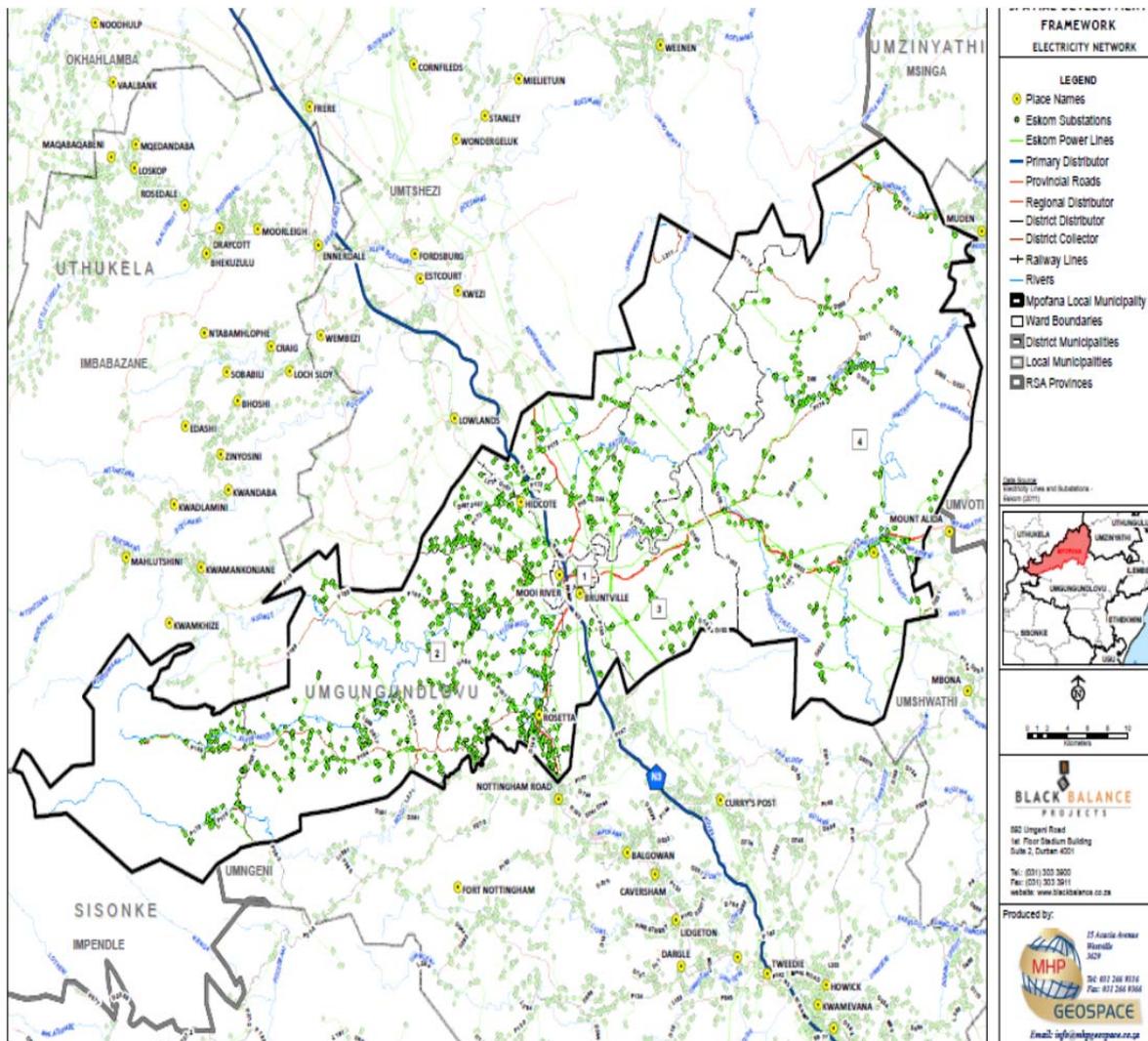
The Municipality services Ward 1 and 3 with Electricity, whilst Eskom services mostly rural areas Ward 2 and 4, The Municipality purchases the electricity from Eskom which in turn sells to the Community and Industries in the Mpofana Area.

Map 12: Electricity for lighting per Ward



According to the above map major backlogs are in Ward 2 and 4 with regards to electricity, An effort is being made to deal with the backlog. 380 Households are due to benefit from the Electrification Project as per the 2015/16 budget. Some houses have already been electrified so the project goes on as planned.

Map 13: Electricity Network



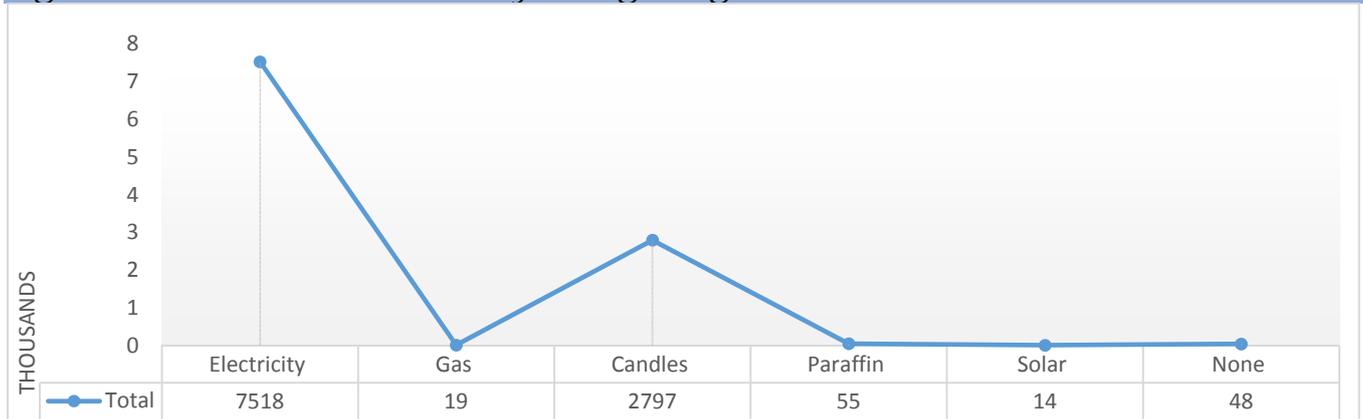
The above Map shows that central to Mpfana, the Electricity network is available, but as you move away from the Centre of the town, Electricity network is lacking, that is why an electrification project which is funded by the Department of Minerals and Energy is currently being implemented in this financial year.

Ward	Electricity	Gas	Paraffin	Candles	Solar	None	Total
Ward 1	2833	6	2	162	4	18	3025
Ward 2	2572	11	11	696	3	9	3302
Ward 3	1948	1	36	104	2	1	2092
Ward 4	165	1	6	1835	5	20	2033
Total	7519	19	55	2797	14	49	10452

The table above shows the Backlogs that exist in Ward 2 and 4 in so far as the Electricity is concerned. Major Backlogs exist in Ward 2 and

Ward 4. The electrification project is to decrease the numbers and thereby address the backlogs that be. More candles are being used in Ward 4, meaning that the backlogs are much higher in Ward 4 than in Ward 2.

Figure 5: Access to electricity for lighting



The current status with regards to energy in the municipality is as follows:-

Mpofana Municipality – Holder of Electricity Distribution License for Mooi River (Ward 1 and 3)

Eskom supplies rural areas of Mpofana LM – less than 10% of HH

Electricity demand being reduced by fitting energy saving light bulbs and solar water heating

No free basic electricity is provided at the moment, but in the year that is upon us there is a plan to address this, by reviewing the Indigent Register.

The table above reflect that the municipality has a challenge to provide electricity to rural areas especially ward 4.

At the moment an Operations and Maintenance Plan is still being developed, once the funds to fund the Maintenance plan is made available this will be implemented.

Power lines are regularly checked by our Senior Electrician and where cables need to be changed; this is done with the little resources at our disposal.

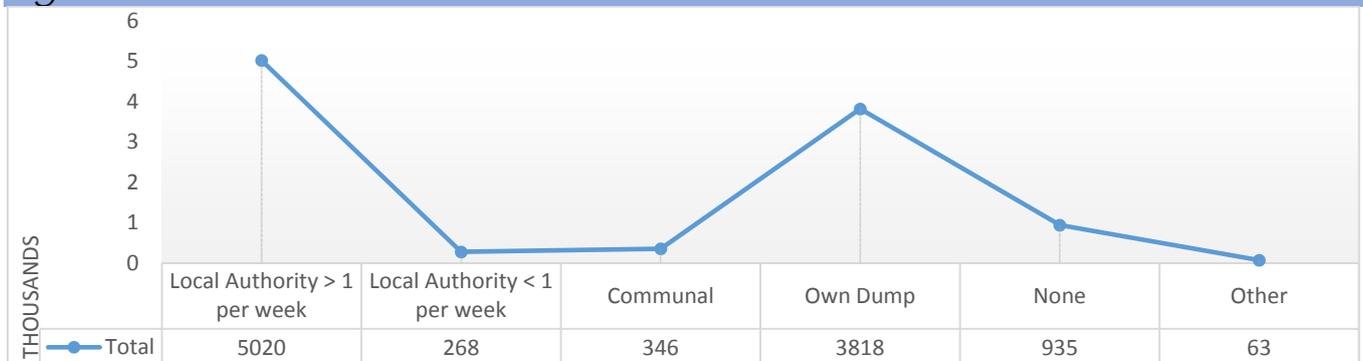
There is a need to employ an electrical engineer; this has been catered for in the reviewed organogram since Mpofana is a holder of an electric licence for Ward 1 and 3 respectively. The Energy/ Electricity Sector Plan is currently being planned and will e

C4.3.1 SOLID WASTE MANAGEMENT

There has been a 30% increase in household refuse collection services since 2001 and an increase in household refuse since 1996. There is a Compactor Truck that was purchased in 2012.

There is a need to provide refuse collection services to areas that are 40km to 80km from Mooi River.

Figure 6: Waste removal



Although the majority of households have their refuse removed on a regular basis, there are still significant amounts that have their own refuse

dump, which can lead to environmental health issues.

Mpofana has a Landfill site that is serviced by the District Municipality, The Municipality's

Landfill site has been in existence for a considerable amount of time 25 years. It does need upgrading, Umgungundlovu District Municipality is in the process of purchasing a Compactor which will bury the dirt. It is also worth mentioning that the Municipality has looked at other options with regards to waste management and in line with its Waste Management Plan. There has been a proposal from a Private Sector to convert waste to energy, so as to better manage our waste and to deal with the energy crisis facing our country. Another proposal has come to the attention of the Municipality by a

EPWP Programme trained unemployed Graduates to lead the process of the sustenance of the Landfill Site. The Municipality has also come into partnership with Khabokhedi- Which is a Youth in Waste Programme which is in line with the Integrated Waste Management Plan (IWMP), Khobokedi assists in educating the community about recycling. Another project has recently been launched a recycling project that is led by community members.



The Integrated Waste Management Plan has been tabled to Council as a Draft and it was prepared in house. This was prompted by the MEC's comments in as far as the 2014/15 IDP is concerned. Mpofana has also Through the

The primary transport route within the municipality is the **N3 Route** that traverses and links Pietermaritzburg and Durban to the south and ultimately the Gauteng Highveld to the north and north-west. **The Roads Network Map** shows that the largest majority of households in the municipality enjoy access to roads at regional, district and local level.

The Municipality is strategically located in relation to national, provincial and regional routes. Major connector roads within the municipal area include the following:

- N3 which is a national corridor.
- R103 (P1-8) which adjacent the N3.
- R622 (P14-2) to Greytown and beyond.
- P164 to Drakensberg.
- P175 to UMTshezi

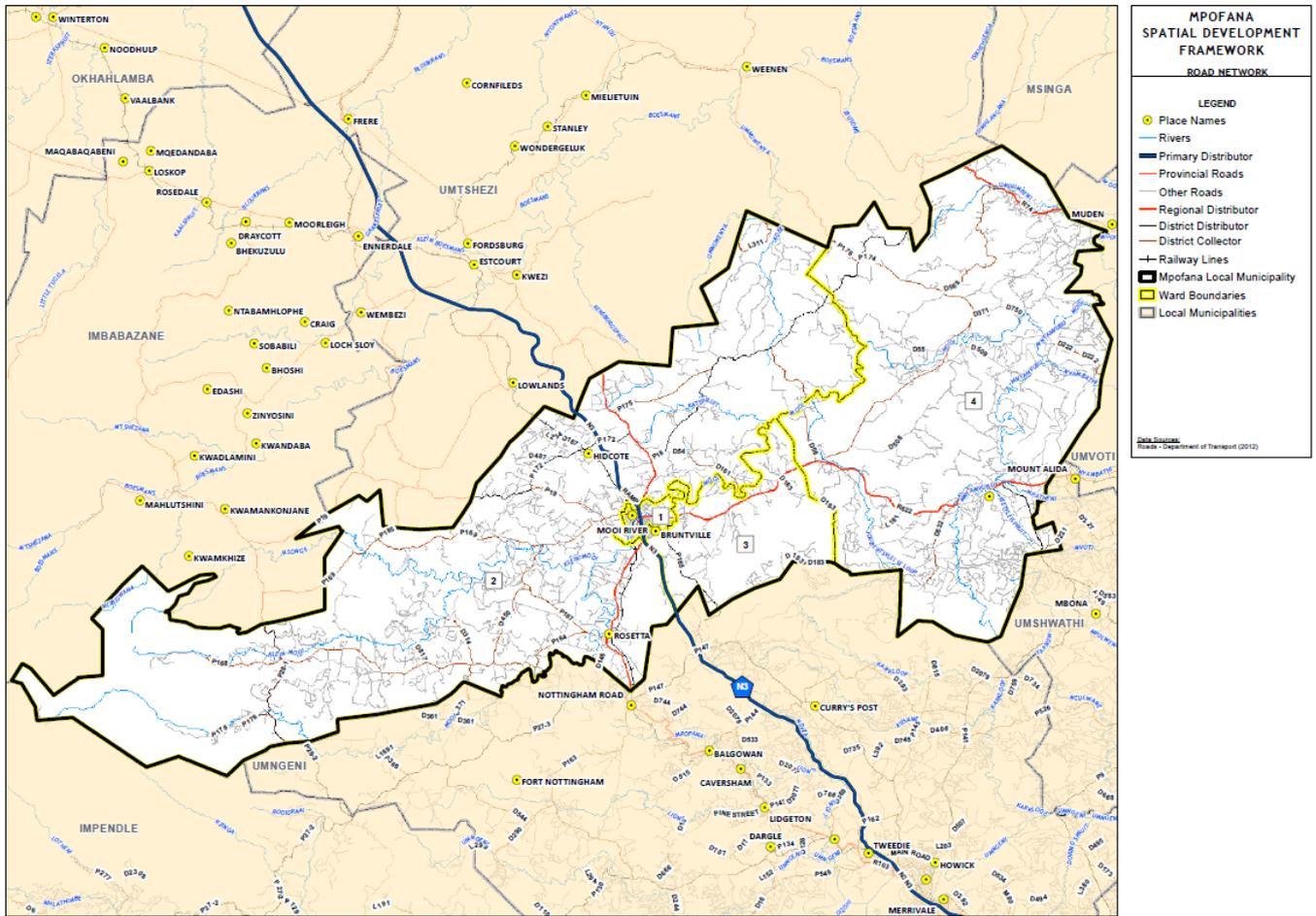
There are a number of regional distributor roads spread relatively even throughout the municipal area, improving the relative accessibility of the majority of settlements and households in the municipality. Many households are also serviced through lower order, district or local, roads. The map does not indicate the condition of the roads in terms of maintenance and quality.

The Road Infrastructure Strategic Framework for South Africa (RIFSA) classifications indicates a major dependency on lower order access roads for most of the residents within. Due to the remoteness of these roads, as well as the limited funding for infrastructure maintenance, maintenance of these roads might pose a problem in future.

It is true that the conditions of the roads in the Mpofana area are bad, the roads are characterised by potholes, no drainage systems and are unmaintained due to limited funding that the Municipality has been receiving. The Municipality seeks to address this by having 3 capital projects split in the 3 wards so as to rehabilitate the

roads, namely Bruntville Main Road, Upper Town Rehabilitation Road and Vrystaat Road. There are projects in place which are aimed at dealing with the bad road conditions that are in Mpofana. Also Heavy vehicles have been prohibited from entering certain areas of Mpofana due to the threat they pose on road conditions.

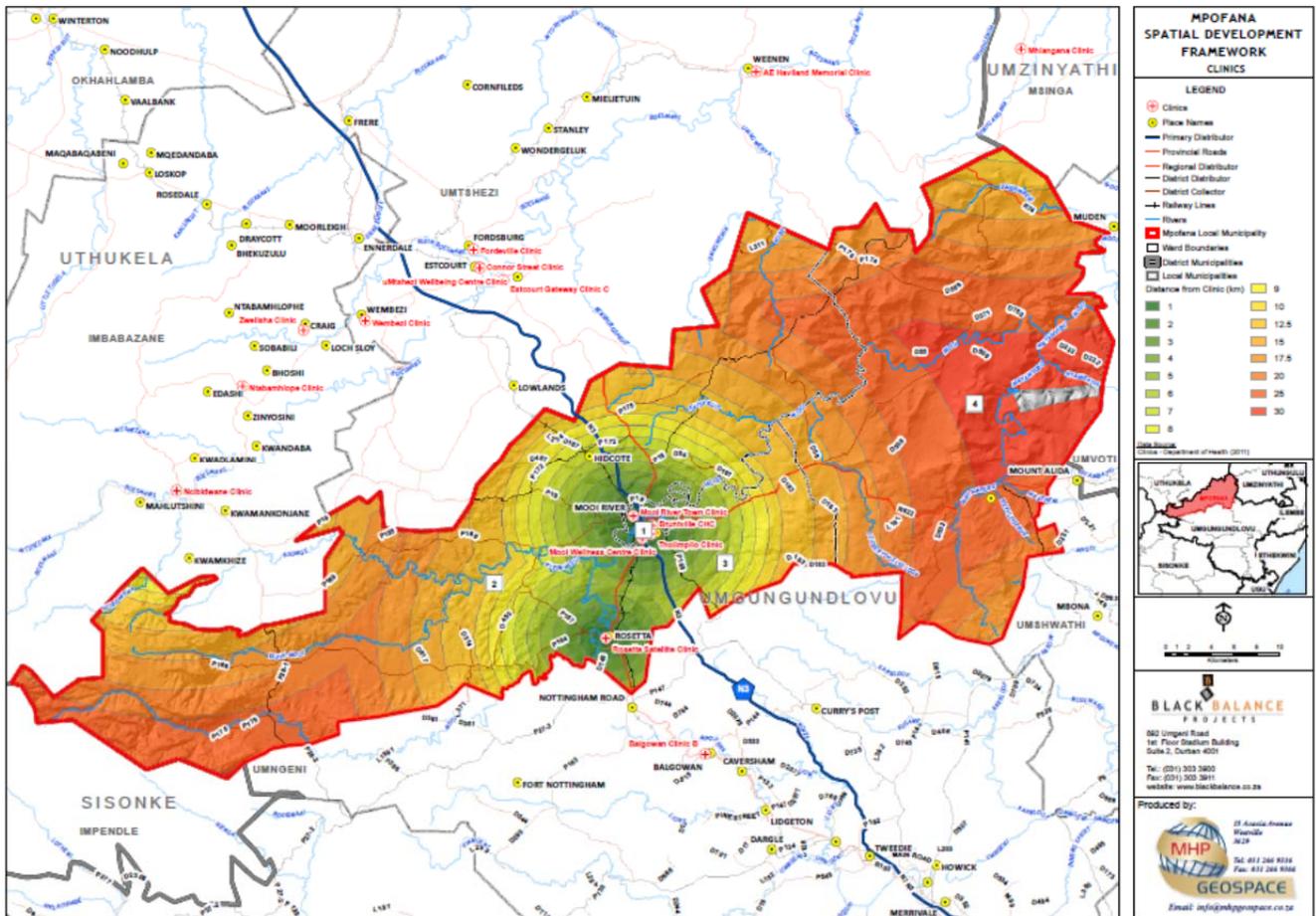
Map 14: Road Network

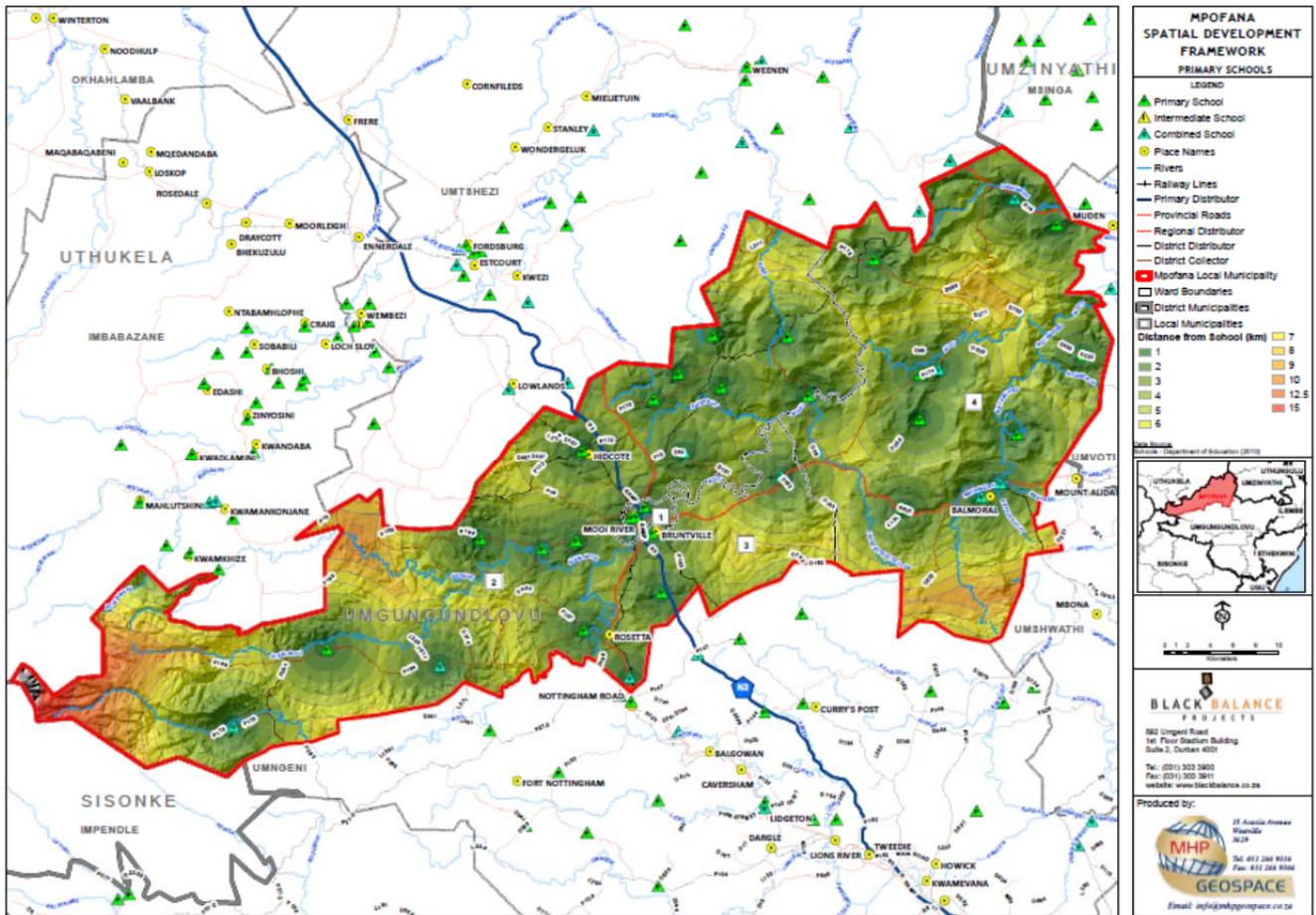


C4.5. ACCESS TO COMMUNITY FACILITIES

Below the Graph shows Communities access to Facilities in the Mpofana Area, This is broken down per ward and the number of those facilities per ward.

Map 13: Clinics in the Mpofana area





Schools in the Mpofofana area, The Department have Education is looking into constructing a new Primary School due to the fact there is overcrowding in Bruntville Primary School.

SERVICES	TOTAL NUMBER MPOFANA	WARD 1	WARD2	WARD 3	WARD 4
Hospital	n/a	n/a	n/a	n/a	n/a
Clinics	4	2	1	1	n/a
Mobile clinic	1	n/a	n/a	n/a	1
Schools	41	4	23	4	10
Libraries	2	1	n/a	1	n/a
Police station	1	1	n/a	n/a	n/a
Cemeteries	2	1	n/a	1	n/a
Dump site	1	n/a	n/a	1	n/a
Soccer fields	3	2	n/a	1	n/a
Netball fields	1	n/a	n/a	1	n/a
Rugby fields	n/a	n/a	n/a	n/a	n/a
Swimming facilities	n/a	n/a	n/a	n/a	n/a
Basketball facilities	2	1	n/a	1	n/a
Cricket facilities	n/a	n/a	n/a	n/a	n/a
Boxing facilities	n/a	n/a	n/a	n/a	n/a
Gymnasium facilities	n/a	n/a	n/a	n/a	n/a
Halls	5	1	2	1	1

The above table shows the community's access to social amenities per ward.

The Municipality interacts with some Government Departments in providing the services, Department of Health Provides the Clinics, with the Department of Sports and recreation providing recreational facilities, this is true of the newly launched Bruntville Stadium which was constructed by the Department of Sports and Recreation. Department of Arts and Culture which has since had a partnership with Mpofana Municipality is responsible for funding the Libraries and servicing the Libraries by

providing books, It cannot be denied that Recreational Facilities are a priority in Ward 2 and 4 as there is a need for such facilities as reflected in the table above which shows access to facilities.

Below are Projects that have been funded by Human Settlement (Housing Projects) The table depicts the number of units in each of the areas concerned. The number of Units per area are the Units to be built, Once the projects are completed this will affect settlement patterns as some families are housed in very small shelters yet with so many members.

Project name	Ward	Units	2015/16	2016/17	2017/18	2018/19	2019/20
Ekujabuleni	3	120		R10 300 000	R9 600 000		
Ebuhleni	4	100	R8 000 000				
Phumlas	1	400	R19 200 000				
Bruntville	3	120			R3 000 000		
Craigieburn	4	850			R6 300 000	R6 300 000	R6 300 000
Tendele	2	250					
Rosetta	2	92	R230 000		R3 000 000	R3 000 000	R3 600 000

1932 Housing Units as per the Housing Sector Plan.

MECHANISM FOR CO-ORDINATION OF HOUSING DEVELOPMENTS WITH SERVICE PROVIDERS

Housing Projects are funded by Human Settlements, The co-ordination however lies with Mpofana Local Municipality. The co-ordination of all current and planned Housing Projects takes place through Think Tanks meetings which are attended by Mpofana's Officials, Department of Human Settlement, The Implementing Agents and the Service Providers. In these Think Tank meetings, challenges are raised and amicable solutions as per the different housing projects are made. Mpofana has been pro-active in the implementation of some of Housing Projects, where upon Section 32 appointments have been made where some service providers performed badly and slowly. Mpofana is better suited to co-ordinate the Housing Developments this is also complemented by the fact that the Housing Unit has a dedicated Officer and a Director who oversees Housing as well. It is through our Housing Officer and through War-Rooms and Operation Sukuma Sakhe and IDP Consultative meetings that we have been able to identify the backlogs that exist in Mpofana Local Municipality in as far as housing is concerned. Co-ordinated and joint effort is also needed from the District Municipality which is tasked with providing Bulk Services to the funded Housing Projects and planned Housing Projects.

Housing Needs	Type of Settlement	No. Of units	WARD
Beth Shemite AIDS Orphanage	Urban	120	1
Randebosch	Urban	60	2
Enkululeko	Rural	60	4
Muden	Rural	650	4
Middelrus	Rural	650	4
Rockydrift	Rural	650	4
Waterfalls	Rural	650	4
Hidcote	Rural	100	2
Bruntville	Urban	200	3
Phofini	Rural	100	2
Scottfontein	Rural	100	2
Phumlass	Urban	800	1
RDP Houses	Urban	2000	All

concluded by Stat SA. In 2001 22% percent of households had access to cell phones, while in

TELECOMMUNICATION

Telecommunication is vital in this technological and ever evolving world. Communication proves vital in the dissemination of information to the citizenry. Mpfana realizes the need to have a well oiled telecommunication network. Things like email, website, blogs and facebook pages are means by which the Municipality is able to communicate to the public. Telephones are also vital in this regard. According to Stat SA, the Mpfana Citizenry has access to cell phones, although in some wards there are still issues with cell phone networks. MTN and Vodacom have been approached for the areas which lack bulk telecommunication network. It is for this reason that a Cell-tower has been erected in Ward 2, which will help service Summerhill Studs Farm which falls under Mpfana Local Municipality and was previously not reachable via cellphones. Stat SA during the 2011 census has confirmed that there is a rise in relation to access to telecommunication facilities in Mpfana.

HOUSEHOLDS WITH ACCESS TO TELECOMMUNICATIONS

As stated in the aforementioned paragraph, there has been an increase in the number of households with access to telecommunication in the municipality. This is evident by the number of people with access to cellphones as

2011 the figure seems to have increased to 75%. Only 15% of households have access to computers and internet. That is why the Municipality has ensured that the Youth Centre has free internet for the youth. The number has not increased much from the 2001 census. The reason for this decision was based on the Census count which highlighted that over 54% of Mpfana population is youth. More applications are still being made for more Cell-towers so that a lot of people would be able to communicate. It has been noted that the fact that only a few people have access to the Computer, means that computer literacy is on a low in Mpfana, hence there is a need to make the youth centre more accessible

C4.7. INFRASTRUCTURE DEVELOPMENT PROJECTS

The projects listed below respond to all the infrastructure requirements of the municipality across all of the four wards and will not only benefit the infrastructure needs but also create employment opportunities for the local communities. If these infrastructure development projects are funded, they will assist the municipality to have access to many areas which the Municipality currently has difficulty accessing due to conditions that prevail, like the road conditions which make it

difficult to deliver municipal services in some areas. The projects listed below, even though not currently funded, are informed by community needs and priorities identified through the ward committee structures and through a series of community meetings in developing the IDP. The table below summarises the list of need identified during our Community Engagements which took place in from February to March of 2015.

Roads and Infrastructure Projects	Ward	Length & Project Scope	Estimated Cost	Locality	Implementing Agent/Entity
Upgrade of CBD Roads	1	8 km roads Rehabilitation of Street surface Storm water drainage system Signage	R20M	Central business district of Mpofana LM	Mpofana LM Dept of Transport
Construction of Ward 2 & 4 Roads	4	Earth works Road layer Works Storm water drainage system Signage	R 150 000	Muden, Nyamvubu, Birdspruit, Cranham; Rocky drift; Emdubuzweni, Scotfontein Roads, Phofini Road, Nkomba Road, Tendele Road, Rondebosch Road.	Mpofana Municipality
Mooi River Traffic circle and Island beautification Project	1	Traffic circle upgrade and Land scaping	R300,000	Central business district of Mpofana LM	Mpofana Municipality Dept of Transport and COGTA
Beautification of Rosetta Town	2	Upgrade of Infrastructure	R3M	Central business district of Rosetta	Department of Transport
Upgrade of Shiyabazali residential Roads	3	Earth works Road layer Works Storm water drainage system Signage	R4.5M	Shiyabazali Township	Mpofana Municipality

Roads and Infrastructure Projects	Ward	Length & Project Scope	Estimated Cost	Locality	Implementing Agent/Entity
Fencing of Schools	2	Summerhill and Hidcote	R1M	Summerhill and Hidcote Schools	Department of Education
Rosetta Bus Shelter	2	Construction of Bus Shelter in the Rosetta Area	R50, 000	Roseta	Mpofana Local Municipality
Upgrade of Bhumaneni Stadium	4	Earthworks Fencing Grassing Multi-sport facilities Grand stands Change rooms & Toilets. Parking	R4.5M	Bhumaneni	Local Municipality District Munic Dept. of sport & Recreation
Upgrade of Muden Stadium	4	Earthworks Fencing Grassing Multi-sport facilities Grand stands Change rooms & Toilets. Parking	R4.5M	Muden	Local Municipality District Munic Dept. of sport & Recreation
Upgrade of Rietvlei Stadium	4	Earthworks Fencing Grassing Multi-sport facilities Grand stands Change rooms & Toilets. Parking	R4.5M	Rietvlei	Local Municipality District Municipality Dept. of sport & Recreation
Upgrade of Mooi River Stadium	1	Earthworks Fencing Grassing Multi-sport facilities Grand stands Change rooms & Toilets. Parking	R 500 000	Mooi River	Local Municipality District Municipality Dept. of sport & Recreation

Roads and Infrastructure Projects	Ward	Length & Project Scope	Estimated Cost	Locality	Implementing Agent/Entity
Household Electrification Project	2 & 4	Bulk supply of electricity network Associated Infrastructure Reticulation network Household connections	R36M	Muden, Nyamvubu, Birdspruit, Cranham; Rocky drift; Emdubuzweni; Milderus; Vovonya, Hidcote, Rondeboshc	Dept of Mineral & Energy Eskom
Household Electrification Project	2	Bulk supply of electricity network Associated Infrastructure Reticulation network Household connections	R36M	Scotsfontein; Rossetta; Mngwenya ; Rondebosch farm	Dept of Mineral & Energy Eskom
Construction of Creche	2&4	Construction of a Creche to house children		Rondebosch, Phofini, Sgubudu, Nyamvubu.	Department of Education
Bruntville Gardens	1 & 3	Community Gardens	R1M	Bruntville Township	Department of Agriculture and Mpofana Local Municipality
Upgrade of Electricity Network Project	1	Upgrade of Bulk supply of electricity Associated Infrastructure upgrade Reticulation network upgrade	R50M	CBD and Townships	Dept of Mineral & Energy Eskom
Upgrade of Phumlaas Residential Engineering Services- Roads, Water and Sewer and Housing	3	8km Road Network - Surfacing Sewer reticulation upgrade Water Reticulation upgrade	R16M	Phumlaas Township in Mooi River	Human settlement dept. Mpofana Municipality
Town view Early Education centre	1	Construction of Early Childhood Centre	R5M	Townview	Mpofana Municipality

Roads and Infrastructure Projects	Ward	Length & Project Scope	Estimated Cost	Locality	Implementing Agent/Entity
Townview/Bruntville Botanic Gardens	1&3	Establishment of a Botanical Garden	R2M	Bruntville	Mpofana Municipality
Upgrade of Mooi River Tennis Court	3	Revamping of Tennis Court	R0.4M	Bruntville	Mpofana Municipality UMDM Sports and Recreation dept.
Townview Indoor sport complex centre	1	Completion of Townview Sport Complex	R5.5M	Town view	Mpofana LM Human settlement dept.
Scotsfontein; Rossetta; Mngwenya ; Rondebosch farm	2	Road Construction	R30M	Scotsfontein; Rossetta; Mngwenya ; Rondebosch farm	Mpofana LM
Cranham Water Scheme	4	Bulk Water Supply	R5M	Cranham;	Mpofana LM
Mooi-Mngeni Transfer scheme	2	Bulk Water Supply	R50M	Rossetta, UMngeni Localities	Umgungundlovu DM Umngeni water
Muden Water scheme	4	Bulk Water Supply	R5M	Muden	Mpofana LM
Emdubuzweni Road Revamping	4	Rehabilitation of Road	R4M	Emdubuzweni	Mpofana LM
Middelrus	4	Road Maintenance	R2M	Milderus	Mpofana LM
Nyamvubu	4	Road Maintenance	R3M	Nyamvubu	Mpofana LM
KwaMqenula	4	Road Maintenance	R2M	KwaMqenula	Mpofana LM

Roads and Infrastructure Projects	Ward	Length & Project Scope	Estimated Cost	Locality	Implementing Agent/Entity
Rocky Drift	4	Road Maintenance	R3M	Rocky Drift	Umgungundlovu DM
Vovonya	4	Road Maintenance	R3M	Vovonya	Umgungundlovu DM
Milderus	4	Road Maintenance	R2M	Milderus	Mpofana LM
Nyamvubu	4	Road Maintenance	R3M	Nyamvubu	Mpofana LM
KwaMqenula	4	Road Maintenance	R2M	KwaMqenula	Mpofana LM
Vovonya	4	Road Maintenance	R3M	Vovonya	Mpofana LM
Rocky Drift	4	Road Maintenance	R3M	Rocky Drift	Mpofana LM
Rossetta	2	Road Maintenance	R2M	Rosetta	Mpofana LM
Scotsfontein	2	Road Maintenance	R5M	Scosfontein	Mpofana LM
Tendele	2	Road Maintenance	R5M	Tendele	Mpofana LM
Rondebosch	2	Road Maintenance	R2M	Rondebosch	Mpofana LM

Roads and Infrastructure Projects	Ward	Length & Project Scope	Estimated Cost	Locality	Implementing Agent/Entity
Mngwenya	2	Road Maintenance	R8M	Mngwenya	Mpofana LM
Upgrade reticulation network in CBD	3	Upgrade of Electricity Network	R10M	Bruntville	Mpofana LM
Development of waste Management Plan	All	6 months Project A planning document	R300 000	Mpofana	Mpofana Municipality
Development of waste recycling plant	1	Establishment of waste recycling plant to ensure an environmentally friendly area	R1M	Mpofana	Mpofana Municipality
Upgrade of Solid waste Management Site	1	Selection of suitable site Environmental Impact Assessment Design of waste disposal site Construction for waste disposal site	R3M	Mpofana	Umgungundlovu District
Electricity Network and street light maintenance	1&3	Routine maintenance of network Repairs on electricity faults	R700000 per annum	CBD and Townships	Mpofana Municipality
Roads and storm water operation & Maintenance	1&3	Pothole filling and compaction Stormwater drainage cleaning Resurfacing of Streets	R1.5M	CBD and Townships	Mpofana Municipality
Solid Waste Management	1&3	Collection of refuse and disposal Maintenance of waste disposal site Plant & Equipment maintenance Supply of refuse bags	R4M	CBD and Townships	Mpofana Municipality

Roads and Infrastructure Projects	Ward	Length & Project Scope	Estimated Cost	Locality	Implementing Agent/Entity
Maintenance of Municipal Buildings & Halls	1&3	Repairs on electrical faults Painting Brick works Surfaces Built -ins	R 3M	All Properties in the Municipal Boundaries	Mpofana Municipality
Phumlass Access Roads	1	Upgrade of Access Roads	R 20M	Upgrade of Access Roads	Mpofana Municipality
Riversdale Housing Projects	1	64 Housing Units		Riversdale	Department of Human Settlement
36 Town-View Houses	1	Construction of 36 Units for the beneficiaries that did not benefit from the Town-View Housing Project		Townview	Department of Human Settlement
Bruntville Abestos Housing Rehabilitation	3	Re-construction of Abestos Houses in the Bruntville Area		Bruntville	Enviromental Affairs
Bruntville Library	3	Re-construction of Bruntville Library		Bruntville	Department of Arts and Culture
Solar Geyser Installation	1&3	Installation of Solar Geysers	R50 000 000	Bruntville	Department of Energy
Reconstruction of Gwala Park	3	Reconstruction of Gwala Park Houses which are too small.		Bruntville	Department of Human Settlement

BASIC SERVICE DELIVERY: SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Constitutional Mandate to provide Free Basic Services • Location of the Municipality • High levels of improvement in the delivery of basic services • EPWP Staff which complements the Municipality's effort in Service Delivery • Good understanding of the needs of the community • Good understanding of the Community's needs • Staff management and leadership • Implementation of Housing projects • Technical Director position filled 	<ul style="list-style-type: none"> • Households in Ward 2 and 4 too scattered making it costly to provide the needed services • Limited MIG Funding • Lack of access of social amenities in ward 2 and 4 • High level of vacancies • Poor access roads • Dilapidated infrastructure • MIG reporting • One compactor for Waste Collection
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Government Department Funding • Proposed conversion to smart metering • Planned purchasing of Grader and TLB • Proposed new-land fill site • Completed Business plans for funding • Proposed Conversion of Waste to Energy 	<ul style="list-style-type: none"> • Bad Road infrastructure • Electricity Theft • Low maintenance of Infrastructure • Slow implementation of Water Projects • Lack of co-ordination between the UMDM and Local Municipality • Slow SCM processes resulting in poor service delivery • One landfill site which services more than 5000 households weekly • One compactor • Illegal dumping which could cause health hazards

C5. LOCAL ECONOMIC & SOCIAL DEVELOPMENT ANALYSIS

C5.1. LOCAL ECONOMIC DEVELOPMENT ANALYSIS

C5.1.1. MUNICIPAL COMPARATIVE & COMPETITIVE ADVANTAGES

Comparative Advantages	Competitive Advantages
Easy access to national (N3) and provincial (R103) carriage way.	A Vibrant Agricultural Sector that is well linked to the supply chain.
Abundance access to natural resources such as water, scenic beauty and other input resources such as human, electricity etc.	Mooi River town and its surrounding agricultural areas fall within Bio-resource Group (Central Midlands) that is classified as having 67% arable land with 47% of this land consisting of high potential soils.
Proximity to the Capital City of KZN and provincial government administration.	The moist midlands belt allows the area to be ideal for forestry development.
Land reform beneficiaries constitute a second high percentage of land ownership after private individuals.	The area is the origin of many streams and rivers and is thus ideal for the conservation of water resources.
Close proximity to the Midlands Meander tourism route and the proposed Industrial corridor of uMngeni, uMsunduzi and eThekweni.	Best private schools in the midlands-which support the promotion and increases demand for tourism products.
Strong cultural and historic heritage.	Midlands Meander's central point
Youthful population which is both an advantage and disadvantage if employment opportunities and recreational facilities are not provided	Spring Groove Dam

AGRICULTURE

The Department of Agriculture and Environmental Affairs has identified soya, dry beans and maize as products for intensive support in line with the concept of one village one product. Seven districts including uMgungundlovu were identified to be most suitable for this initiative. Mpofana municipality and its partners with its competitive advantage of vast arable land will respond to this call.

Mooi River is one of the regions that have a large percentage of farms acquired during the land restitution programme. Twenty percent of Agricultural land is now on the hands of previously disadvantaged individuals with the others yet to be transferred. While this is anticipated to create an asset base for the poor and enable them to engage in land related economic development initiatives, but due to limited resources mobilisation, financial support, training, integrated planning and support is now resulting in the sector experiencing unintended consequences viz: loss of high potential agricultural land. The net results of this is continuous prevalence of poverty and unemployment.

The issue of underutilization of agricultural land had been identified as an issue of concern and has prompted the municipality to collaborate with local farmers Association, DAERD, DRDLR and ADA to find the best possible solution to remedy this situation. As a remedial intervention a local commercial farmer from Middelrus Valley has decided to partner with six communities who acquired land restitution programme to establish a vegetable Joint Venture projects. The Communities concerned own 70% of the business and have committed small portion of their land to the joint Venture towards vegetable cultivation. The communities will reap multi benefits from this initiative to such an extent that they will get employment from the JV, receiving monthly rentals from the land they have committed whilst owning 70% of the JV. This project is now on implementation stage and over 350ha of land is cultivated with Vegetables.

The second phase of this project is the plantation of stone nuts fruits on the remaining portions of land.

The third phase of this project will be the establishment of Agro-processing facility which is the complementary project for the Joint Venture. The studies for the processing plant are currently underway which entail a feasibility

study, an EIA study and preliminary designs. Due to large production to be required to sustain the processing hub the joint venture type of a project will be replicated to all underutilized farms owned by PDIs around Mpofana.

A bridging support programme between commercial and emerging farmers is being implemented. This encompasses the revitalization of potential agricultural land in order to direct required support to intensify performance of agricultural sector. The produce from these farms will be marketed to the proposed agri-processing hub.

TOURISM

Mpofana municipality will utilise its comparative advantage of being close to the N3 highway to market local tourism products. A joint tourism route will be developed in partnership with Open Africa and surrounding CTOs to broaden and increase the length of stay as well as spend of tourists.

Currently the local tourism and crafts centre is in operation and even has an additional craft facility to accommodate local crafters. This tourism centre offers a restaurant, tour bus and crafts facilities. The development and erection of tourism signage will be intensified in order to encourage motorists to come-off the N3. A Municipal wide Brochure aligning the Municipal area to the Midlands Meander, Battlefields, Drakensberg (Giants Castle), Pietermaritzburg and the like is going to be produced and will effectively market the area as a gateway.

TZN has already offered to conduct training workshops for emerging tourism based enterprises and crafters. This will surely improve local products and exposure to niche markets. (E.g. development of bird-viewing sites, tour guides etc.).

With the Spring Grove Dam being under construction it is envisaged that the tourism sector is going to be intensified through the development of tourism establishments around the dam. This attraction has without doubt the potential of becoming a major tourist draw card which will incorporate a number of recreational activities that will prolong the tourists stay in the town.

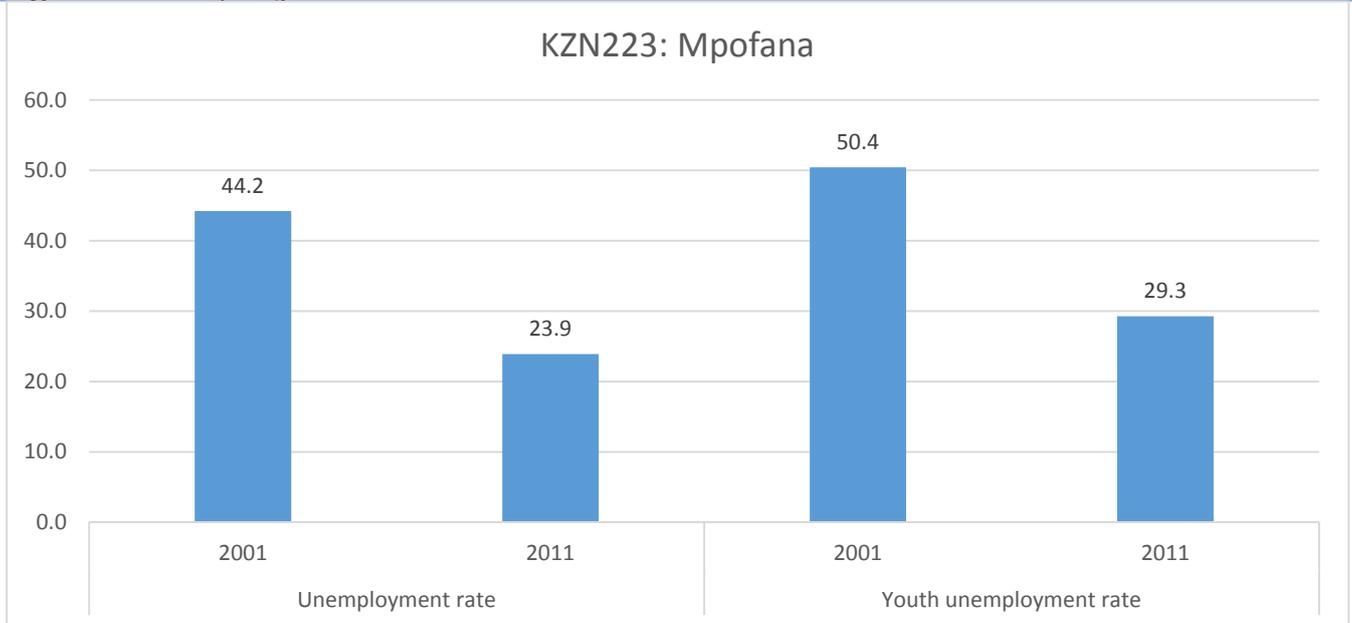
SMMES AND CO-OPERATIVES

The Municipality has realized a need to develop and support SMMEs as an alternative vehicle for job creation and poverty alleviation by ensuring that aspired community members are assisted to register businesses and Co-operatives through the linkage that the municipality has with CIPC. After registering a certain number of businesses the LED section co-ordinates various workshops for entrant SMME aimed at empowering them with information that will enable them to grow and to sustain their businesses. The workshops offered include business plan development, tendering and business management. In partnership with SEDA, the local Municipality has created an Enterprise Information Centre that helps provide and refer Entrepreneurs to business development support services thereby improving both the sustainability and management of SMMEs. The Municipality has even partnered with DEDT to assist SMMEs engaged in various technical sectors by providing technical skills development trainings relevant to their sectors to ensure they enhance performance by participating competitively within their respective sectors. An LED Forum which focused on Women-led Co-operatives was staged, wherein women were capacitated and this was used as an information sharing session for existing and upcoming Co-operatives.

Some of the concerns which most businesses in Mpofana have reported that, there is (60%) deterioration in the business environment and attribute this to crime, HIV/AIDS, inconsistent service delivery, lack of maintenance, the lack of employment, and poor road conditions. If Tourism is to be pursued as one of the key mechanisms by which Mpofana will rise against its challenges, Road Conditions are to be dealt with as a matter of urgency and the dilapidated infrastructure is to be a priority.

Woza-Woza Centre which belongs to the Municipality has thus been leased to Tourism players so as to ensure that local Tourism is transformed in that it will be the first point of entry to tourists coming into Mpofana, this will thus enable the local crafts-men to market themselves. Woza-Woza is well positioned in that it is strategically located, in that Mpofana Municipality, Some economic activities including tourist attraction activities are being seen at this recently revived centre.

Figure 7: Employment status



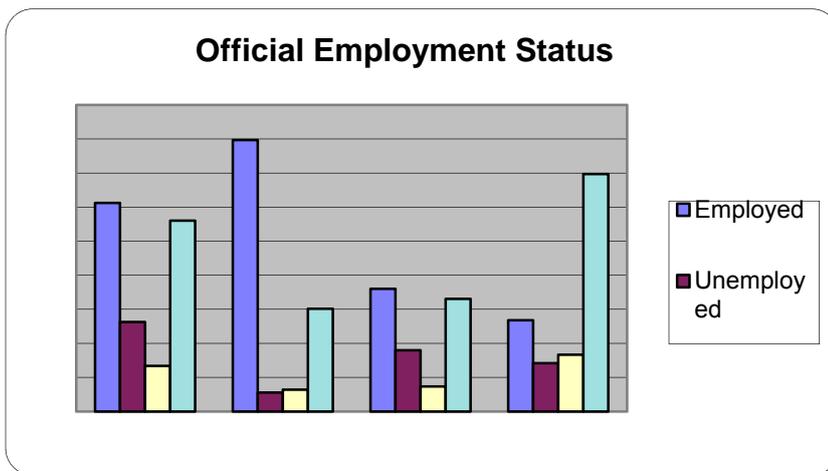
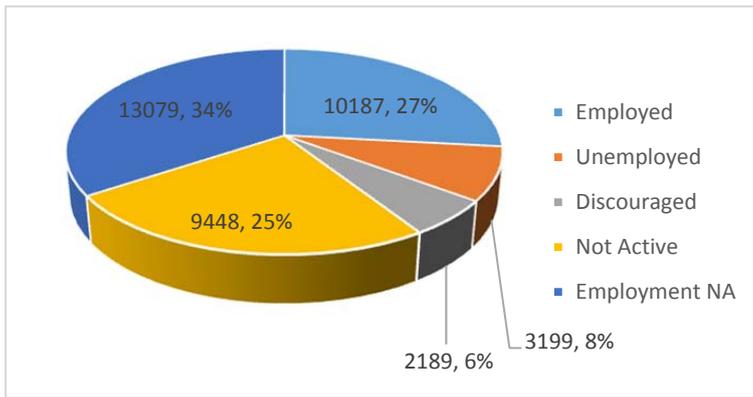
Source: Census 2011

The figure above shows that unemployment decreased between 2001 to the year 2011. Employment status is increasing in spite of the slow pace of investors moving to Mpofana. The establishment of Tyan textile industry, construction of Spring groove dam and Spar retail has contributed to the increase in job opportunities. These figures are showing that there is hope for people of Mpofana in terms of employment opportunities. However the

employment rate is increasing at a very low rate.

The municipality has prioritise economic growth by rolling out its investment incentive policy, small town rehabilitation programme, leverage on municipal assets by disposing land for development of food retail and golf club and establishment of industrial hub. All these initiatives will result in economic growth and unlocking of job opportunities.

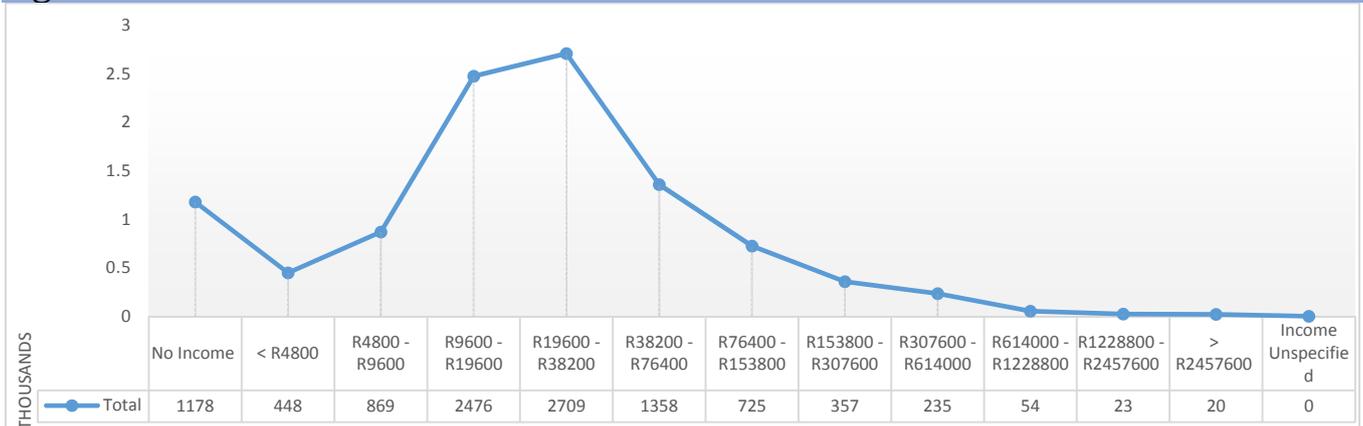
Figure 8: Employment status as per 2011 Census



The unemployment levels are projected at 45% and this is due to a lack of economic activities that provide employment to the municipality. This can also be attributed to closure of textile factories in the nineties, lack of entrepreneurs, lack of infrastructure to boost investor confidence, lack of skilled labour etc. The municipality also faces a shortage in the skilled and professional pool labour as most individuals are employed in elementary occupations. The lack of skilled labour or professionals in the municipality results in other individuals outside of the municipality being employed within. There are quite a number of individuals who are self-

employed through the formal and informal arts and craft sector of the economy. This might be related to the location of the municipality within the Midlands Meander and along the N3. This is a positive trend for the municipality to promote the tourism sector. The unemployment rate has a direct impact on the affordability of municipal services and therefore affects Municipality's cash flow situation negatively. The high unemployment rate also suggests that economic growth and job creation must be considered as one of the key strategic issues for the Municipality.

Figure 9: Household income levels



THE LED STRATEGY

The current LED strategy has been reviewed to respond to the socio-economic challenges facing Mpofana Municipality. Internal resources have been used to review Mpofana LED strategy. Consultation with key stakeholders during the LED forum led into the development of a Local Economic Development strategy. In developing the strategy the following elements were taken into account:

- Assessment and identification of the gaps in the existing strategy
- Socio-economic analysis which includes figures on the rate on population ,HIV/AIDS, unemployment and poverty prevalence Spatial analysis in relation to National and provincial economic development priorities.
- The District Municipality has currently reviewed its District Growth and Development Plan, It has been agreed between the uMgungundlovu District Municipality and Mpofana Local Municipality that an alignment between the LED strategy and the District's Growth and Development Plan should exist, Meetings to this effect have been

held with the Local and District Municipality.

- This therefore means that all precautions are taken to ensure that the Mpofana Local Municipality's LED strategy is aligned to the District's Growth and Development Plan
- The review of the LED strategy was not done in isolation, but careful analysis of the Provincial Growth and Development Strategy was done to ensure alignment, The goals and plans as contained in the National Development Plan (Vision 2030) was also undertaken.

MONITORING AND EVALUATION FRAMEWORK

In line with the Provincial Growth and Development Strategy and National Spatial Development Plan, the revised LED strategy directs stakeholders on areas that require coordinated economic investments. Private-Public Partnership is vital in the achievement of Mpofana's LED goals and strategies, this much was made clear during our LED summit.

C5.1.4. SMME'S

SMME and co-operative development has been recognised as an alternative mechanism to address triple challenges facing the country. The municipality is continuously assisting SMME in areas of business registrations and business plan development etc.

The municipality is working tirelessly in creating linkages between big businesses and the SMME's during the LED Forum interactions between the Big businesses and the SMMEs took place where both sectors outlined their services, much to the advantage of the SSMEs that were able to showcase some of their services. National Government has recently established a ministry to look into SMME's. Mpofana continues to support SMME's that is why in the 2014/15 financial year, R100, 000 was allocated for the

establishment and support of local SMME's and Co-operatives around Mpofana Local Municipality. Mpofana monitors and supports the SMME's. Funding mobilisation is done on behalf of the SMME's. In all our capital projects, procurement of goods and services by our service provider should be from SMME's but if such goods are not available from our SMME's then they are allowed to procure elsewhere. The SCM policy has recently been reviewed so as to give preferential treatment to SMME's. The implementation of Mpofana's Public Realm Project also known as Small Town Rehabilitation Programme will see our local SMME's benefit immensely including local co-operatives and local forums who are registered on our database.

C5.1.5. AGRICULTURE

Mpofana Municipality is predominantly rural and as such there are too many agricultural activities in the area, Agriculture is the backbone of Mpofana's economy. A lot of land belongs to the Farmers who specialise in the

production of agricultural products. Mpofana receives a lot of rain during the summer season, and as such the land is fertile and good for agricultural activities.

C5.1.6. TOURISM

Mooi-River is strategically located as it's the gateway to the Drakensberg and to Durban which are the most preferred tourism destinations. Mooi-River also forms part of the Midlands Meander tourism route which is internationally recognised.

Department of Water Affairs and Forestry has completed the construction of Spring Grove Dam in Mooi-River which will augment water supply in 4 District Municipalities. This resource is believed to enhance the current economic development related initiatives e.g. Agriculture

and further need and demands of prospective investments.

The location of Spring Grove Dam in Mooiriver presents enormous development opportunities in the tourism sector. This development opportunity compels the Municipality to develop the plan to optimise development opportunities around the newly built dam. The plan will seek to encourage various sporting activities. It anticipated that the dam will be able to host international events

C5.1.7. MANUFACTURING (INDUSTRIAL)

The Municipality has identified the manufacturing sector in particular industrial development as the key intervention to address the LED challenges. We believe that industries have potential of absorbing enormous employment and to enhance revenue generation. In pursuing this desire the Municipality has undertaken a feasibility study to assess the viability of the proposed intervention. The study entails the feasibility study EIA and preliminary design. The land identified is already zoned as an industrial (zone). The study has revealed that the proposed project will be of high viability.

The rationale behind studies was to assist in making an informed decision whether to make provision of necessary infrastructure (Road, Storm Water Pipes and Electricity). The Municipality has an understanding that investors would come flooding to invest in places set up with infrastructure. The Municipality seeks amongst other things to attract the green project as a response to climate change.

Manufacturing is one sector that will unlock job opportunities for locals and thereby turn around Mpofana's economic situation.

C5.1.8. MINING

The Municipality has no Mining Industry.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Mpofana Municipality is strategically located along N3 and an agro-industrial corridor stretching from Pietermaritzburg to Escort. • Strong institutional arrangements to promote economic growth, retention and expansion of local business, promoting dialogue between business and the municipality 	<ul style="list-style-type: none"> • Poor infrastructure development. • Lack of investment incentives to attract new investors. • Lack of capacity to enforce street trading by laws • Lack of investment incentive policy
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Accessing grant funding for small town rehabilitation. • Public private partnerships • Business support and development. • Form partnership with Trade and Investment KZN to promote Mpofana as an investment destination. • Increase job opportunities through agro-processing industry and agricultural development. • Identify more land for industrial and commercial development. 	<ul style="list-style-type: none"> • Capacity constraints, LED manager post to be filled as quickly as possible. • Competition for investors from other neighboring municipalities. • High staff turnover within the LED unit •

C5.2.1. BROAD BASED COMMUNITY ANALYSIS

The table below outlines the broad based community needs which have been gathered as part of this IDP's review process. It is clear that a lot of needs are infrastructural in nature.

Ranking	Ward 1	Ward 2	Ward 3	Ward 4
1	Mooi River Industrial Park Development	Tendele Housing	Bruntville Access Roads	Craigeburn Housing Project
2	Small Town Rehabilitation	Rosetta Slums Clearance	Bruntville Hostel Housing	Nyamvubu Community Hall
3	Phumlaas Access Roads	Scotsfontein Access Roads	Brunville Main Road	Nkomba Road

C5.2.1. EDUCATION

Education is another factor that is hindering people from overcoming poverty. There are no institutions for Mpošana youth to acquire skills and knowledge to earn decent living. There is a need to establish the FET in Mpošana so that young people can be encouraged to finish matric and move to tertiary level. Young people have to attend the Mnambithi or Msunduzi FET College to get better education.

Indicators	1996	2001	2011
No schooling	3 246	5 584	3 438
Some primary	2 867	4 571	3 598
Complete primary	1 025	1 449	1 116
Some secondary	3 375	5 375	7 327
Std 10/Grade 12	1 603	3 095	5 813
Higher	1 062	1 075	1 261

The above table shows that there is a discrepancy between the number of people who complete Matric and those who get the opportunity to get higher education. According to 2011 stats SA data 5 813 people managed to get their matric and on the other hand only 1 261 managed to get higher education. Education plays a pivotal role on community development. It provides a set of basic skills for development, creativity and innovative abilities within individuals. The South

African Constitution provides that everyone has a right to education, which includes Adult Basic Education. There is a significant number in the population who have not obtained any schooling especially females. A number of factors could be attributed to this section of the population not having any schooling, amongst others stereotypical thinking that women should not obtain education or perhaps lack of interest thereof. It is assumed that the majority of women who have not obtained any schooling form part of the older generation of the population. The municipality in partnership with Gender Machinery structures has embarked on various programmes addressing gender issues and advocating for women empowerment.

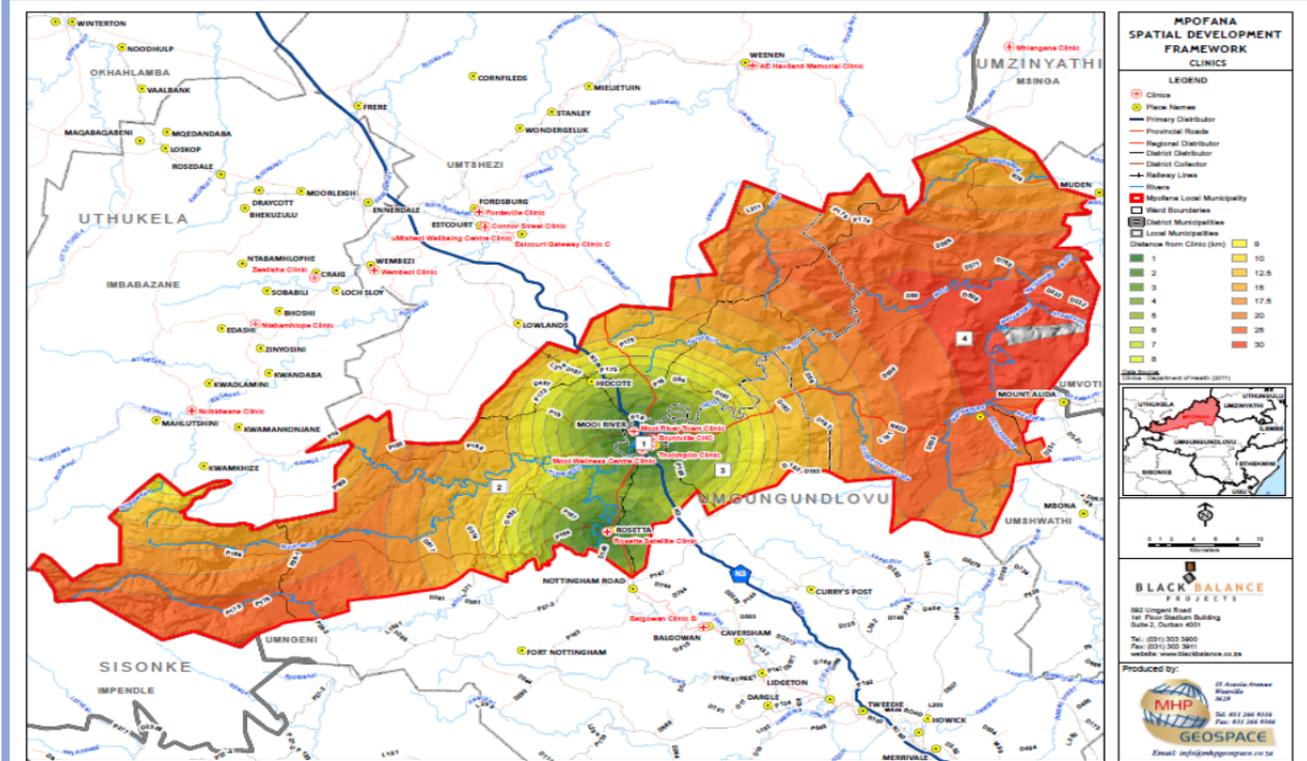
There has been over the years a significant decline in the number of people who continue to tertiary education after completing the matriculation. This can be attributed to the lack of financial resources and lack of knowledge of financial aid available to prospective tertiary students. The poverty levels might also be a contributing factors where there's a significant need to get a job than continue to tertiary education. The lack of knowledge about the availability of financial resources is being addressed through the Youth Advisory Centre and has seen a significant number of the youth having access to bursary institutions and financial aids.

C5.2.2.HEALTH

The Mpopfana Municipality is currently serviced by two clinics located in Mooi River and Bruntville respectively. There is also a satellite clinic located in Rosetta that's opens once a week. The Bruntville Community Health Centre Clinic is managed by the Department of Health. There is however a need to conduct a feasibility study in order to address the need of clinics in

other areas of the municipality especially in wards 2 and 4 where there's a dependency on mobile clinics. The Mooi River Clinic has been transferred to the Department of Health.

MAP13: Clinics



The above map shows the location of the Clinic (including Mobile Clinics)

The population of Mpopfana has increased since the death rate as a result of HIV/AIDs has declined. The Local Aids council chaired by the

Mayor has implemented awareness campaigns; male medical circumcisions through it ward based aids councils.

C5.2.3SAFETY & SECURITY

The municipality is currently serviced by 2 police stations located in Ward 1 and 4 respectively. There is however a high prevalence of criminal activities in other wards which has resulted in the communities from different wards requiring mobile police stations. The municipality is committed to intensify campaigns against Substance abuse and crime by having open dialogues about substance abuse and crime. Traffic control and compliance with the bylaws is one of the key priorities of the municipality. There are plans to build the weigh bridge to

monitor the overloads by truck fleets passing on the N3, The project is currently being implemented with funding totalling R46, 000 000. This will ensure the safety of the people who live within a close proximity of the N3, more Traffic Officers will be deployed at various points so that the community's safety is maximized. This project will assist in enhancing the municipal revenue and ensure compliance with roads regulations.

Due to the prevalence of Crime in the area, the SAPS has come on board in partnership with

Government Departments, to educate communities about the adverse effects of crime and drug abuse. The CPF (Community Policing Forum) is in full effect and works closely with the

Municipality and the SAPS. Suspicious behaviours are reported to the SAPS.

C5.2.4. NATION BUILDING & SOCIAL COHESION

The Department of Art and Culture, Sport and Recreation and Social Development in partnership with the municipality has implemented various programmes aimed at building the nation and reviving our cultural heritage. Many of our young girls attend the Reeds ceremony and undergo virginity testing by trained maidens on a regular basis. The municipality has recently hosted an event for young people in partnership with Department of Arts and Culture which saw a Mpofana Group

win an award in a competition which was very competitive. The Municipality has dedicated individuals who attend to Social Cohesion issues. Mayoral Cup is an example of one of Social Cohesion initiatives that the Municipality has undertaken and this is done on an annual basis. Of late during the Month of June a month which has nationally been categorized as Youth Month, A fun Walk/Run is held and is attended by all youth from across the Mpofana Wards.

YOUTH DEVELOPMENT

Young people are faced with numerous social and economic challenges that prevent them from being active participants in the reconstruction and development of South Africa. Poverty and unemployment are some of the major challenges facing young people of Mpofana municipality.

A fully fledged youth centre with two dedicated Youth Development Officers is responsible for coordinating specific interventions such as education, health and well-being, economic participation and social cohesion. The role of this office will be even more once there is an integrated youth development strategy in place.

The youth summit was convened in April 2013 involving the Provincial Departments, District Municipality, NYDA and other stakeholders working with young people. The main aim of this summit was to interact with young people and listen to their aspirations. The output of the summit is that there has been alignment of plans and establishment of the Youth Council. The role of the Youth Council which was elected during the Youth Summit is to monitor and evaluate the interventions on the needs of young people from various stakeholders. The Youth Council meets quarterly to look into Youth issues, representatively in terms of Ward, Age; Gender was taken into cognizance when the Youth Council was elected.

DEVELOPMENT OF THE PEOPLE WITH DISABILITIES

We are members of the KZN joint machinery which is a forum established in the office of the Premier. The main aim of this structure is to monitor government departments and other sectors in mainstreaming of gender, children's rights and disability into all their programmes. This will help government to respond to issues of these target groups in an integrated and coherent manner.

The Mpofana municipality has formed partnerships with government department and NGOs to respond to the needs of the children, women, elderly and disabled. The Department of Social development has registered more than ten non-profit organizations to bring services closer to the communities.

Tholimpilo Centre, which was utilized as a Clinic is now being used for disabled children. Mpofana Municipality has prioritized the

development of this centre since the number of disabled children has increased to 30 this is due to the development of new housing projects which has seen an increase in the population figure. The caregivers have since undergone formal training to look after children with disabilities. The are plans to register the centre in order to get funding and be managed properly. Tendele NIP in ward 2 provides care to the orphans and there is a need to establish one in ward 4.

Elderly and Disabled committees have been established in all four wards. The emphasis will be on developing and implementing programmes targeting the elderly and the disabled. The elderly people will continue to participate in District and Provincial sports to promote healthy living.

DEVELOPMENT OF THE ELDERLY

Mpofana Municipality has formed partnership with Government Departments so as to respond to the needs of the Elderly, This has been evident by the number of Elderly events that have taken place in the Mpofana Area. The function of the development of Elderly falls directly under our Social Services Office, which has been tasked with establishing Community Structures, of which one of those structures is a structure for the Elderly. The Elderly will continue to participate in the District and Provincial Sports

to promote Healthy living. The Elderly structures have been established in all 4 Wards, SASSA has been very instrumental in supporting Mpofana in this cause. The Municipality has recently hosted games for the elderly and the turnout was good. A project for the elderly is also running called Mbizimbele, where the elderly come together and plant. The project was established through joint partnership between Mpofana Local Municipality and SASSA. One of the projects objectives above planting is

providing meals for the elderly who are either overly burdened with too many dependants. Skills relating to sewing and gardening are taught to all the elderly.

DEVELOPMENT OF WOMEN

Mpofana Municipality is committed to the Development of Women, It cannot be denied that National Trends in this regard are not showing a desired picture, however it should be taken into account that strides are made in the right direction to fix the marginalization of women even at national level. Mpoana Municipality has also made tremendous strides in addressing issues surrounding women exclusion, We have therefore made it a priority that the emancipation of women takes centre stage in the Municipality, It is no surprise that a number of women SMEs have been established through the Municipal Local Economic

Development Office, where women are encouraged to be participants in the development of the local economy by registering SME's. Mpofana has many women-headed households, During women's month (August) An annual event is held where all women come together have an open dialogue with the Local Mayor who is a woman herself, where issues affecting women at large are tabled, This is also used as an opportunity to honour women for their contribution in the wellness of the community and their role in their households, especially women-headed households.

PEOPLE AFFECTED BY CRIME, HIV/AIDS, DRUGS, ETC.

HIV/AIDS continues to pose a threat to the residents of Mpofana. Although the death rate has declined, fight against HIV/AIDS must continue. The municipality has the existing functional structures responsible for coordination of integrated responses to HIV/AIDS and poverty. For example the municipality has established the Local Aids Council chaired by the Mayor and the Ward Aids Councils chaired by the Councillors. Operation Sukuma Sakhe is generating positive results since there is Local Task Team comprises of all government Departments and Non-Governmental Organisations. All the four wards have the war rooms dealing with monitoring of interventions to profiled community needs. Each war room is allocated a Councillor as the Champion and the Manager from the Municipality for technical support.

Drug and substance abuse is threatening young people who are the fabric of the society. The

municipality has to work hard together with the government department and other stakeholders to combat the problem of substance and drug abuse. The Drug Aids Council is functional and Chaired by the Mayor.

The municipality is unable to absorb a high number of unemployed people, especially the youth. The municipality has to stimulate manufacturing and industrial development to create more jobs. As a result communities are more dependent on social grants.

Mpofana Municipality in partnership with other stakeholders has aligned itself by identifying infrastructure development as one of the key strategic tool to unlock job creation and address poverty. The construction of the Spring Groove Dam in Ward 2 has created jobs for the community. It is also envisaged that the roll out of small town rehabilitation programme and housing development will create more job opportunities within Mpofana.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Support from Government Departments. • Strong institutional Arrangements in place(Local Task Team and war room are functional) • Local Aids Council, Sport Council and Council for the Disabled in place. 	<ul style="list-style-type: none"> • Lack of consistency in terms of people attending from other departments • Transport for cadres • Availability of water an issue on food security
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Reduction in HIV/AIDs • Strong institutional arrangements • Constitutional Mandate • 	<ul style="list-style-type: none"> • Prevalence of HIV/AIDs • Departments are not fully supporting the programme. • Government Departments perceive the programme as additional work. • Profiling has not been completed. • Lack of proper monitoring and evaluation system. • Lack of adequate water, electricity and sanitation. • Lack of sport infrastructure affecting youth participation in sport. • One garden per household sustainability affected by change in season and lack of adequate water. • Slow delivery of houses for qualifying vulnerable individuals. • Lack of support from senior managers • Lack of transport for the cadres • Slow response by Departments to needs identified through surveys

C6. MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT ANALYSIS

C6.1. CAPABILITY OF THE MUNICIPALITY TO EXECUTE CAPITAL PROJECTS

The projected capital outlay to be funded by the council for capital additions are as following until June 2015:

Ultimately, the implementation of the capital budget is based on the availability of funds. The need to develop services, especially to the poor and for economic development, is vital for the future, but this will not be possible should the collection rate not improve. It would then be prudent to stress that the implementation of this projects is reliant on the cash flow position of the municipality.

The above projections reflect an increase in the municipal contributions towards the capital budget. There are various measurements that management has put in place to try and increase the financial viability of the

municipality so that significant contributions can be made towards the capital budget and indirectly to service delivery capacity of the municipality; such as submissions and lobbying to the Municipal Infrastructure Grant decision makers to increase the allocation made to the municipality.

The Municipality is in the process of establishing a Project Management Unit, and as such will be in a position to execute capital projects, as that has always been missing in the Municipality. A Project Manager is to be appointed who will see to it that all Capital Projects are implemented within the given time-frames. A post has been advertised, The Municipality will be short-listing soon for the mentioned post.

C6.2. INDIGENT SUPPORT (INCLUDING FREE BASIC SERVICES)

The municipality provides free refuse removal to indigent customers who are mostly located in the Townview and Bruntville area.

It is regrettable during the 2014/15 Financial Year the Municipality had major cash flow problems, free basic services could not be catered for in the 2014/15 financial year and it

was not budget for on the 2013/14 financial year. But if the Council and Management are now happy or can afford free basic services with status of our cash flow then we can budget for it and the implement it in the 2014/15 financial year.

C6.3. REVENUE ENHANCEMENT AND PROTECTION STRATEGIES

We have based our expenditure estimates on the presumption that more effort will be made to enforce Councils credit control policy. The municipality will be commissioning the vehicle testing centre in the future as well as the weight bridge. What will be pursued is ensuring that Mooi River is the next destination for all government services departments.

The main goal of Mpofana municipality is to create an economic environment in which investment can grow and jobs can be created.

Increase in employment opportunities will result in empowered citizens who take full responsibility to pay for basic services and improved municipal revenue. We want to attract big corporations to establish their industries in Mpofana. We want to encourage those sectors where we have a competitive advantage, like the agro-processing, tourism retail and the golf estate, to expand in the municipality.

C6.4. MUNICIPAL CONSUMER DEBT POSITION

Ideally the municipality should have the cash and cash equivalent on hand to meet at least the current liabilities, however, if the Municipality

under collects its revenue this will lead to serious financial challenges for the Municipality. As part of the long term financial planning objectives

the Municipality's liquidity ratio (ability to utilize cash and cash equivalents to extinguish its

current liabilities immediately) needs to be set at a minimum of 1.

C6.5. GRANTS & SUBSIDIES

Government grants have been recognized as income over the periods necessary to match them with the related costs.

The following grants will be received from national government over the next three years.

Grant Description	Budget 2014/15	Budget 2015/16	Budget 2016/17
Equitable Share	24 858 000	27 700 000	29 472 800
Finance Management Grant	1 800 000	1 950 000	2 074 800
Municipal systems Improvement grant	934 000	967 000	1 028 000
Provincial Library	735 000	778 000	819 000
Museum	299 000	314 000	331 000
Community library services	126 000	132 000	359 000
Total Operating grants	28 752 000	31 841 000	34 085 488

Other Grants that will be allocated to the municipality are: MIG R 11, 000 000 , Small Town Rehabilitation Which is R5 000, 000, Corridor Development Grant for capital projects.

The

2015/2016 PROJECTED EXPENDITURE

ITEM	BUDGET	SOURCE OF FUNDING
REPAIRS AND MAINTENANCE	R1, 500, 000	INTERNAL BUDGET
ROAD MAINTENANCE	R1, 200, 000	INTERNAL BUDGET
BRUNTVILLE MAIN ROAD SURFACING (WARD 3)	R2,500 000 Million	MIG
UPPER TOWN REHABILITATION (WARD 1)	R 4,500 000 Million	MIG
NKOMBA ROAD (WARD 4)	R2, 500 000 Million	MIG
SCOTFONTEIN ACCESS ROAD (WARD 2)	R2,500 000 Million	MIG
REFUSE COLLECTION	R1, 250 000 Million	INTERNAL BUDGET
PARKS	R150, 00	INTERNAL BUDGET
LIBRARY SERVICES	R 808, 000	DEPT. OF ARTS AND CULTURE
LED	R 300 000	INTERNAL BUDGET
MUSEUM	R 300 000	DEPT. OF ARTS AND CULTURE
SOCIAL SERVICES	R 600 000	INTERNAL BUDGET
GOVERNANCE	R150 000	INTERNAL BUDGET

PUBLIC PARTICIPATION	R 70 000	COGTA
REAL ESTATE	R 50 000	INTERNAL BUDGET

Salaries and wages account represents 25% of the total 2015/2016 operating expenditure. Our projections were based on an increase in the

staff complement together with an estimate of annual increases.

In projecting future increases in salaries, we have used the following percentages:

2010/2011	8.48% for all employees
2011/2012	6.2% for all employees
2012/2013	5.9% for all employees
2013/14	6,01 for all employees
2014/15	6.79% for all employees
2015/16	6.40% for all employees

Council bargains directly with the Unions regarding the salary increases. We have assumed that there will most probable be an element of salary equalization between management and the other employees in the

future. Actual result in comparison to prior year for the 2009/2010 year will show a dramatic increase due to the implementation of the new wage curves and task grades.

C6.6. MUNICIPAL INFRASTRUCTURE & ASSET MAINTENANCE

The municipality has an Asset register in place which was compiled in the 2010/2011 financial year. This register was not previously maintained and led to some items been duplicated or omitted. Currently the Financial interns are assisting with rectifying such issues by performing regular checks as well as updating the register often on both the VENUS system. This will ensure

that accurate information is reflected. The employment of an Asset Control Officer will ensure that the register is maintained and that the Municipal assets are properly maintained and have proper life spans. The Municipality has recently checked all their assets and thereby updated the Asset Register.

C6.7. CURRENT & PLANNED BORROWINGS

The Municipality has not budgeted for any borrowings for the current financial year.

C6.8. EMPLOYEE RELATED COSTS

The Salaries and wages account represents 26% of the total 2015/2016 operating expenditure. Our projections were based on an increase in

the staff complement together with an estimate of annual increases.

IN PROJECTING FUTURE INCREASES IN SALARIES, WE HAVE USED THE FOLLOWING PERCENTAGES:

2014/2015	6,018% for all employees
2015/2016	6,79% for all employees
2016/2017	6,40% for all employees

Council bargains directly with the Unions regarding the salary increases. We have assumed that there will most probably be an

element of salary equalization between management and the other employees in the future.

C6.9. SUPPLY CHAIN MANAGEMENT (SCM)

The municipality applies strict supply chain management principles in advertising and

awarding tenders. Strict controls in place ensures that the MFMA is adhered to and to

prevent any fraudulent activities from occurring. The Municipality will ensure that we do not do business with entities owned by people working in the public sector this will be in contravention of the MFMA. The Mpofana Municipality has an SCM policy in place. There is a great need for staff outside of the Finance department to be educated on the policy and procedures of the

the MFMA. It should also be mentioned that the Municipality does have a bid committee that is functional and ensures that the Municipality complies with all legislative frameworks in awarding tenders and in the selection process.

CAPACITY TO DELIVER ON CAPITAL PROJECTS

Mpofana Local Municipality is well suited to deliver on its capital projects, this is due to the reason that the Technical Director post is filled, which means that all infrastructure related issues and project are dealt with and given the attention it needs, since they are our core-function. The Technical Director is also complemented by a Manager that deals with Roads. All our MIG has gone into Road Rehabilitation and Upgrade, it therefore is vital that a Roads Manager stays employed and receives the necessary training. The Municipality has also made a decision that a Project Manager be employed in this financial year, Interviews have been scheduled to this effect. This will assist Mpofana by having a dedicated official looking at projects and constantly reporting on all progress and closely supervise the Service Providers.

Project Name	Ward	(Estimated Amount)	Year	Responsible Department
Mooi-River Industrical Park	1	R5000, 000	2015/16	Technical Services
Small Town Rehabilitation	1	R5 000, 000	2015/16	Technical Services
Phumlaas Access Road	1	Unknown	2015/16	Technical Services
Rosetta Slums Clearance	2	R25, 000 000	2016/17	Technical Services
Scottsfontein Access Road	2	R2 400,00	2015/16	Technical Services
Bruntville Access Road	3	R2500, 000	2016/17	Technical Services
Bruntville MaintRoad	3	R300, 000	2015/16	Technical Services
Nyamvubu Community Hall	4	R3000 000	2016/17	Technical Services
Nkombba Access Road	4	R3000 000	2015/16	Technical Service

2015/16 UMGUNGUNDLOVU WATER AND SANITATION PROJECTS IN
MPOFANA

PROJECT NAME	WARD	BUDGET
Upgrading of Rosetta water supply	2	R 29 239 079.00
Upgrading of Thendele Water supply scheme	2	R 13 923 000.00
Upgrading of Phumlas Water Reticulation scheme	1	R 26 757 949.80
Upgrading of Mooi River bulk mains	1	R 5 440 503.10
AC Pipe Replacement and Upgrading in Mooi River	1	R 44 795 155.09
Ebuhleni Water Scheme	4	R 3 404 380.00
Mpofana Bulk Supply	1	(No expenditure to Date)
Muden Water Supply	4	Approx R512 ,910,784,32
Construction of a bulk sewer pipeline including a waste water treatment works.	ALL	R 12 333 516.91
Construction of VIP sanitation	4	R 20 573 328

C6.9.11. FINANCIAL VIABILITY & MANAGEMENT: SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Electricity distributor • SCM Policy in place • Credit control and debt collection policy in place • MFMP Training ongoing at Finance 	<ul style="list-style-type: none"> • Some inexperienced staff in the Finance Department • Lack of knowledge of Supply Chain Procedures • Outdated Credit Control Policy • Creditors payment period • Inability to provide free basic services to the indigent.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Implementation of strategies for the attraction of investors to increase rate base. • Support of Treasury in providing Warm Bodies • Established units with the Municipality (MPAC and Internal Audit Unit) 	<ul style="list-style-type: none"> • Electricity distribution losses • Unemployment • Cash flow fluctuations • Non-payment of rates and services charges • Illegal Connections

C7.1. GOOD GOVERNANCE ANALYSIS

In general, corporate governance is perceived as a normative principle of administrative law, which obliges any institution to perform its functions in a manner that promotes the values of efficiency, non-corruptibility, and responsiveness to civil society. In the Mpofana Municipality, The principle of good governance has also been espoused in the context of the internal operations of both the public and private sector organisations. In this way, corporate decision-making strategies integrate the principle of good governance and ensure that public interests and employees are taken into account.

C7.1.1. NATIONAL & PROVINCIAL PROGRAMMES

Sukuma Sakhe which is a Provincial Programme has been well received in Mpofana, All section 56 Managers have been deployed to all the Wards, so as to attend to Sukumasakhe, This is where Government Departments are invited so they provide the needed interventions, as per community needs.

C71.2. INTER-GOVERNMENTAL RELATIONS (IGR)

The Office of the Municipal Manager has been tasked to deal with the Intergovernmental Relations and to maintain the already existing relations. The Municipality enjoys good relations with Human Settlement, Department of Social Development, SASSA, IEC and Home Affairs. *Mpofana Municipality participates in the Provincial and District MIG forum. These forums provide a platform for engagement on the approval of projects and for coordination and monitoring of expenditure on projects which were previously funded under Municipal Infrastructure Grant projects.*

uMgungundlovu District has adopted a Cluster Model to share best practices amongst its Local Municipalities. These clusters are chaired by the Municipal

Manager of all participating Municipalities.

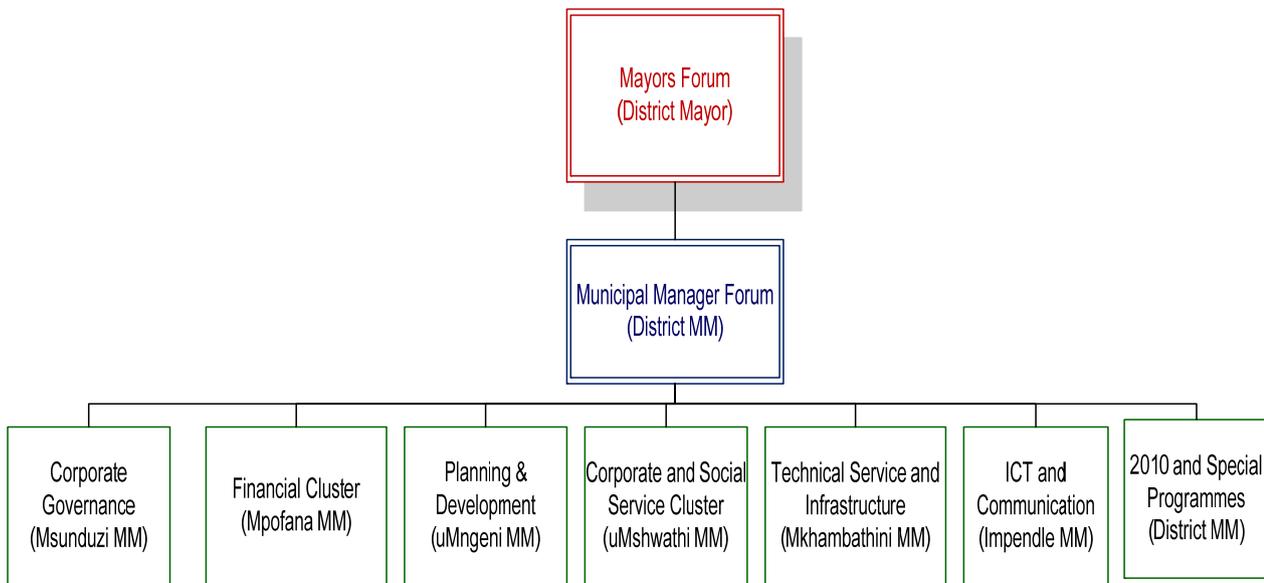
The Municipality also has entered into shared services on the following functions: Internal Audit, Development and Planning Services and Geographic Information System (GIS).

The Municipality also participates in the Provincial Housing Coordinating forum where parties look into the Human Settlement Grant funded projects, based on the allocation granted for the province.

UMGUNGUNDLOVU DISTRICT CLUSTER

The Cluster Model has led to the establishment of shared services in the District, which also lead to better utilisation of resources. Shared services are now used in the fields of Internal Audit, Performance Management, Integrated Development Planning and Information and Communications Technology. This approach is

having the effect that the families of Municipalities in the District are all benefiting from the scarce resources and expertise available within the District. Each cluster is chaired by municipal Managers as indicated below:



COUNCIL

Mpofana has a council that meets as per legislation and whenever necessary, The Mayor is a chairperson of the Council, for full council meetings and special council meetings.

MPAC

The Municipality has a Municipal Public Accounts Committee that plays an oversight role to Council, Besides playing the oversight role, one of their duties include facilitating the Public Hearing for the Annual Report. It meets and reports to Council, One of the Councillors is chairperson of the MPAC. T

WARD COMMITTEES

In terms of the Municipal Structures Act, the objective of Ward Committees is to enhance participatory democracy within the local government sphere.

The Mpofana Municipality consists of four wards, each represented by ten ward committee members. This IDP was approached through a Ward based participation process. Each ward was represented by ward committee members

whereupon different needs for each constituency was noted and included in this document. These input formed the basis for the development of this document. Cogta Public Participation Unit has been instrumental in ensuring that our Ward Committees were revived, the respective Ward Councillors are Chairpersons of the established Ward Committees.

IDP REP FORUM

On 20th March 2015, a sector alignment forum was conducted at the municipality whereupon departments made their presentation to the municipality of their programmes and projects

for the next financial years. The 2015/16 and 16/17 IDP programmes by the sector departments have been incorporated into the IDP.

IDP TASK TEAM

The IDP Task Team recommended that a simplified and implementable IDP be developed in line with the COGTA Framework

Guide in order to achieve an effective IDP which engages community needs from a grass root level.

PORTFOLIO COMMITTEES

The Municipality has functional portfolio committees, namely the Infrastructure Portfolio Committee, The Finance Portfolio Committee, The Community Portfolio Committee and the Governance Portfolio Committee. The Committees are responsible for deliberating on

issues before they are brought to council and make recommendations to Council, Councillors serve as Chairperson of the Portfolio committees, the respective Managers are also part of the Portfolio Committees.

C7.1.4. AUDIT COMMITTEE

The municipality has a functional audit committee, with three external members. They perform the tasks of an audit committee as per

Section 166 of the Municipal Finance Management Act no. 56 of 2003.

C7.1.5. STATUS OF MUNICIPAL POLICIES

Municipal Policies

Policies	Developed (Yes/No)	Adopted (Yes/No)	Reviewed (Yes/No)
Street Naming Policy	Yes	Yes	Yes
Credit Control & Debt Collection Policy	Yes	Yes	No
Tarrif Policy and Notices	Yes	Yes	Yes
Whistle Blowing Policy	Yes	Yes	Yes
Compliants Management Polucy	Yes	Yes	No
Communication Strategy Policy	Yes	No	No
Overtime Policy	Yes	Ye s	No
Fraud Prevention Strategy	Yes	Yes	No
Human Resource Strategy	Yes	Yes	Yes

C7.1.6. MUNICIPAL RISK MANAGEMENT

The municipality has conducted a municipal risk management exercise whereabouts all the risks at different levels were identified and through that exercise, the municipality will be able to develop a clear strategy (IDP) that responds to the current situation.

Section 62 (i) of the MFMA requires that the municipality has and maintains an effective, efficient and transparent system of risk management. The Municipality undertook to implement and comply with this section and this resulted in the development of the Risk Action Plan through a workshop which was held near

the end of the financial year 2011/12 with the assistance of Internal Audit Activity. A risk register was compiled and approved by the Audit and Performance Management Committee. Furthermore a Risk Management Strategy was developed

The municipality has By-laws that have been adopted by council but are yet to be gazetted.

Table 15 Municipal By-Laws

Name of Bylaw	Reviewed	Approved	By-Law Gazetted (Yes/No)
Encroachment	No	Yes	No
Credit Control	No	Yes	No
Supply of Electricity	No	Yes	No
Tarrifs	No	Yes	No
Keeping of Animals	No	Yes	No
Dogs and Cats	No	Yes	No
Advertisement	No	Yes	No
Street Trading	No	Yes	No

C7.2. PUBLIC PARTICIPATION ANALYSIS

THE MUNICIPALITY IS COMMITTED TO PUBLIC PARTICIPATION THIS IS DONE THROUGH A SERIES OF COMMUNITY MEETINGS IN THE DIFFERENT WARDS; OPERATION SUKUMA SAKHE IS ALSO USED AS A MECHANISM TO GET THE PUBLIC TO PARTICIPATE IN THE MUNICIPAL AFFAIRS. THE MUNICIPALITY HAS RECENTLY REVIVED ITS WARD COMMITTEES THROUGH COGTA'S SUPPORT. THE SERVICE DELIVERY PROTESTS THAT HAVE LONG ENTANGLED THIS MUNICIPALITY ARE NOW A THING OF THE PAST. ALL EFFORT IS MADE THAT ALL INFORMATION THAT NEEDS TO BE COMMUNICATED TO THE COMMUNITIES IS INDEED COMMUNICATED TO THE COMMUNITY TIMELY. THE INKOSI'S PARTICIPATION IN COUNCIL MATTERS HAS BEEN RECEIVED WARMLY AND IT ASSISTS IN MAXIMISING PUBLIC PARTICIPATION. IDP IMBIZO MEETINGS WHICH TOOK PLACE PRIOR THE ADOPTION OF THIS DOCUMENT SAW DEMOCRACY BEING DEEPENED IN MPOFANA THROUGH THE PARTICIPATION AND INVOLVEMENT OF THE COMMUNITY.

C7.3. GOOD GOVERNANCE & PUBLIC PARTICIPATION: SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • IDP inclusive of the input from all the stakeholders. • Risk management strategy in place • Committees established • A vibrant Community • Established Audit Committee • Municipal Public Accounts Committee in place 	<ul style="list-style-type: none"> • Poor attendance by ward committees • Budget Constraints • Lack of team spirit • Risk, management plan not monitored on a regular basis. •
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • IDP reviewed annually and guide decision making and resource allocations • Participation of Inkosi in Council Meetings 	<ul style="list-style-type: none"> • By-laws not gazette • Mis-information being given to the Community

C8. COMBINED SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<p>Development of the SDF Good commercial agricultural land Clear nodes Electricity distributor Policies in place SCM Policy in place Support from Government Departments. Strong institutional Arrangements in place(Local Task Team and war room are functional) Local Aids Council, Sport Council and Council for the Disabled in place. Mpfana Municipality is strategically located along N3 and an agro-industrial corridor stretching from Pietermaritzburg to Escort. Strong institutional arrangements to promote economic growth, retention and expansion of local business, promoting dialogue between business and the municipality</p>	<p>Poor attendance by ward committees Budget Constraints Lack of team spirit Weak cellphone coverage in some areas Lack of recreational facilities Lack of mobile police stations Poor road infrastructure Lack of access to community facilities Electricity shortages Lack of adequate staff to render service delivery Eskom supply of electricity in rural areas Agricultural viable land not being fully utilised Lack of agricultural skills by farm owners Poor infrastructure development. Lack of capacity to enforce street trading by laws</p>
OPPORTUNITIES	THREATS
<p>N3 corridor Vacant land Reduction in HIV/AIDs Strong institutional arrangements Accessing grant funding for small town rehabilitation. Public private partnerships Business support and development. Draft investment incentive policy in place. Form partnership with Trade and Investment KZN to promote Mpfana as an investment destination. Increase job opportunities through agro-processing industry and agricultural development. Identify more land for industrial and commercial development. Recruitment for the LED manager is underway.</p>	<p>By-laws not gazetted Crime Prevalence of HIV/AIDs Departments are not fully supporting the programme. Government Departments perceive the programme as additional work. Profiling has not been completed. Lack of proper monitoring and evaluation system. Lack of adequate water, electricity and sanitation. Lack of sport infrastructure affecting youth participation in sport. One garden per household sustainability affected by change in season and lack of adequate water. Slow delivery of houses for vulnerable individuals. Lack of transport for the cadres Slow response by Departments to needs identified through surveys Competition for investors from other neighboring municipalities. High staff turnover within the LED unit</p>

Key Challenges and how we can address them?

Please see page 13-14 of this document for Key challenges as identified, Please further find the proposals of how we can go about addressing the identified challenges on page16-17 for the opportunities that be which we need to take into congizance. The challenges, have been derived from the status quor and the solutions respond to the identified challenges.

D1. LONG TERM VISION

LONG TERM VISION

“By the year 2020, Mpofana will be a sustainable, socially and economically developed municipality, that encourages community participation and whose residents live in a safe and healthy environment. Mpofana will, in addition have substantially increased its

D2. MISSION STATEMENT

MISSION

“Mpofana Municipality is to be a pro-active, accountable and financially viable municipality that is continually striving to provide efficient, affordable, sustainable and customer-orientated services - committed to participation principles in the social and economic development of our community”

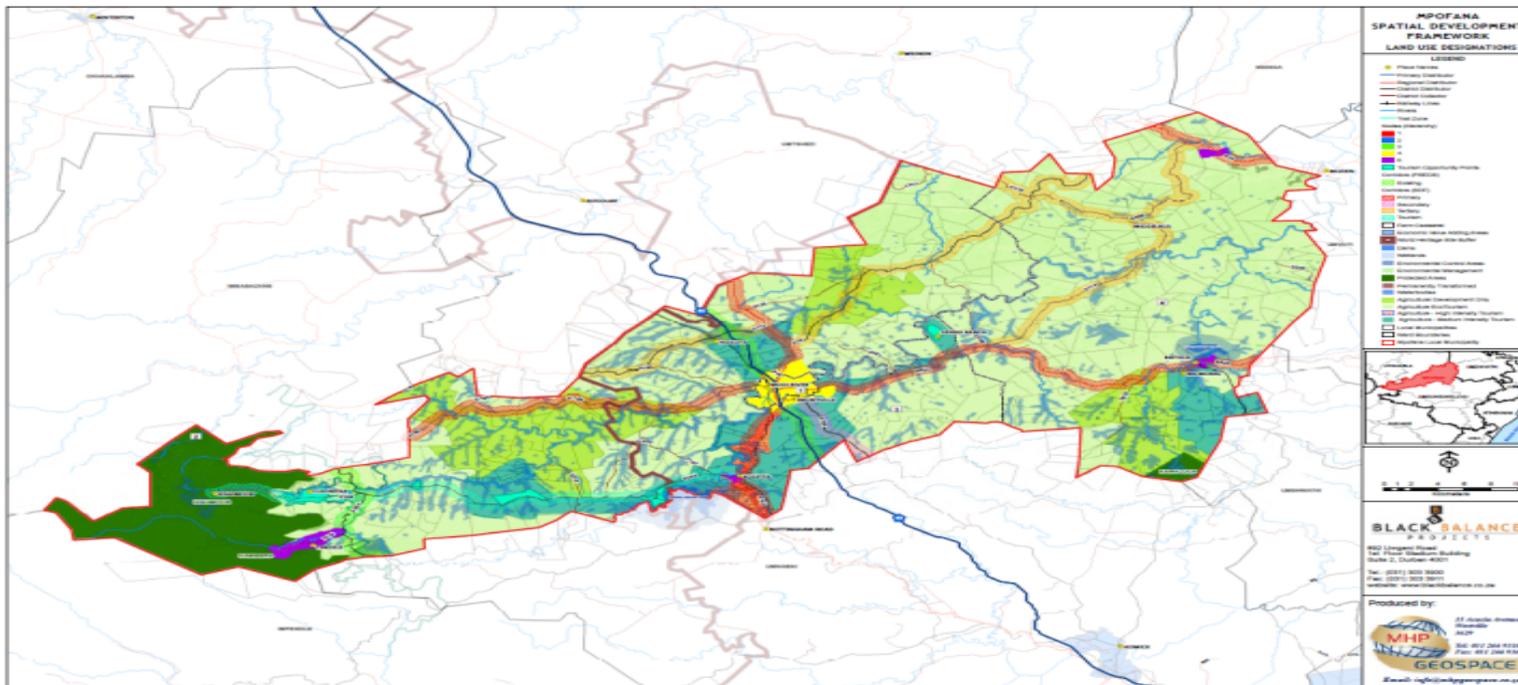
D3. GOALS, OBJECTIVES & STRATEGIES

Ref No.	NKPA	GOAL	Objective	Ref No.	STRATEGY
A	Municipal Transformation & Institutional Development	To increase organisation capacity	To improve functionality of Municipal Performance Management System	A1	Implementation of Municipal PMS Policy & Framework
			Reengineer Organisation to enhance strategic needs.	A2	Conduct and Implement Organisational design
					Implementation of adopted WSP
		To improve administrative systems and processes	A3	Development / Reviewal and implementation organisational policies	
				Develop required administrative system and structures.	
B	Basic Service Delivery	To increase access to Municipal Basic	To improve access to basic services	B1	Improve access to electricity
				B2	Improve access to refuse removal
				B3	Improve access to Roads
				B4	Improve access to adequate shelter
				B5	Provision of free basic water sanitation and refuse removal
				B6	Develop and Implement Infrastructure Maintenance plan
C	Local Economic Development	To boost the Local Economy	To strengthen the economic environment.	C1	Develop and Implement strategies to Improve LED.
				C2	Establishment of partnerships with other stakeholders
				C3	To promote sustainability of SMMEs and Co-operatives entrepreneurship
				C4	Creation of Employment opportunities

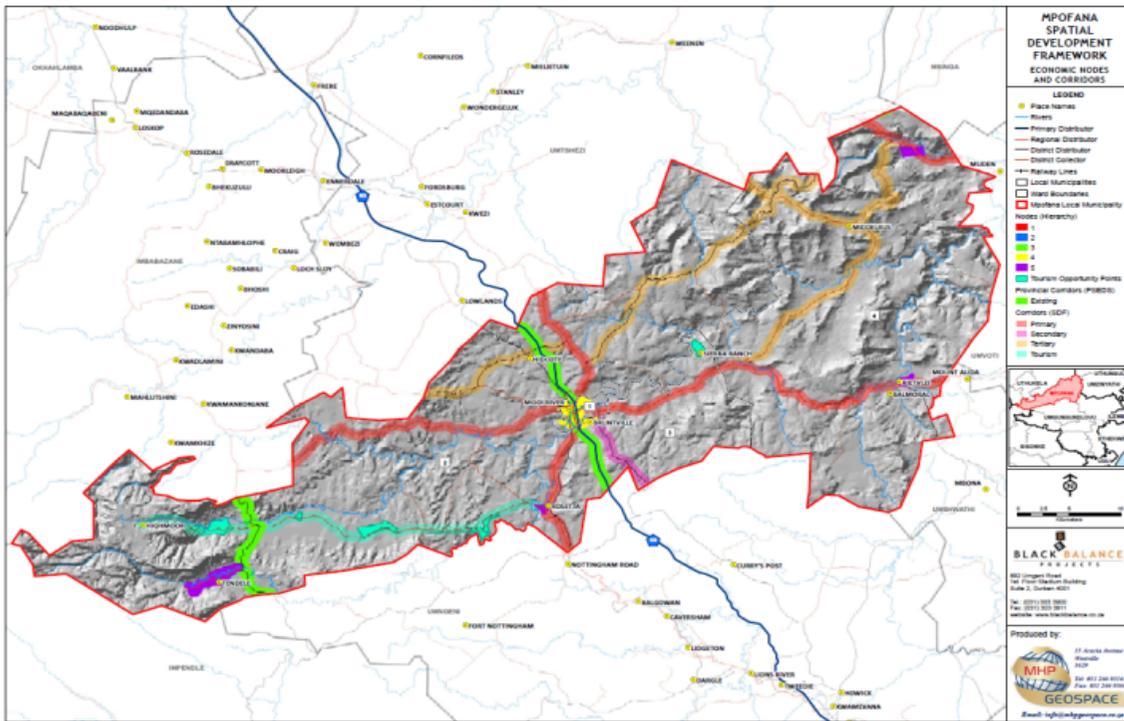
Ref No.	NKPA	GOAL	Objective	Ref No.	STRATEGY
D	Municipal Financial Management	To increase own revenue	Increase funding and revenue generation	D1	Financial viability debt recovery ratio
					% of Municipal operations funded
			Improve expenditure and maximise the economies of scale.	D2	Financial viability cost recovery ratio
					SCM performance rating
Optimise budgeting and accountability of finances	D3	% compliance with MFMA calendar			
E	Good Governance & Public Participation	To achieve a clean audit	To Improve compliance and audit opinion	E1	Establish and maintain effective audit structures. Resolve AG Audit queries
			To Improve Municipal Governance	E2	Development / Reviewal and implementation organisational By-Laws
			To Improve public participation and awareness	E3	Ensure Functional community participation structures
			Improve municipal internal and external communication	E4	Training and implementation of Batho Pele Principles
	Develop/Implement and review communication strategy				
F	Cross Cutting Issues/Interventions	To increase environmental and community safety	To Strengthen Governance and IGR	F1	Develop partnership with relevant stakeholders
			To prevent and mitigate the occurrence of disasters.	F2	Establish Disaster Management Unit.
					Facilitation of Disaster Management Awareness campaigns
			To promote credible, Strategic and spatial municipal planning	F3	Improve response to disasters in collaboration with the District Municipality.
Develop a Credible IDP					
To promote and develop support programmes for Youth and vulnerable groups within the community.	F4	Improved SDF Planning			
		Support the implementation campaigns directed to Youth and vulnerable groups.			
					Co-ordinate the implementation of HIV & AIDS Strategy

SECTION E: STRATEGIC MAPPING & IMPLEMENTATION PLAN

E2. FIVE (5) YEAR IMPLEMENTATION PLAN



Land Designations



Economic Nodes and Corridors

NKPA 1.		MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT									
Outcome 9 Output		Differentiated approach to Municipal financing planning and support									
Ref No.	Objective	Strategies	Performance Indicator	2012/13 Target	2013/14 Target	(2013/14 Actual) Baseline	2014/15 Target	5 Year Target	Funding	Responsibility	
A1	To improve functionality of Municipal Performance Management System	Develop Municipal PMS Policy & Framework	Date PMS Policy and Framework Approved	N/A	31 July	31 Oct	31 July	31 July	31 July	OMM	
		Implementation of Municipal PMS Policy & Framework	Number of Performance Agreements for Section 56/57 Managers signed	5	5	4	5	5	5	OMM	
			Number of OPMS Quarterly Reports	4	4	2	4	4	4	OMM	
A2	Reengineer Organisation to enhance strategic needs.	Conduct and Implement Organisational design	Date Organogram Approved	31 July	31 July	N/A	31 July	31 July	31 July	Corporate Service	
			Number of signed section 56 contracts	5	5	4	5	5	5	Corporate Service	
			Number of women appointed in Section 54/56 Posts	2	2	2	2	3	3	Corporate Service	

NKPA 1.		MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT								
Outcome 9 Output		Differentiated approach to Municipal financing planning and support								
Ref No.	Objective	Strategies	Performance Indicator	2012/13 Target	2013/14 Target	(2013/14 Actual) Baseline	2014/15 Target	5 Year Target	Funding	Responsibility
			Number of people from Employment Equity target groups employed in the 3 Highest levels on Management in compliance with approved EE plan	5	5	4	5	5	5	Co-operative Service
		Implementation of adopted WSP	Date of completion of skills audit	30 Jun 2014	30 Jun 2014	30 Jun 2014	30 Jun 2014	30 Jun 2014	30 Jun 2014	Corporate Service
			% of Budget spent on implementation of WSP	100%	100%		100%	100%	100%	Corporate Service
A3	To improve administrative systems and processes	Development / Reviewal and implementation organisational policies	Number of identified policies developed (new) and approved	5	5		5	5	5	Corporate Service
			Number of existing policies reviewed and approved	25	30		35	40	45	Corporate Service
			Number of Policies Implemented	25	30		35	40	45	Corporate Service
		Develop required administrative system and structures.	Number of required systems in place	20	22		24	26	28	

NKPA 2.		Basic Service Delivery								
Outcome 9 Output		Improved access to basic services								
Ref No.	Objective	Strategies	Performance Indicator	2012/13 Target	2013/14 Target	(2013/14 Actual) Baseline	2014/15 Target	2015/16 Target	2016/17 Target	Responsibility
B1	To improve access to basic services	Improve access to electricity	Number of Existing consumer units with access to Electricity	4000	4200	4400	4500	4600	4700	Tech. Service
			Number of new consumer units with access to electricity	13	25	41	49	52	75	Tech. Service
B2		Improve access to refuse removal	Number of Existing consumer units with access to refuse removal	4000	4200	4400	4500	4600	4700	Tech. Service
			Number of new consumer units with access to refuse removal	13	25	41	49	52	75	Tech. Service
B3		Improve access to Roads	Km's of Municipal roads maintained in terms of approved Maintenance Plan	55	50	75	100	100	100	Tech. Service
			Km's of rural roads re-gravelled	13	25	41	49	52	75	Tech. Service
			Km's of new access roads (Gravel or Tarred) constructed	2	2	2	2	2	2	Tech. Service
B4		Improve access to adequate shelter	Date of approval housing sector plan	30 Jun	30 Jun	30 Jun	30 Jun	30 Jun	30 Jun	Tech. Service
			Number of new housing units constructed	100	100	130	320	400	400	Tech. Service

NKPA 2.		Basic Service Delivery								
Outcome 9 Output		Improved access to basic services								
Ref No.	Objective	Strategies	Performance Indicator	2012/13 Target	2013/14 Target	(2013/14 Actual) Baseline	2014/15 Target	2015/16 Target	2016/17 Target	Responsibility
B5		Provision of free basic water sanitation and refuse removal	Number of existing households with access to free basic services in terms of the indigent register	0	0	0	0	0	0	0
			Number of new household with access to free basic services in terms of the indigent register	0	0	0	0	0	0	0
B6		Develop and Implement Infrastructure Maintenance plan	Date Infrastructure maintenance plan approved	30 Jun	30 Jun	30 Jun	30 Jun	30 Jun	30 Jun	30 Jun
			Number of Municipal Infrastructure maintained timeously.	3	3	3	3	3	3	3

NKPA 3.		Local Economic Development								
Outcome 9 Output		Differentiated approach to Municipal financing planning and support								
Ref No.	Objective	Strategies	Performance Indicator	2012/13 Target	2013/14 Target	2013/14 Actual Baseline	2014/15 Target	2015/16 Target	2016/17 Target	Extended Target
C1	To strengthen the economic environment.	Develop and Implement strategies to Improve LED.	Number of LED strategy projects and programmes implemented	4	4	4	4	4	4	4
			Number of tourism strategy projects implemented	2	2	2	4	3	4	2
C2		Establishment of partnerships with other stakeholders	No of LED Fora Established and functional	1	1	1	1	1	1	1
C3		To promote sustainability of SMMEs and Co-operatives entrepreneurship	Number of SMME's and Co-operatives supported and capacitated	10	10	10	10	10	10	
C4		Creation of Employment opportunities	Number of jobs created through LED, EPWP and CWP programmes	15	15	45	55	85	95	
	% of Youth women and disabled employed in LED EPWP and CWP programmes		5%	5%	5%	5%	5%	5%		

NKPA 4.		Municipal Financial Viability & Management								
Outcome 9 Output		Differentiated approach to Municipal financing planning and support								
Ref No.	Objective	Strategies	Performance Indicator	2012/13 Target	2013/14 Target	(2013/14 Actual) Baseline	2014/15 Target	2015/16 Target	2016/17 Target	Extended Target
D1	Increase funding and revenue generation		% Increase in Financial viability debt recovery ratio	100%	100%	100%	100%	100%	100%	
			% of Municipal operations funded	100%	100%	100%	100%	100%	100%	
D2	Improve expenditure and maximise the economies of scale.		% Increase Financial viability cost recovery ratio	100%	100%	100%	100%	100%	100%	
			% Increase in SCM performance rating	100%	100%	100%	100%	100%	100%	
D3	Optimise budgeting and accountability of finances		% compliance with MFMA calendar	100%	100%	100%	100%	100%	100%	

NKPA5.		Good Governance & Public participation								
Outcome 9 Output										
Ref No.	Objective	Strategies	Performance Indicator	2012/13 Target	2013/14 Target	(2013/14 Actual) Baseline	2014/15 Target	2015/16 Target	2016/17 Target	Extended Target
E1	To Improve compliance and audit opinion	Establish and maintain effective audit structures. Resolve AG Audit queries	Number of Audit Committee Meetings held and reports submitted to council	4	4	4	4	4	4	4
			Number of Internal Audit reports submitted	4	4	4	4	4	4	4
			Number of AG Audit queries resolved as per AG Action Plan	100%	100%	100%	100%	100%	100%	
E2	To Improve Municipal Governance	Development / Reviewal and implementation organisational By-Laws	Number of identified By-Laws developed (new) and approved							
			Number of existing By-Laws reviewed and approved							
E3	To Improve public participation and awareness	Ensure Functional community participation structures	Number of By-Laws Implemented							
			Number of Community and Ward Committee meetings held	10	10	10	10	10	10	
			% of attendance by members per ward							
E4	Improve municipal internal and external communication	Training and implementation of Batho Pele Principles	Number of Functional Ward committees	4	4	4	4	4	4	
			Number of customer satisfaction surveys conducted	1	1	1	1	1	1	

NKPA5.		Good Governance & Public participation								
Outcome 9 Output										
Ref No.	Objective	Strategies	Performance Indicator	2012/13 Target	2013/14 Target	(2013/14 Actual) Baseline	2014/15 Target	2015/16 Target	2016/17 Target	Extended Target
		Develop/Implement and review communication strategy	Date Communication Strategy Adopted							
			Number of Municipal publications							

NKPA 2.		Cross Cutting Issues/Interventions								
Outcome 9 Output										
Ref No.	Objective	Strategies	Performance Indicator	2012/13 Target	2013/14 Target	(2013/14 Actual) Baseline	2014/15 Target	2015/16 Target	2016/17 Target	Extended Target
F1	To Strengthen Governance and IGR	Develop partnership with relevant stakeholders	Number of Meetings held / attended	4	4	4	4	4	4	
	To prevent and mitigate the occurrence of disasters.	Establish Disaster Management Unit.	Number of Disaster Management meetings held	4	4	4	4	4	4	
			Number of Disaster management for a established	1	1	1	1	1	1	
		Facilitation of Disaster Management Awareness campaigns	Number of Awareness Campaigns held	1	1	1	1	1	1	
		Improve response to disasters in collaboration with the District Municipality.	% of disasters responded to within the stipulated time frames as per Disaster Management Plan	10	10	10	10	10	10	
F3	To promote credible, Strategic and spatial municipal planning	Develop a Credible IDP	Improvement in credibility rating							
		Improved SDF Planning	Date reviewed SDF Framework	30 Jun	30 Jun	30 Jun	30 Jun	30 Jun	30 Jun	
			Number of Identified Spatial Development priorities/ Interventions	3	3	4	4	4	4	

NKPA 2.		Cross Cutting Issues/Interventions								
Outcome 9 Output										
Ref No.	Objective	Strategies	Performance Indicator	2012/13 Target	2013/14 Target	(2013/14 Actual) Baseline	2014/15 Target	2015/16 Target	2016/17 Target	Extended Target
F4	To promote and develop support programmes for Youth and vulnerable groups within the community.	Support the implementation campaigns directed to Youth and vulnerable groups.	Number of people benefiting from special programmes.	54	54	54	54	46	44	45
			Number of programmes conducted.	4	4	4	4	4	4	4
		Co-ordinate the implementation of HIV & AIDS Strategy	Number of effectively functioning structures	2	2	2	2	2	2	2

SECTION F: FINANCIAL PLAN

F1. OVERVIEW

The implementation of the Integrated Development Plan is largely reliant on the efficiency of the financial management system, and a strategy to enhance this capacity is necessary.

The principles, Strategic Financial Framework, the Medium Term Expenditure and Revenue Framework (for the next three years) and Capital Investment Programme, are outlined in this section. The emphasis for the initial year, i.e. 2014/15, is on projects receiving committed funding, and priority projects. It is important for the Municipality to ensure that they source funding for projects in an aggressive way in order to ensure that the implementation process is sustained.

Since the Mpoofana Municipality is characterised by a substantial lack of basic services (for the major portion of the Municipality), the emphasis will fall on basic service provision, which could be funded, by all levels of government and service providers. Local economic development should be encouraged as it could have a spill over effect, which would be beneficial to the municipality as a whole, triggering more investment.

Mpoofana Local Municipality's financial plan is compliant to the MFMA, and such its implementation is legal in nature. It does remain a challenge that the Municipality's financial needs far outweigh the needs that be at Mpoofana. This has not prevented the Municipality from coming up with a comprehensive Plan to address the financial challenges. This has been as result of a Revenue Enhancement Strategic Workshop which was held over a 2 day period where some of the financial challenges were identified, and solutions to address the challenges identified were brought to the fore.

The following will be quite important in the implementation of Mpoofana's financial plan.

1. It is of vital importance that the municipality has adequate sources of revenue, from both its own operations and intergovernmental transfers, to enable it to carry out its own functions.
2. It is important to track the respective sources of revenue received by the municipality as they can be different and vary depending on the period within the financial year. Knowledge of the resources of funds will illustrate the Municipality's position more accurately.
3. Cash management is crucial for the short and long-term survival and good management of the organization. To assess the financial standing of the municipality, a current ratio will be used which expresses the current assets as a proportion to current liabilities. A current ratio of more than 2:1 is considered to be healthy.
4. The Municipality should ensure that the budget is balanced – revenue is greater than the expenditure. Services provided at all levels should be affordable. However, subsidies need to be made available to the indigent who cannot even pay for a quarter of their service costs so that they can have access to at least basic services. That is why one of the outcomes of the Revenue Enhancement Strategic Session was that the Provision of Free Basic Services should commence soon.
5. The municipality is responsible to the people who provide the resources, for what they do with those resources. The budget process and other financial decisions should be open to the public's participation. Also, it is crucial that the accurate information is produced within acceptable time-frames.
6. Mpoofana Local Municipality must treat people fairly and justly when it comes to

the provision of services. In the same way that Mpofana Municipality should be treated equitably by the national and provincial government when it comes to the inter-governmental transfers.

The Municipality has over the years experienced too many electrical illegal connections, hence, a strategy has been put in place so as to audit all the pre-paid meters in areas under Mpofana's license. If people are found to have tampered with the electricity, they will be fined, this fine will depend on their kind of settlement.

The Municipality has also made a decision to check on all local businesses to determine whether or not tampering occurs in the local businesses.

All major industries around town, will be exempt from paying the special rate, but will be charged the normal price. This has already taken place, however this point has been emphasized that the special rate rule should be dealt away with for large consumers.

The process will also be culminated by some cost-cutting issues which will be further discussed under

F2. MUNICIPAL 3 TO 5 YEAR BUDGET

F2.1. CAPITAL & OPERATIONAL BUDGET

F2.1.1. OPERATING BUDGET

The following table summarises the Operating Budget.

Description	Budget 2015/16	Budget 2016/17	Budget 2017/18
Revenue by source			
Property rates	12 778 972	13 174 391	13 846 392
Penalties	2 639 028	2 807 925	2 987 633
Service charges	54 055 076	56 847 080	59 783 709
Rental facilities	4 409 876	4 692 108	4 992 403
Interest on Investments	1 281 600	1 363 622	1 450 894
Interest on debtors	1 602 000	1 704 528	1 813 617
Fines	320 000	340 905	362 723
Licence and Permits	2 242 800	2 386 338	2 539 063
Operating grants	28 752 000	31 841 000	34 085 488
Capital grants	11 996 000	12 557 000	13 360 000
Other revenue	138 840	147 725	157 180
Total Revenue	120 116 592	127 862 627	135 379 754
Expenditure by type			
Employee cost	28 844 613	30 158 677	32 089 835
Remuneration of councillors	2 006 838	2 108 829	2 217 033
Asset Impairment	14 122 164	15 025 982	15 987 645
Depreciation	5 612 340	5 971 529	6 353 707
Finance cost	267 000	284 088	302 269
Bulk electricity	49 674 816	52 854 004	56 236 660
Contracted service	5 514 259	5 867 172	6 242 670
Repairs and maintenance	1 869 000	1 988 616	2 115 887
Other expenditure	9 118 180	8 731 376	9 290 184
Total Expenses	117 168 061	123 138 000	130 992 074

Description	Budget 2015/16	Budget 2016/17	Budget 2017/18
Surplus/(Deficit)	2 938 530	4 724 626	4 387 679

F2.1.2. CAPITAL BUDGET

The following table summarises the Capital Budget.

Name of the Grant	Budget 2015/16	Budget 2016/17	Budget 2017/18
Rehabilitation of Upper town Main Road (MIG)	R 5 Million	R 5 Million	R 5 Million
Nkomba Access Road (MIG)	R2,500 00 Million	R2,500 00 Million	R2,500 00 Million
Bruntville Main Road Resurfacing (MIG)	R2,500 00 Million	R2,500 00 Million	R2,500 00 Million
Scotsfontein Road (MIG)	R2,500 00 Million	R2,500 00 Million	R2,500 00 Million
Bursaries (Registration) 20 Students (Internal)	R50, 000,	R70, 000	R80, 000

F2.1.3. COSTS OF PROVIDING FREE- BASIC SERVICES

Due to financial constraints in the 2014/2015 financial year the municipality was unable to budget for free basic services for the 2015/2016 financial year. The distribution losses of the past have also contributed to the Municipality not being able to implement the Free Basic Service for Electricity. However in the 2015/16 Financial

Year the cost of free basic service will be R500, 000. However through the Strategic Planning session that has recently been held, there is a plan to develop the indigent register and implement it, with the Council having approved the process plan which is to be undertaken when developing the indigent register.

F2.1.4. OPERATIONAL AND MAINTENANCE COSTS

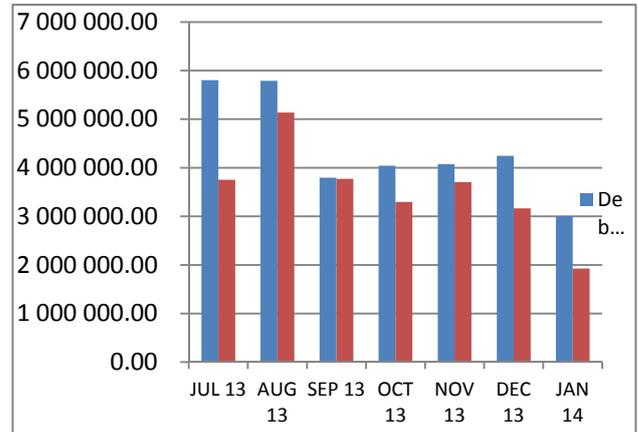
	Budget 2015/16	Budget 2016/17
R&M Buildings	284 088	302 269
R&M Electricity reticulation	227 270	241 815
R&M Service Connections	45 454	48 363
R&M Machinery and Equipment	113 635	120 907
R&M Roads and Storm water	1 136 352	1 209 078
R&M Street lights	68 181	72 544
R&M Vehicle Maintenance	113 635	120 907
Total R&M	1 988 616	2 115 887

F2.2. DEBT COLLECTION

The implementation of the procedures in terms of the Credit control and Debt collection Policy will facilitate the management of cash flow, and place Council in a position to finance operation expenses. This will have to be combined with a strategy to cleanse debtor's data.

The table below depicts the current payment trends on what is raised and what is received by consumers as a whole. The collection rate for the Town View and Bruntville area only makes up 8% of the 80% collection rate. This is mainly due to customers from this area being the most affected by unemployment and being indigent.

Town Totals			
Month	Debits	Credits	% Recovery Rate
JUL 14	5 803 902,06	3 754 071,66	65%
AUG 14	5 789 449,08	5 137 371,30	89%
SEP 14	3 797 240,06	3 773 941,83	99%
OCT 14	4 042 237,29	3 297 258,40	82%
NOV 14	4 075 422,40	3 702 808,76	91%
DEC 14	4 246 646,43	3 164 631,52	75%
JAN 15	3 004 509,66	1 927 285,01	64%
Total	30 759 406,98	24 757 368,48	80%



SERVICES AGE ANALYSIS SUMMARY PER MONTH								
	Current	Previous	30 Days	60 Days	90 Days +	Debits	Credits	Net
Jun 13	3 285 113,58	1 748 456,14	1 228 573,03	1 059 649,93	50 475 124,23	57 796 916,91	(4 139 548,04)	53 657 368,87
Jul 13	24 296,49	5 091 934,44	1 488 669,83	1 017 431,28	51 063 044,73	58 675 376,77	(4 188 262,92)	54 487 113,85
Aug 13	-	6 193 800,25	2 232 431,45	1 282 399,50	52 943 502,30	60 697 591,64	(4 244 133,52)	56 453 458,12
Sep 13	8 968,84	3 768 196,95	1 728 704,10	1 552 079,85	52 214 735,72	59 272 685,46	(4 166 355,43)	55 106 330,03
Oct 13	14 412,46	3 953 487,74	1 482 712,77	1 465 510,73	52 860 778,42	59 776 902,12	(4 349 910,27)	55 426 991,85
Nov 13	148,03	1 940 668,93	1 512 764,84	1 228 407,55	53 417 250,79	58 099 240,14	(4 629 347,79)	53 469 892,35
Dec 13	95 275,53	1 980 855,11	1 610 534,52	1 333 378,88	54 012 622,32	59 032 666,36	(4 577 563,03)	54 455 103,33
Jan 14	64,60	2 917 123,62	1 511 877,36	1 504 747,72	54 955 939,93	60 889 753,23	(4 568 026,55)	56 321 726,68
Feb 14		3 854 604,90	1 749 017,37	1 416 183,89	56 083 445,93	63 103 252,09	(4 590 395,71)	58 512 856,38

F2.3. REVENUE GENERATION

The Municipality generates most of its revenue from the sale of electricity and is largely dependent on consumers purchasing electricity and making payment for this service. The Municipality also relies on rate payers to ensure that their rates are paid as this also is a contributing factor to whether the Municipality can improve the Town. The other contributing factor to revenue generation is the issuing of fines by the Traffic Department which was previously stopped due to change in service provider. Other factors are building plan fees, rates clearance fees, driver's license and registrations, cemetery fees, refuse removal and electricity connection as well as hall hires. It has been suggested that the Municipality should consider the hiring of the sports fields as an added method of revenue generation as well as leasing out Municipal Properties for additional income.

At a Revenue Strategic Planning Session, these were the issues that were raised which range from:

1. Updated Customer Details- Which the Municipality is currently updating
2. There is no enquiries Clerk- A dedicated official has been assigned the duty of Enquiries Clerk

Incomplete billing- The Municipality is currently checking its billing method and verifying if there could be people who might be owing the Municipality but are not billed.

F2.4. EXPENDITURE MANAGEMENT

Whilst the Municipality wishes to collect all the money owed to it, it is equally important that the spending patterns are monitored closely so as to avoid unnecessary expenditure. It must be recalled that Mpofana Local Municipality was under intervention Section 139 (c), The intervention introduced a committee called the IFC, The Interim Finance Committee, which assists the CFO and all other relevant officials in guiding them on issues that are a priority to the Municipality and where money is to be spent. The presence of the IFC has seen an improved expenditure management, as items that need to be bought are condoned by the IFC. Treasury has also supported the Municipality in this regard by providing a warm body who helps out at Finance.

It is equally important to mention that the Finance Staff are currently being trained on MFMP (Municipal Finance Management Programme), the course familiarizes the staff dealing with financial issues with sound financial practises and norms. This in turn assists the Municipality by having people who are well vested in the MFMP.

Council through its delegated oversight committee the MPAC closely monitors the Municipal's spending patterns.

F2.4. ASSET MANAGEMENT

If assets are managed correctly, it ensures that costs are saved and longer life spans of the assets. With the position of the Asset Control Officer, the Municipality will ensure that the implementation of an integrated asset management system and management of the system is current and accurate. The Asset Control Officer will ensure that proper investigations, identification and implementation of a suitable integrated asset management system. It also includes the

capture of all assets onto the system, the maintenance of this system and the production of a complete asset register in terms of the GRAP requirements. Currently the financial interns are assisting in checking the asset register and ensuring that it is properly maintained.

F2.4. AG REPORT SUMMARY

<i>FINDING</i>	<i>MANAGEMENT RESPONSES</i>	<i>TARGET DATE</i>	Responsible Official / Dept	<i>PROGRESS</i>
<p><i>INVESTMENT PROPERTY</i></p> <p>The municipality's records for investment property did not include sufficient information to enable the separate identification of land and buildings. As a result, I was unable to obtain sufficient appropriate audit evidence for the amount disclosed as investment property in note 2 to the financial statements and I could not confirm the investment property by alternative means. Consequently, I am unable to determine whether any adjustments relating to investment property stated at R13.92 million (2013: R5.34 million) in the financial statements were necessary. Additionally, I was unable to confirm whether any adjustments relating to the revaluation reserve stated at R8, 58 million in the financial statements were necessary.</p>	<p>The processes of separating costs of land and that of buildings has will be carried out by consultants compiling the FAR for the Municipality for the 2014/15 year. The Financial statements were adjusted with (fair value of the Investment properties) and the Mills Fitchet Report supplied to support the fair values; however the Auditors considered it to be late.</p>	<p>31 January 2015</p>	<p>CFO</p>	<p>All Investment properties were matched to the Mill Fitchet report to ensure that there is a corresponding market value for each Investment Property.</p>
<p><i>COMMITMENTS</i></p> <p>The municipality did not have adequate systems to maintain records of contractual commitments for capital and operating expenditure. As a result, I was unable to obtain sufficient appropriate audit evidence for the amounts disclosed as commitments in note 40 to the financial statements and I could not confirm the disclosure by alternative means. Consequently, I was unable to determine whether any further adjustments to the capital and operating commitments stated at R15.50 million and R9.52 million respectively in the financial statements were necessary.</p>	<p>The Commitments register has been compiled and the value of commitments has been calculated. The Commitments register will be updated on a quarterly basis.</p>	<p>31 January 2015</p>	<p>CFO</p>	<p>All commitments have been calculated on all contracts in order to determine the value of commitments. Contract register will be updated quarterly.</p>

<i>FINDING</i>	<i>MANAGEMENT RESPONSES</i>	<i>TARGET DATE</i>	Responsible Official / Dept	<i>PROGRESS</i>
<p><i>PAYABLES FROM EXCHANGE TRANSACTIONS</i></p> <p>The municipality did not have adequate systems to maintain records of receipts from consumer debtors. The amount disclosed as payables from exchange transactions includes an amount of R4.19 million relating to debtor payments received in advance, as disclosed in note 17 to the financial statements. I was unable to obtain sufficient appropriate audit evidence for this amount and I could not confirm this amount by alternative means. Consequently, I was unable to determine whether any further adjustment to the payables from exchange transactions stated at R8.64 million in the financial statements was necessary.</p>	<p>The unallocated receipt arises on debtors that do not give a reference on bank deposits to allow the Municipality allocates payments correctly. Management has thus decided that all receipts that remain unallocated and has not been claimed will be written off against the debtors. Unallocated receipts within 3 years will remain unallocated just in case the debtor claims the payment with proof.</p>	<p>31 January 2015</p>	<p>CFO</p>	<p>Management has thus decided that all receipts that remain unallocated and has not been claimed will be written off against the debtors. Unallocated receipts within 3 years will remain unallocated just in case the debtor claims the payment with proof. All payments older than 3 years were accordingly written off by management against the debtors balance.</p>
<p><i>IRREGULAR EXPENDITURE</i></p> <p>The municipality made payments in contravention of the supply chain management requirements, resulting in irregular expenditure being understated by R1.49 million (2013: R20.81 million).</p>	<p>All irregular expenditure will be quantified and accordingly reported on the Annual Financial Statements for 2014/15.</p>	<p>28 February 2015</p>	<p>CFO</p>	<p>The irregular expenditure has been quantified and just need to be approved by the Provincial Treasury as appropriate.</p>
<p>regular expenditure</p> <p>Additionally, I was unable to obtain sufficient appropriate audit evidence for irregular expenditure of R8.26 million and the condonation thereof of R251 738 relating to the year ended 30 June 2013 due to an inadequate records management system. I was unable to confirm the disclosure by alternative means. Consequently, I was unable to determine whether any further adjustment to the previous year irregular expenditure stated at R8.01 million in note 48 to the financial statements was necessary.</p>	<p>All irregular expenditure will be quantified and accordingly reported on the Annual Financial Statements for 2014/15.</p>	<p>28 February 2015</p>	<p>CFO</p>	<p>The irregular expenditure has been quantified and just need to be approved by the Provincial Treasury as appropriate.</p>

<i>FINDING</i>	<i>MANAGEMENT RESPONSES</i>	<i>TARGET DATE</i>	Responsible Official / Dept	<i>PROGRESS</i>
<p><i>UNAUTHORISED EXPENDITURE</i></p> <p>The municipality did not have adequate systems to identify and correctly record unauthorised expenditure relating to the prior year. I was unable to obtain sufficient appropriate audit evidence for unauthorised expenditure of R12.06 million and the condonation thereof related to the year ended 30 June 2013. I was unable to confirm the disclosure by alternative means. Consequently, I am unable to determine whether any further adjustment to the unauthorised expenditure comparative stated at R5.12 million as stated in note 46 to the financial statements was necessary.</p>	<p>All irregular expenditure will be quantified and accordingly reported on the Annual Financial Statements for 2014/15.</p>	<p>28 February 2015</p>	<p>CFO</p>	<p>The irregular expenditure has been quantified and just need to be approved by the Provincial Treasury as appropriate.</p>
<p><i>CONSUMER DEBTORS</i></p> <p>The municipality did not have adequate systems to maintain records of receipts from consumer debtors. The amount disclosed as consumer debtors is stated net of R2.16 million relating to unallocated receipts from consumers. I was unable to obtain sufficient appropriate audit evidence for this amount and I could not confirm this amount by alternative means. Consequently, I was unable to determine whether any further adjustment to consumer debtors stated at R23.31 million in the financial statements was necessary.</p>	<p>The unallocated receipt arises on debtors that do not give a reference on bank deposits to allow the Municipality allocates payments correctly. Management has thus decided that all receipts that remain unallocated and has not been claimed will be written off against the debtors. Unallocated receipts within 3 years will remain unallocated just in case the debtor claims the payment with proof.</p>	<p>28 February 2015</p>	<p>CFO</p>	<p>All commitments have been calculated on all contracts in order to determine the value of commitments. Contract register will be updated quarterly.</p>
<p>Material losses</p> <p>As disclosed in note 51 to the financial statements, material losses to the amount of R 10.36 million were incurred as a result of electricity losses due to electricity line losses within the electricity network infrastructure.</p>	<p>The Municipality is currently using meter auditors that go door to door and disconnecting all households that have been illegally connected.</p>	<p>30 June 2015</p>	<p>CFO</p>	<p>The is due to illegal connections, the Municipality is however on a project of house to house whereby it disconnect all houses that are connected illegally</p>

<i>FINDING</i>	<i>MANAGEMENT RESPONSES</i>	<i>TARGET DATE</i>	Responsible Official / Dept	<i>PROGRESS</i>
<p>Going concern</p> <p>As disclosed in note 44 of the annual financial statements, the municipality does not have sufficient cash to support unspent grant monies. The unspent conditional grants liability amounts to R15.74 million and the municipality has investments to the value of R11.85 million.</p>	<p>The Municipality has a recovery plan which is currently employed to improve the Cash-flow position of the Municipality.</p>	<p>30 June 2014</p>	<p>Municipal Manager</p>	<p>Treasury is working hand in hand with the Chief Financial Officer on matters of Cash-flow improvement.</p>
<p>Unaudited disclosure notes</p> <p>In terms of section 125(2) (e) of the MFMA the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion thereon.</p>	<p>Management will ensure that the disclosure notes required in terms of 125(2) (e) of the MFMA are disclosed even when they are not audited.</p>	<p>30 June 2015</p>	<p>Municipal Manager</p>	<p>Management will ensure that the disclosure notes required in terms of 125(2) (e) of the MFMA are disclosed even when they are not audited.</p>
<p>Redetermined objectives</p>				
<p><i>USEFULNESS OF REPORTED PERFORMANCE INFORMATION</i></p> <p><i>REPORTED TARGETS NOT CONSISTENT WITH PLANNED TARGETS</i></p> <p>Section 41(c) of the Municipal Systems Act requires the integrated development plan to form the basis for the annual report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. A total of 43% of the reported targets were not consistent with those in the approved integrated development. Furthermore, one reported target was adjusted in the annual performance report and not in the IDP or the SDBIP. This was due to the</p>	<p>Management will ensure alignment between the Integrated Development Plan and the SDBIP in order to ensure compliance with legislation.</p>	<p>31 March 2015</p>	<p>Municipal Manager</p>	<p>Cogta is working hand in hand with IDP Manager to ensure that there is consistency on planned targets</p>

<i>FINDING</i>	<i>MANAGEMENT RESPONSES</i>	<i>TARGET DATE</i>	Responsible Official / Dept	<i>PROGRESS</i>
lack of review on the alignment between planning and reporting documents.				
<u>Compliance with legislation</u>				
Budgets Expenditure was not incurred in accordance with the approved budget in contravention of section 15 of the MFMA.	Management will ensure that expenditure is incurred with the approved budget and that the adjustment Budget is reviewed correctly by the Interim Finance Committee and Council.		Municipal Manager	In the first part of the Financial Year expenditure was incurred in accordance with approved budget. The Interim Finance Committee is part of the recovery plan and ensuring that expenditure is incurred in accordance with the Budget.
Annual financial statements, performance and annual reports The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the Municipal Finance Management Act. Material misstatements of non-current assets, current assets, current liabilities, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected or the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.	Due to political unrest and the low capacity of the Municipality the financial statements produced were subject to material changes. Management will ensure that the Interim Financial Statements and Financial Statements are produced in time to allow for Financial Statements to go through all audit processes in time and be reviewed by other stakeholders before it is submitted.		Municipal Manager	The Municipality is in the process of preparing Interim Financial Statements and has requested the assistance from Treasury on the review of Financial Statements.

<i>FINDING</i>	<i>MANAGEMENT RESPONSES</i>	<i>TARGET DATE</i>	Responsible Official / Dept	<i>PROGRESS</i>
<p>Annual financial statements, performance and annual reports</p> <p>Annual financial statements were not submitted for auditing within two months after the end of the financial year, as required by section 26(1)(a) of the MFMA</p>	<p>Due to political unrest Financial Statements could not be submitted within the legislative deadlines, Management will ensure that Financial Statements are prepared and reviewed in time to ensure compliance with legislation.</p>	<p>15 August 2015</p>	<p>Municipal Manager</p>	<p>Management is preparing Interim Financial Statements to familiarize themselves with reporting on AFS and will be issuing the Draft Financials to different review processes in ensuring that independent input is considered when preparing Annual Financial Statements.</p>
<p>Procurement and contract management</p> <p>Goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations as required by SCM regulation 17(a) & (c).</p>	<p>Management has compiled a deviation register on which all deviations from Supply Chain Regulations are reported. In most cases this is when services are required urgently and when there is only one supplier.</p>	<p>28 February 2015</p>	<p>CFO</p>	<p>As per guidance quotations will be requested from service providers within the republic and not only to Mpofana ones as it has been done before. Internal Audit will from time to time review procurement.</p>
<p>Procurement and contract management</p> <p>Goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a).</p>	<p>Initial tender process can be less than R200, 000 and therefore procured in quotations and when the scope of the work is increased the procurement processes can't be changed. All procurement exceeding R150, 000 will be closely monitored by the Municipal Manager to ensure it does not escalate and thus result in non-compliance.</p>	<p>28 February 2014</p>	<p>CFO</p>	<p>All transactions that are above R150, 000 will be closely monitored by the Municipal Manager to ensure that they do not escalate above R200, 000 and the Support on SCM has been requested from Treasury to assist in ensuring that procurement process is done in accordance with Laws and regulations.</p>

<i>FINDING</i>	<i>MANAGEMENT RESPONSES</i>	<i>TARGET DATE</i>	Responsible Official / Dept	<i>PROGRESS</i>
<p>Procurement and contract management</p> <p>Awards were made to providers who are in the service of other state institutions or whose directors/ principal shareholders are in the service of other state institutions, in contravention of MFMA 112(j) and SCM regulations 44. Similar awards were identified in the prior year and no effective steps were taken to prevent or combat the abuse of the SCM process in accordance with SCM regulation 38(1).</p>	<p>Management does not have necessary mechanisms in place to detect whether the Supplier is in service of State in cases where the service provider did not declare. The Municipality will after year-end submit to the AG all suppliers used to enable the AG to check if any of them was in service of the state and the required disclosure will be made</p>	<p>30 June 2015</p>	<p>CFO</p>	<p>The Municipality will after year-end submit to the AG all suppliers used to enable the AG to check if any of them was in service of the state and the required disclosure will be made. All service that we are aware are in service of State will no longer be used.</p>
<p>Procurement and contract management</p> <p>Contracts and quotations were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM regulation 13(c).</p>	<p>Management will ensure that the declaration forms part of the Checklist and payments cannot be made until the declaration is received.</p>	<p>28 February 2014</p>	<p>CFO</p>	<p>As part of the Checklist the Declaration of interest has been made. Management will ensure that the declaration forms part of the Checklist and payments cannot be made until the declaration is received.</p>
<p>Procurement and contract management</p> <p>Invitations for competitive bidding were not always advertised for the required minimum period of days, as required by SCM regulation 22(1) & 22(2).</p>	<p>Management will ensure that the tenders are always advertised for the minimum period of time.</p>	<p>30 June 2015</p>	<p>CFO</p>	<p>No procurement for competitive bidding has been advertised less than the required days in the current financial year.</p>
<p>Expenditure management</p> <p>Money owed by the municipality was not always paid within 30 days, as required by section 65(2) (e) of the MFMA.</p>	<p>Municipality has experience severe cash flow problems leading to payments not made within 30 Days. Invoices are sometimes also received late</p>	<p>28 February 2015</p>	<p>CFO</p>	<p>All receipts are date stamped on receipt. Internal Audit will be testing all payments voucher on whether they are signed by appropriate personnel and whether it has been paid within 30 days of receipts of</p>

<i>FINDING</i>	<i>MANAGEMENT RESPONSES</i>	<i>TARGET DATE</i>	Responsible Official / Dept	<i>PROGRESS</i>
	and Management has decided to date stamp all invoices on receipt to ensure that late invoices are not considered as late payments.			Invoice
<p>Expenditure management</p> <p>An effective system of expenditure control, including procedures for the approval and withdrawal of funds, was not in place, as required by section 65(2) (a) of the MFMA.</p>	<p>Payments can only be authorized once it has been electronically approved by M.M and C.F.O in some instances the hardcopy voucher was not always signed as evidence of review however Management will ensure that all vouchers are signed as evidence of review as appropriate</p>	28 February 2014	CFO	Internal Audit will be testing all payments voucher on whether they are signed by appropriate personnel and whether it has been paid within 30 days of receipt of Invoice
<p>Expenditure management</p> <p>Reasonable steps were not taken to prevent unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure, as required by section 62(1) (d) of the MFMA.</p>	<p>Due to unforeseen circumstances unauthorized, irregular and fruitless expenditure was incurred. Management is working hand in hand with treasury to ensure that SCM expertise is brought to the Municipality in order to minimize irregular expenditure. The cash flow is constantly managed by the IFC to ensure that cash resources are readily to finance immediate cash commitments and avoid fruitless expenditure</p>		CFO	The IFC (Interim Finance Committee) has been adopted as an interim structure to ensure that unauthorized, irregular, fruitless and wasteful expenditure is avoided at all costs.

<i>FINDING</i>	<i>MANAGEMENT RESPONSES</i>	<i>TARGET DATE</i>	Responsible Official / Dept	<i>PROGRESS</i>
<p>Revenue management</p> <p>An effective system of internal control for debtors and revenue was not in place, as required by section 64(2) (f) of the MFMA.</p>	<p>Management agrees that the internal control was not appropriate to ensure that fair presentation of Financial statements was achieved. Debt collection was also not followed due to cash-flows on the Municipality</p>		Municipal Manager	<p>All the identified errors on the Municipal system of internal control for debtors and revenue were corrected. Management will ensure that the system is closely monitored and that going forward. A legal team has been appointed to ensure collection of debt.</p>
<p>Internal control</p>				
<p>Leadership</p> <p>There was inadequate oversight on the review of annual financial statements submitted for audit, no formulation of a process to ensure consistency of reported performance information, and inadequate oversight over compliance with regulations. Vacancies in key positions in senior management had a direct impact on the municipality's ability to implement and monitor the financial and performance management systems of internal control, as well as the effectiveness of action plans to prevent the recurrence of prior year audit findings.</p>	<p>Due to lack of capacity in the Municipality and it being the first time that the Municipality prepares financial statements. As part of the recovery plan Cogta will ensure that more expertise is brought to the Municipality to ensure that 2014/15 financials are of the highest quality.</p>	28 February 2014	Municipal Manager	<p>Management is in the process of involving Treasury in order to increase capacity. Management will review the Midyear financials and will decide whether more expertise is needed in terms of preparing credible financial statements.</p>
<p>Financial and performance management</p> <p>The record keeping of the municipality was inadequate to support reported information. Annual financial statement disclosures were not adequately supported by documentation. Daily controls were not adequate to support accurate financial records, reconciliations or reporting.</p>	<p>Management will ensure that all standard reconciliations are performed and reviewed by the appropriate personnel a closer look will be given to Vat Reconciliation, Bank Reconciliation and Creditors Reconciliation.</p>	28 February 2014	Municipal Manager	<p>The task team from treasury is working on the Vat Reconciliation. The Chief Financial Officer is ensuring that the outstanding payments are cleared timeously on the Bank Recon. The BCX support is currently providing training to staff of how to prepared System Reconciliations for the Creditors</p>

<i>FINDING</i>	<i>MANAGEMENT RESPONSES</i>	<i>TARGET DATE</i>	Responsible Official / Dept	<i>PROGRESS</i>
<p>Performance</p> <p>Risk assessments were not adequate for the purpose of internal audit and audit committee to ensure that prior year findings were addressed.</p>	<p>Due to lack of capacity and the Internal Audit Division being there toward the end of the Financial year not all findings from prior year were resolved. Risk assessment was performed in October 2014 and will continue to be monitored. The Dashboard and Audit Action Plan will be closely monitored by the Municipal Manager</p>	<p>28 February 2014</p>	<p>Municipal Manager</p>	<p>Management will be discussing the Audit Action Plan as a standing item on all Manco meetings</p>
<p>Investigations</p> <p>Two investigations are currently being performed by municipal legal representation relating to cases detected in the current and prior periods in respect of abuse of municipal vehicles and unauthorised removal of cash from municipal premises by a director. The outcome is expected to be finalised in February 2015. Further internal investigations are being conducted that are expected to be finalised in March 2015 relating to inadequate handling of cash and misrepresentation of monies received, and the fraudulent issuing of licences and permits.</p>	<p>Due to internal controls Management was able to identify areas of possible irregularities or fraud. A report on the outcome of the investigations will be made available to all relevant stakeholders and the quantified losses will be reflected according in the financial records.</p>	<p>30 April 2015</p>	<p>Municipal Manager</p>	<p>The investigations are underway and once it has been completed the necessary journals will be made on the financial records....</p>

Revenue Protection Unit to ensure the municipality's revenues is collected to its maximum ability. The following are some of the more significant programmes that have been identified.

BUDGET

National Treasury published draft budget regulations in accordance with the relevant provisions of the MFMA. This informs the organogram, especially on the finance directorate in order to effectively deal with these budget regulations. A municipality should comply with the National Treasury Budget and Regulation format on its budget.

FINANCIAL STATEMENTS

A municipal financial year has to fully comply with the standards of GRAP. In order to show effective compliance with these and other standards will also necessitate an amendment to the finance organogram. A municipal Finance department should appoint well experienced financial personnel (CFO) to allow full compliance to GRAP standards.

BORROWING COSTS

This should indicate the maximum average borrowings ratio inclusive of projects for the next three years. The list of projects the fund is earmarked for should also be indicated. It must also show the total amount of external loans for a certain period of years



MPOFANA MUNICIPALITY

"Ikusasa Lisezandleni Zethu Masakhe."

The Future Is In Our Hands, Let's Build.

SECTION G (ANNUAL OPERATIONAL PLAN) SDBIP

2015/16

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN

10 Claughton Terrace

Mooi-River

3300

“Ikusasa lisezandleni zethu, Masakhe”

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1. Foreword by the Executive Mayor
2. Introduction
3. Legislation
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8. Monthly Revenue
9. Monthly Expenditure
10. Service Delivery and Performance Indicators and Targets
 - 10.1 Budget and Treasury Office
 - 10.2 Office of the Municipal Manager
 - 10.3 Corporate Services
 - 10.4 Social and Economic Development Service
 - 10.5 Technical Services Department
11. Detailed Capital Works Plan
12. Conclusion

1. Foreword by the Executive Mayor

I am honored and humbled to submit to you, in terms of Municipal Systems Act of 2000, the 2015/16 Service Delivery and Budget Implementation Plan. The SDBIP will inform decision making on resource allocation and service delivery. We are proud to inform you that this SDBIP emanates from the IDP which is the key document, also which was compiled through extensive public consultation and participation process. This shows that Mpofana Municipality fully understands the importance of democracy and that no development of people can take place without their involvement.

We have made enormous strides in fulfilling our constitutional obligation by implementing five strategic programmes embedded in our vision: economically viable and developmental municipality, creating job opportunities, affordable place to inhabit, promote environmental sustainability and a strong competitor for economic and tourism investment municipality.

We will continue to put more effort to achieve our vision and forge intergovernmental relations. The existing partnerships formed with private, public and civil society has contributed to positive business environment .The benefit of these partnerships has already started to generate fruits in reviving economic growth within Mpofana Municipality.

We have prioritized economic growth and development to address unemployment and poverty. Industrial Development and Agro-processing is one of the strategic priorities to stimulate economic growth and job creation.

The Municipality has better positioned itself in meeting the needs and priorities of the community by re-aligning its organizational structure and embarked on an effort of filling in the critical posts. This will ensure that we strengthen management of resources and accelerate service delivery. Therefore this SDBIP is inclusive of the programmes, projects and financial investments from other government departments and other key stakeholders.

As the Executive Authority of Mpofana Municipality, I wish to say we are committed to explore all the avenues and mobilise financial and human resources to ensure the successful implementation of this SDBIP. Better is not good enough the best is yet to come for Mpofana citizens.

Approved by the Executive Mayor

..... Date.....

Councillor M Magubane

2. INTRODUCTION

The development, implementation of the Service Delivery and Budget implementation Plan (SDBIP) is required by the Municipal Finance Management Act (MFMA). In terms of Circular 13 of National Treasury, "The SDBIP gives effect to the Integrated Development Plan (IDP) and budget of the Municipality and will be possible if the IDP and the budget are fully aligned with each other, as required by the MFMA

As the budget gives effect to the strategic priorities of the municipality, it is important to supplement the budget and the IDP with a management and the implementation plan. The SDBIP serves as a commitment by the Mpoofana Municipality, which includes the administration, council and community, whereby the intended objectives and projected achievements are expressed in order to ensure that desired outcomes over the long term are achieved and these are implemented by the administration in the 2015/16 financial year.

The SDBIP provides the basis for measuring performance in service delivery against quarterly targets and implementing the budget based on monthly projections. Circular 13 further suggests that "the SDBIP provides the vital link between the Mayor and the Administration, and facilitate the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the Mayor, the Municipal Manager, Senior Managers and community"

The purpose of the SDBIP is to monitor the execution of the budget, performance of senior management and achievement of the strategic objectives set by the Council. It enables the Municipal Manager to monitor the performance of senior managers, The Mayor to monitor the performance of the Municipal Manager, and the community to monitor the performance of the municipality. In the interest of good governance and better accountability, the SDBIP should therefore determine and be aligned with the performance agreements by the Municipal Manager and senior Managers.

3. LEGISLATION

According to the Municipal Finance Management Act (MFMA) the definition of the SDBIP is:

“Service Delivery and Budget Implementation Plan” means a detailed plan approved by the Mayor of a Municipality in terms of section 53 (1) (c) (ii) for implementing the municipality’s delivery of municipal services and its annual budget, and which must indicate-

- a) Projections for each month of
 - (i) Revenue to be collected, by source, and
 - (ii) Operational and capital expenditure, by vote;
- b) Service Delivery targets and performance indicators for each quarter

Section 53 of the MFMA stipulates that the Mayor should approve the SDBIP within 28 days after the approval of the budget. The Mayor must also ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators as set out in the Service Delivery and Budget Implementation Plan are made public within 14 days after the approval.

Section 1 of the MFMA defines a “vote” as:

- a) One of the main segments into which a budget of municipality is divided for the appropriation of money for the different departments or functional areas of the Municipality; and
- b) Which specifies the total amount that is appropriated for the purposes of the department or functional area concerned

4. COMPONENTS

National Treasury directives are quite clear on the contents and methodology to derive at the SDBIP. As a first step, the IDP objectives need to be quantified and related into key performance indicators. The budget is aligned to the objectives, projects and milestones to enable the SDBIP to serve as monitoring tool for service delivery. What gets measured, gets done, therefore it should be noted, that in order to improve on certain processes and co-operation within the municipality, process indicators have been developed for the measurement purposes during the 2014/15 financial year.

The Mpofana Municipality has incorporated the following relevant components into their SDBIP, but has used the initiative to derive it as follows:

1. Monthly projections of Revenue by Source
2. Monthly projections of Revenue and Expenditure by Vote

3. Monthly projections of Capital Expenditure by Vote
4. Quarterly projections of service delivery targets and performance indicators for each vote
5. Capital Works Plan over three years

In the development of Mpošana Municipality's SDBIP cognizance was taken of the IDP priorities, Objectives and Strategies as well as the Turn Around Strategy contained in the IDP ensuring progress towards the achievement thereof. The SDBIP of Mpošana Local Municipality is aligned to the Key Performance Areas (KPA's) as the prescribed by Regulations 805 of 2006 and the IDP guidelines by COGTA for purposes of alignment to the Performance Agreements of the Municipal Manager and the Managers directly accountable to the Municipal Manager.

The Institutional indicators will form part of the Performance Agreements and Plans of the Municipal Manager and the Managers directly accountable to the Municipal Manager. Indicators are assigned quarterly targets and responsibilities to monitor performance.

The SDBIP serves as a management, implementation and monitoring and that will assist the Mayor, Councillors, Municipal Manager and Senior Managers in delivering services to the community. The SDBIP is described as a layered plan. The top layer deals with consolidated service delivery targets and time frames as indicated on this plan. Top Management is held accountable for the implementation of the consolidated projects and Key Performance Indicators.

5. VISION, MISSION AND VALUES

In line with the National Development Plan, the strategic vision of the Mpošana Local Municipality is in existence, although there has been a call to revise it, this process however should be subject to Public Participation. The Vision of Mpošana Local Municipality is

LONG TERM VISION

"By Year 2030, Mpošana will be an economically vibrant and developmental municipality, able to generate employment for all its economically active residents, be affordable place to inhabit, and with its environmental endowment, be strong competitor for tourist trade and investment."

The Strategic Mission speaks about what the purpose of the Mpofana Local Municipality . The Mission is:

MISSION

“Mpofana Municipality is a pro-active, democratic and accountable municipality committed to social and economic development, provision of efficient, affordable, sustainable and customer-oriented services to its community whilst striving to sustain financial viability. Mpofana Municipality is a pro-active, democratic and accountable municipality committed to social and economic development, provision of efficient, affordable, sustainable and customer-oriented services to its community whilst striving to sustain financial viability.”

Values represent the core priorities of an organization’s culture, including what drives employees and politicians within the municipality to achieve set strategies. The **Values** of Mpofana Local Municipality are:

Values:

6. STRATEGIC OBJECTIVES

KEY PERFORMANCE AREA	STRATEGIC OBJECTIVE		RESPONSIBLE DEPARTMENT
Municipal Transformation and Organizational Development	To improve functionality of Municipal Performance Management System		Corporate Services
	Reengineer Organisation to enhance strategic needs		
	To improve administrative systems and processes		
Basic Service Delivery	To increase access to Basic Services		Technical Services
Local Economic and Social Development	To strengthen the economic environment.		Social and Economic Development Services
Municipal Financial Viability and Management	Increase funding and revenue generation		Corporate Services
	Improve expenditure and maximise the economies of scale.		
	Optimise budgeting and accountability of finances		
Good Governance and Public Participation	To Improve compliance and audit opinion		Office of the Municipal Manager and Social and Economic Development Services
	To Improve Municipal Governance		
	To Improve public participation and awareness		

	Improve municipal internal and external communication		
Cross Cutting Issues	To Strengthen Governance and IGR		Office of the MM, Social and Economic Development Services
	Establish Disaster Management Unit.		
	Facilitation of Disaster Management Awareness campaigns		
	Improve response to disasters in collaboration with the District Municipality		
	Develop a Credible IDP		
	Improved SDF Planning		
	Support the implementation campaigns directed to Youth and vulnerable groups.		
	Co-ordinate the implementation of HIV & AIDS Strategy		

7. VOTES AND OPERATIONAL OBJECTIVES

Operational Objectives	Office of the Municipal Manager	Risk
	Budget and Treasury Office	Revenue Collection
	Corporate Services Department	Organizational Engineering
	Technical Department Services	Increased access to Basic Services

	COMMUNITY WORK PROGRAMME IMPLEMENTED AND COOPERATIVES SUPPORTED	LOCAL ECONOMIC DEVELOPMENT	To strengthen the Economic Environment	To Develop and Implement strategies to improve LED	17,1	Number of LED strategy projects and Programmes implemented	Yes	100%		50%	25%	25%	25%	25%	SOCIAL Services		
							17,2	Number of Tourism Strategy implemented	Date	100%							SOCIAL Services
						Establishment of partnerships with other stakeholders	18,1	Number of LED Forums Established and functional	Number	1	0	1	NIL	ESTABLISH	NIL	NIL	SOCIAL Services
						To Promote sustainability of SMMEs and Co-operatives entrepreneurship	19	Number of SMME's and Co-operatives s	Number								SOCIAL Services
						Creation of Employment opportunities	20	Number of Jobs Created Total	Number			85	APPOINT	NIL	NIL	NIL	SOCIAL Services
	DEEPEN DEMOCRACY THROUGH A REFINED WARD COMMITTEES SYSTEM	GOOD GOVERNANCE and PUBLIC PARTICIPATION	To improve compliance and audit opinion	Establish and maintain effective audit structures (Resolving AG Audit queries)	27,1	Approved and Implemented Audit Plan	Number	1	1	0	NIL	NIL	NIL	NIL	Office of the MM		
					27,2	Approved Audit Charter	Number	1	1	0	NIL	APPROVE	NIL	NIL	Office of the MM		
					27,3	Oversight Meetings Held (MPAC, Audit Committee)	Percentage		5 Meetings took place in the 4 13/14 Year	0	1	1	1	1	1	Corporate Services and Office of the MM	
					27,4	Number of community meetings per ward	Number	1	4	0	1	1	1	1	1	Social Services	
				To improve Municipal Governance	Development/Reviewal and Implementation organisational By-Laws	28,1	Date approved	Date	1							Corporate Services	
					28,2	Date implemented	Date									Corporate Services	
					28,3	% achieved	%									Corporate Services	
					29	Ensure Functional community participation structures	Number	16	Izimbizo and Community Meetings Held			4	4	4	4	Social Services	
			Training and Implementation of Batho Pele Principles	30	Training attended	Number	1		N/A	N/A	N/A	Meeting		Corporate Services			

	IMPROVED MUNICIPAL FINANCIAL AND ADMINISTRATIVE CAPABILITY	FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT	To increase funding and revenue generation	Financial Viability debt recovery ratio	31,1	Percentage Capital expenditure budget implementation (actual capital expenditure/budget capital expenditure x 100)	Percentage										Financial Services					
			Improve expenditure and maximise the economies of scale	Financial Viability cost recovery ratio	31,2	Percentage operating expenditure budget implementation (actual operating expenditure/budget operating expenditure x 100)	Percentage											Financial Services				
			Optimise Budgeting and accountability of finances	SCM Performance Rating	31,3	Percentage operating revenue budget implementation (actual operating expenditure/budget operating revenue x 100)	Percentage												Financial Services			
			% Compliance with MFMA calendar	31,4	Percentage service charges and property rates revenue budget implementation (actual service charges and property rates revenue/budget service charges and property rates revenue x 100)	Percentage													Financial Services			
	IMPROVED MUNICIPAL FINANCIAL AND ADMINISTRATIVE CAPABILITY	CROSS CUTTING INTERVENTIONS	To Strengthen Governance and IGR	Develop partnership with relevant stakeholders	32	Number of Partnerships developed	Percentage		Daily	Some Partnerships have already been established								Office of the MM				
				33,1	Reviewed Spatial Development framework	Date	Annually													Social Services		Council Resolution
				33,2	No of identified Spatial Development priorities/interventions identified	Number	Quarterly													Technical Services		
				34	Percentage of applications processed within legal timeframes	Percentage	Daily													Technical Services		Processed Applications
			To prevent and mitigate the occurrence of Disasters	Establish Disaster Management Unit	35,1	Date Environmental Management Plan developed	Date					N/A	N/A	Develop Plan	Approve Plan				Technical Services			
				Facilitation of Disaster Management Awareness Campaigns	35,2	Number of identified Environmental Management Plans/programmes implemented	Number													Technical Services		Environmental Management Plans
			Improve response to disasters in collaboration with the District Municipality	Develop a Credible IDP	36	Developed Intergrated waste management plan	Date					N/A	N/A	Review Waste Management Plan	Approve Waste Management Plan				Technical Services		Waste Management Plan	
					37,1	Developed / Reviewed Disaster Management Plan date	Date								Review						Community Services	
			To Promote credible, Strategic and Spatial Municipal Planning	Improved SDF Planning	37,2	Number of Established Disaster Management Forums	Number													Community Services		
					37,3	Established / Upgraded disaster management centre	Date														Community Services	
			38	Percentage response to reported disasters	Percentage	100%												Community Services		Disaster Response Report		
			To promote and develop support programmes for Youth and Vulnerable groups within the community	Support the implementation of Campigns directed to Youth and Vulnerable Groups																		

SECTION H: ORGANISATIONAL AND INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

The municipality is currently developing a comprehensive Performance Management System based on this five year plan in accordance with Chapter 6 of the Municipal Systems Act No. 32 of 2000, Municipal Finance Management Act No. 56 of 2003 and the Municipal Planning and Performance Management Regulations. In order to address the concerns raised in the MEC letter, the PMS indicators and objectives will be linked to the objectives and strategies.

H1 ORGANISATION KEY PERFORMANCE INDICATORS LINKED TO DEPARTMENTAL INDICATORS

Progress will be measured through organisational key performance indicators linked to departmental indicators. In the SDBIP organisational key performance indicators are presented at an annual and quarterly level. Departmental indicators are broken down into monthly indicators, which are monitored and reported on a monthly basis at the meetings of the operational management committee.

H2 DEPARTMENTAL INDICATORS LINKED TO OUTPUTS IN THE PERFORMANCE AGREEMENTS

Managers must enter into a performance agreement annually. These performance agreements are directly linked to the approved SDBIP and departmental indicators, through the development of individual work plans. Indicators in the work plans also include indicators that are not necessarily included in the SDBIP and/or departmental indicators, but are relevant to the operational functionality of any particular post. The indicators contained within the work plan are agreed upon and signed off by both the supervisor and the incumbent.

H3 LINKING OF OUTPUTS IN PERFORMANCE AGREEMENTS WITH ACTIVITIES IN THE OPERATIONAL PLANS AND INDICATORS

The work plans form the basis of the quarterly performance assessments that are conducted. Assessments that take place during the first and third quarter are conducted on an informal basis between the supervisor and the incumbent, and are more informal, as opposed to the mid-year and annual assessments, which are formal in nature and documented accordingly. The work plan is the document that links to the operational plans and indicators.

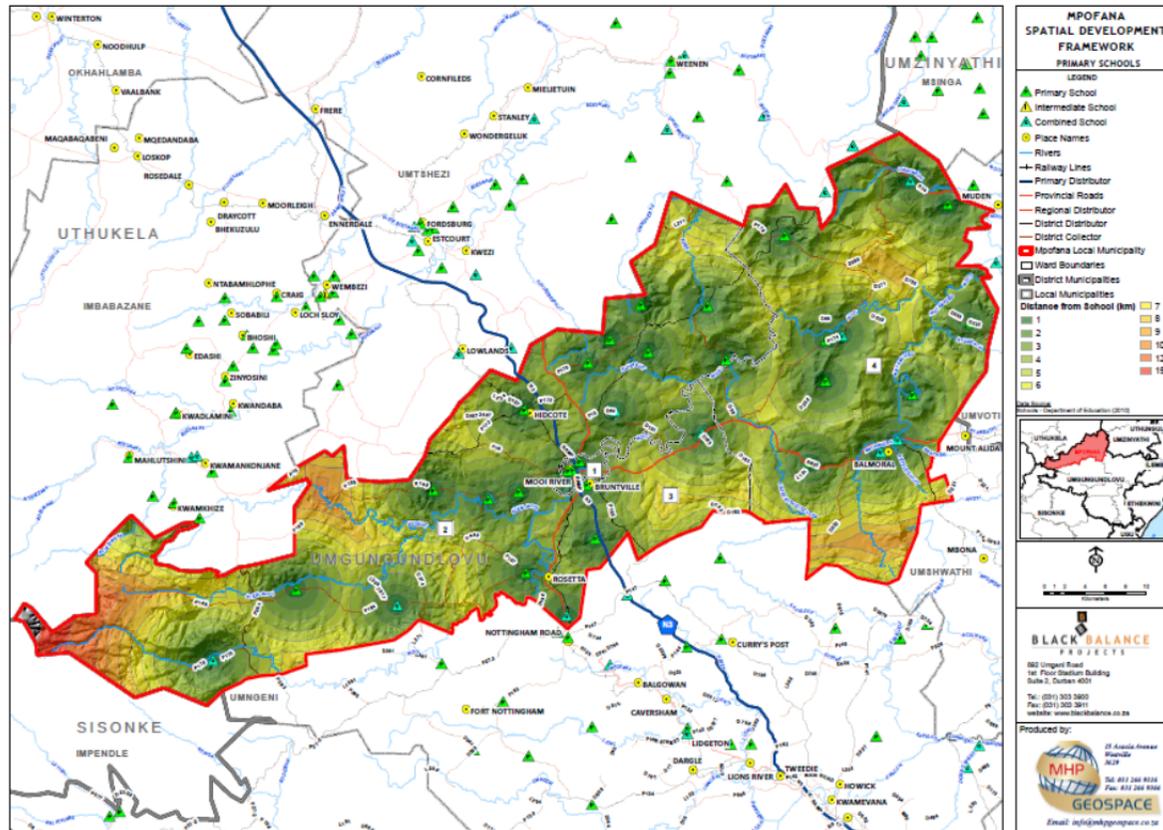
H4. ANNUAL PERFORMANCE REPORT OF THE PREVIOUS YEAR (TO BE ATTACHED AS AN ANNEXURE)

SECTION I: ANNEXURES

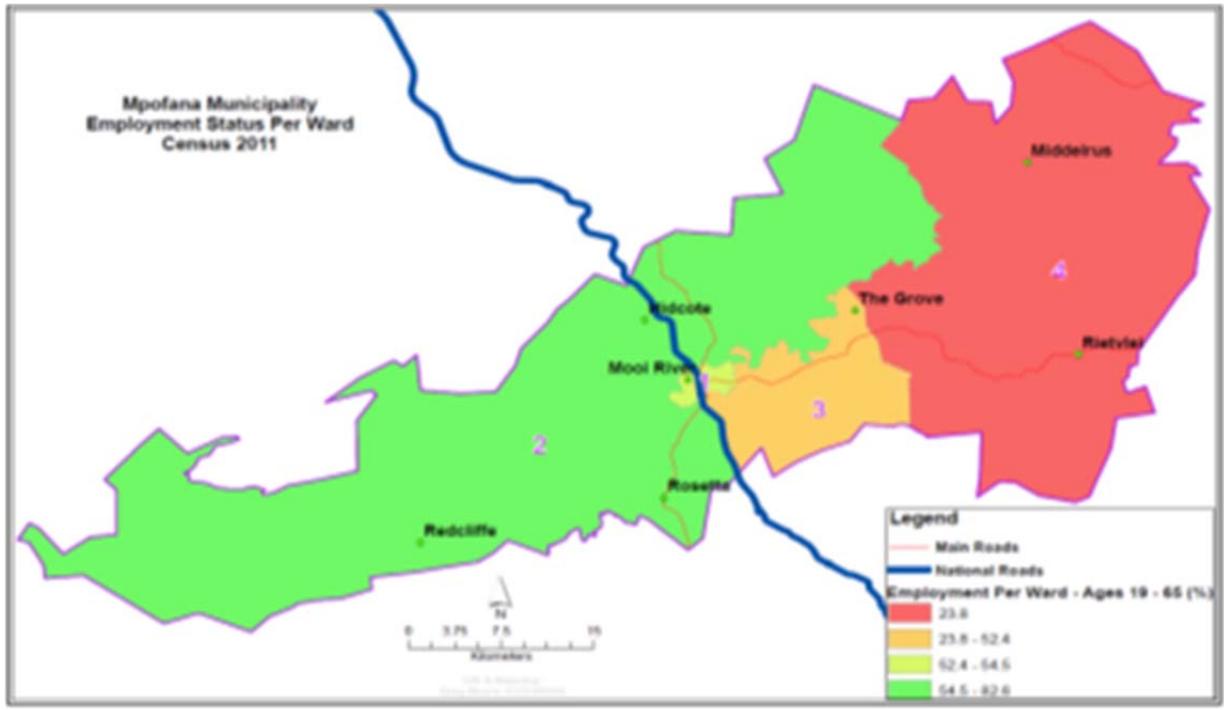
Sector Plan	Status	Adopted by Council	Comment	Time-frame
Disaster Management Framework	Complete	Draft Stage	District lead process	
Environmental Management Framework (EMF)	Underway		The EMF is currently being prepared by the uMgungundlovu District Municipality	
Infrastructure Plan	None		Not in place at the moment	
Skills Development Plan	Complete	Yes		
Credit Control and Debt Collection Plan	Complete	Yes		
Integrated Transport Plan	None		District to lead the process	
Land Use Management Scheme	Underway – 95% complete	No		July 2014
10. LED Strategy	Complete	Yes		
11. Comprehensive Infrastructure Plan	Underway	No	Currently being prepared- subject to availability of funding	
12. Youth Development Plan	Underway	No		
13. Gender Policy	Complete	Yes		
14. HIV/AIDS Strategy	Complete	Yes		

15. Housing Sector Plan	Complete	Yes	Still needs to be reviewed	
16. Indigent Policy	Complete	Yes		
17. Workplace Skills Plan	Underway	Yes		
19. Waste Management Plan	None		Still needs to be prepared	
20. Environmental Health By-Law	Complete			
21. Indigent Support Policy	Complete	Yes		
22. Land Alienation Policy & Strategy	Complete	Yes		
23. Library Services Policy	Complete	Yes		
24. Property Encroachment By-Law	Complete	Yes		
25. Street Trading By-Law	Complete	Yes		
26. KZN PDA Delegations	Complete	Yes		

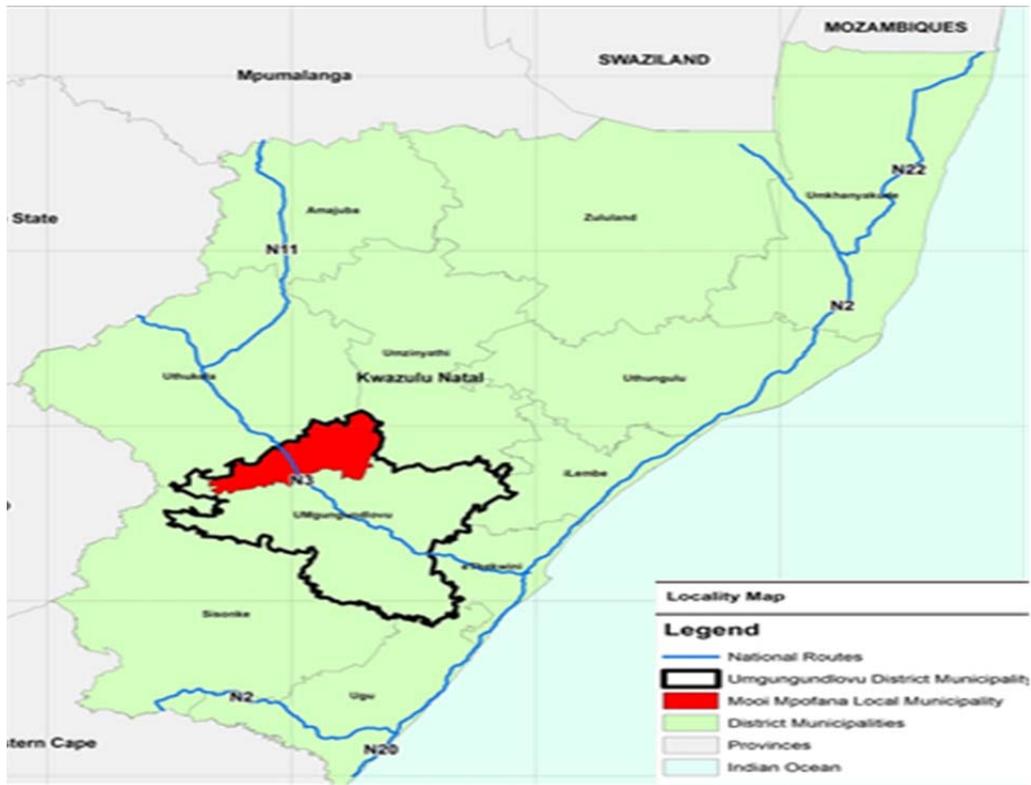
Annexure A Mapping



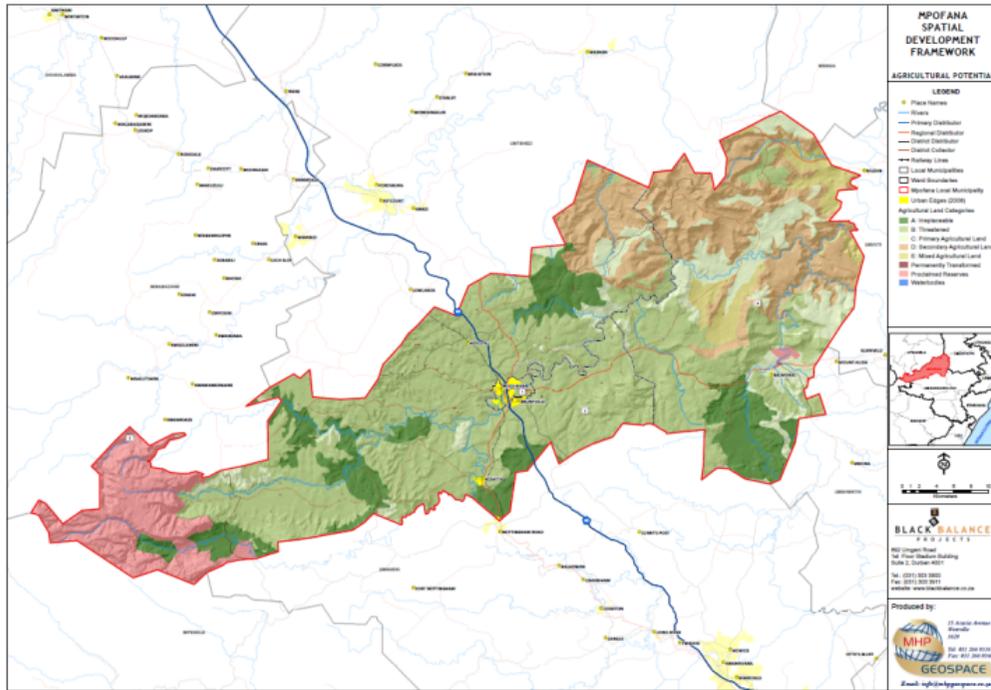
PRIMARY SCHOOLS



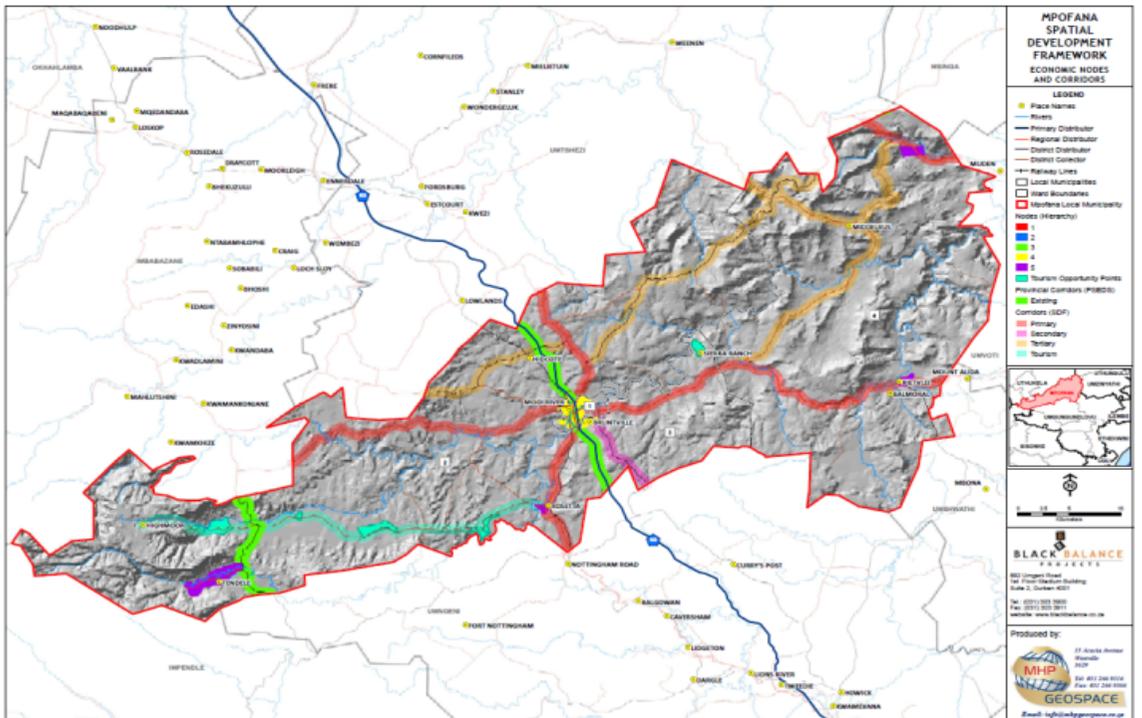
WARD BOUNDARIES



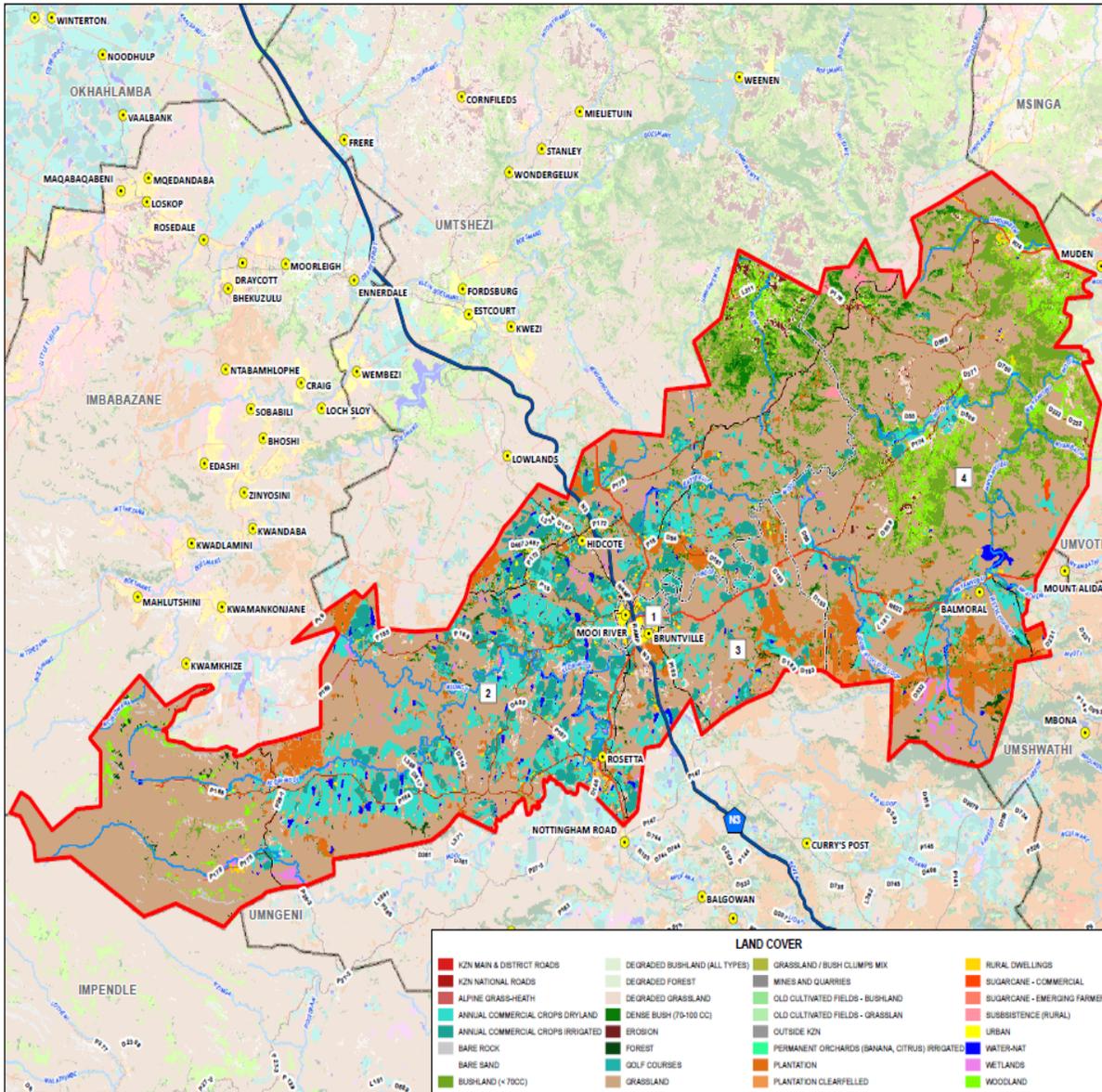
LOCATION WITHIN KZN



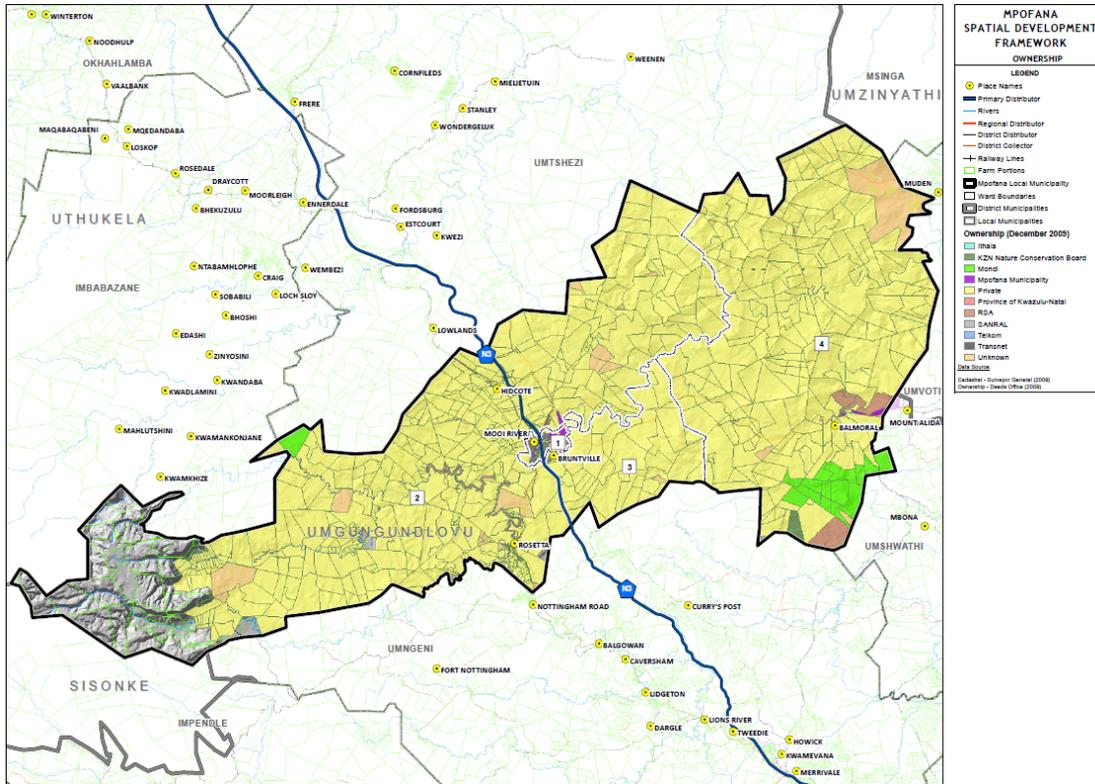
AGRICULTURAL POTENTIAL



ECONOMIC NODES AND CORRIDORS



LAND COVER



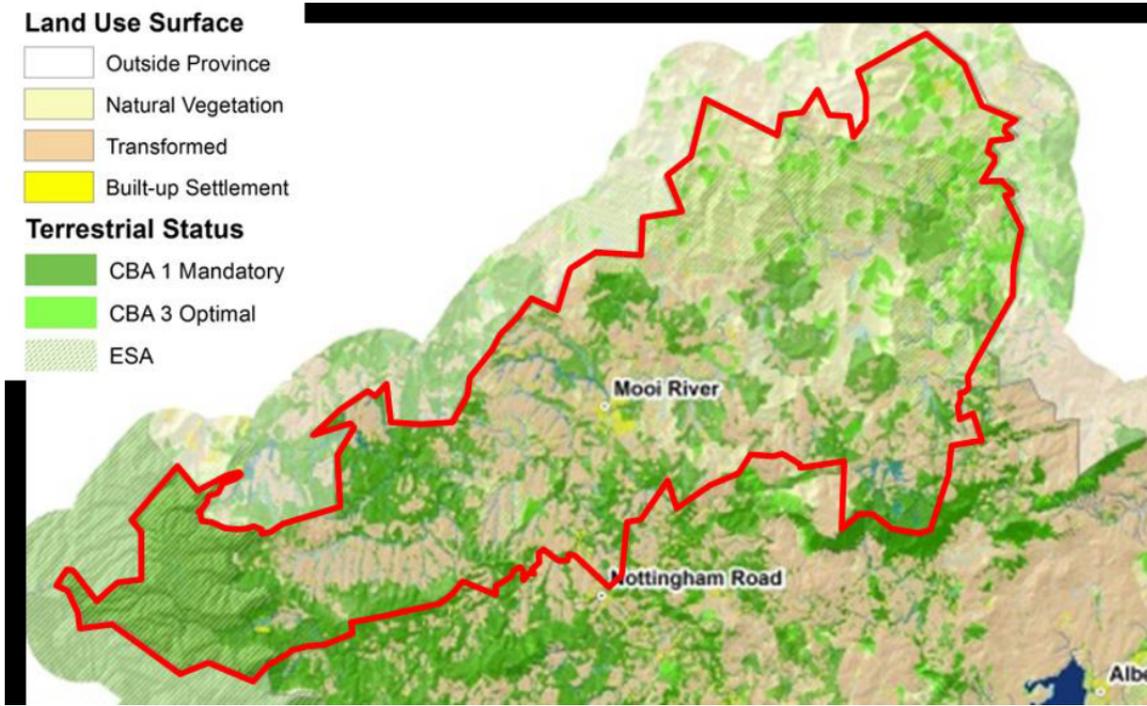
LAND OWNERSHIP

Land Use Surface

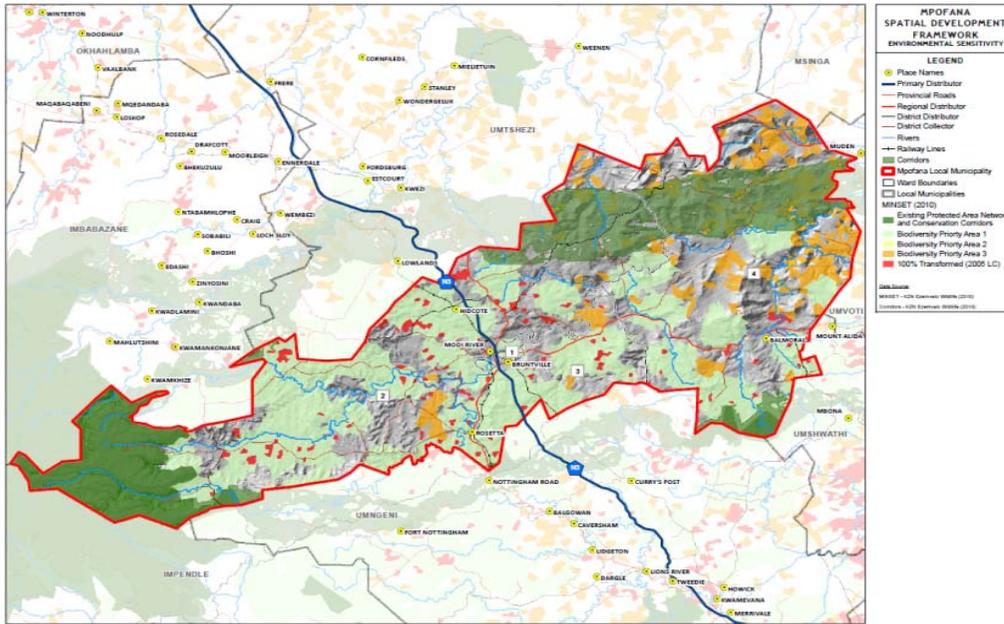
- Outside Province
- Natural Vegetation
- Transformed
- Built-up Settlement

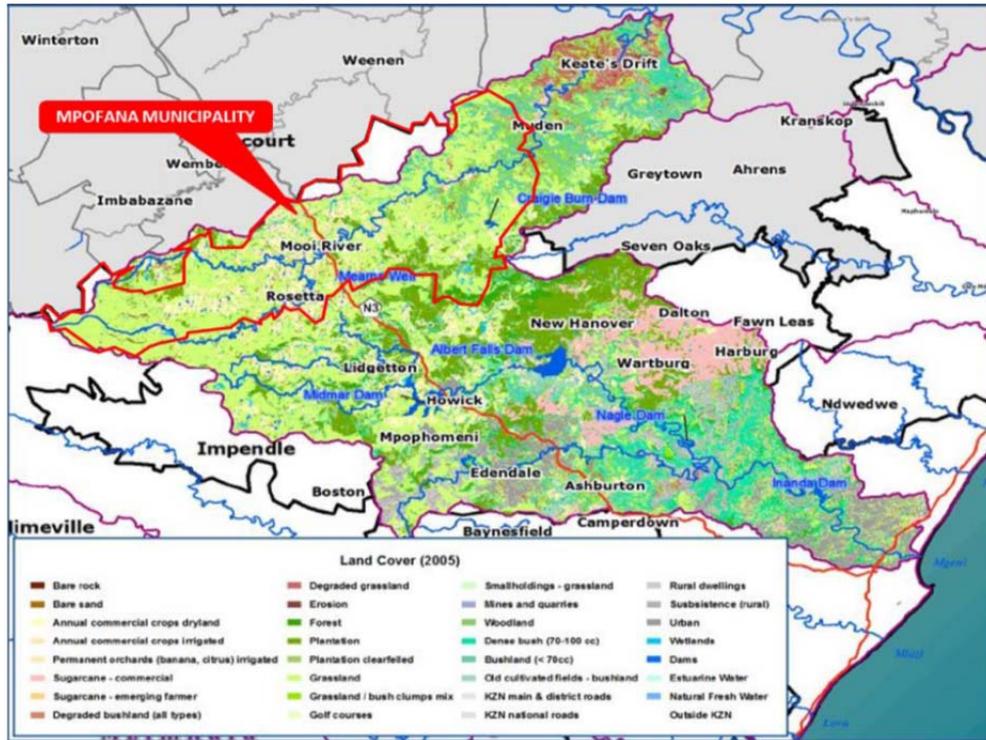
Terrestrial Status

- CBA 1 Mandatory
- CBA 3 Optimal
- ESA

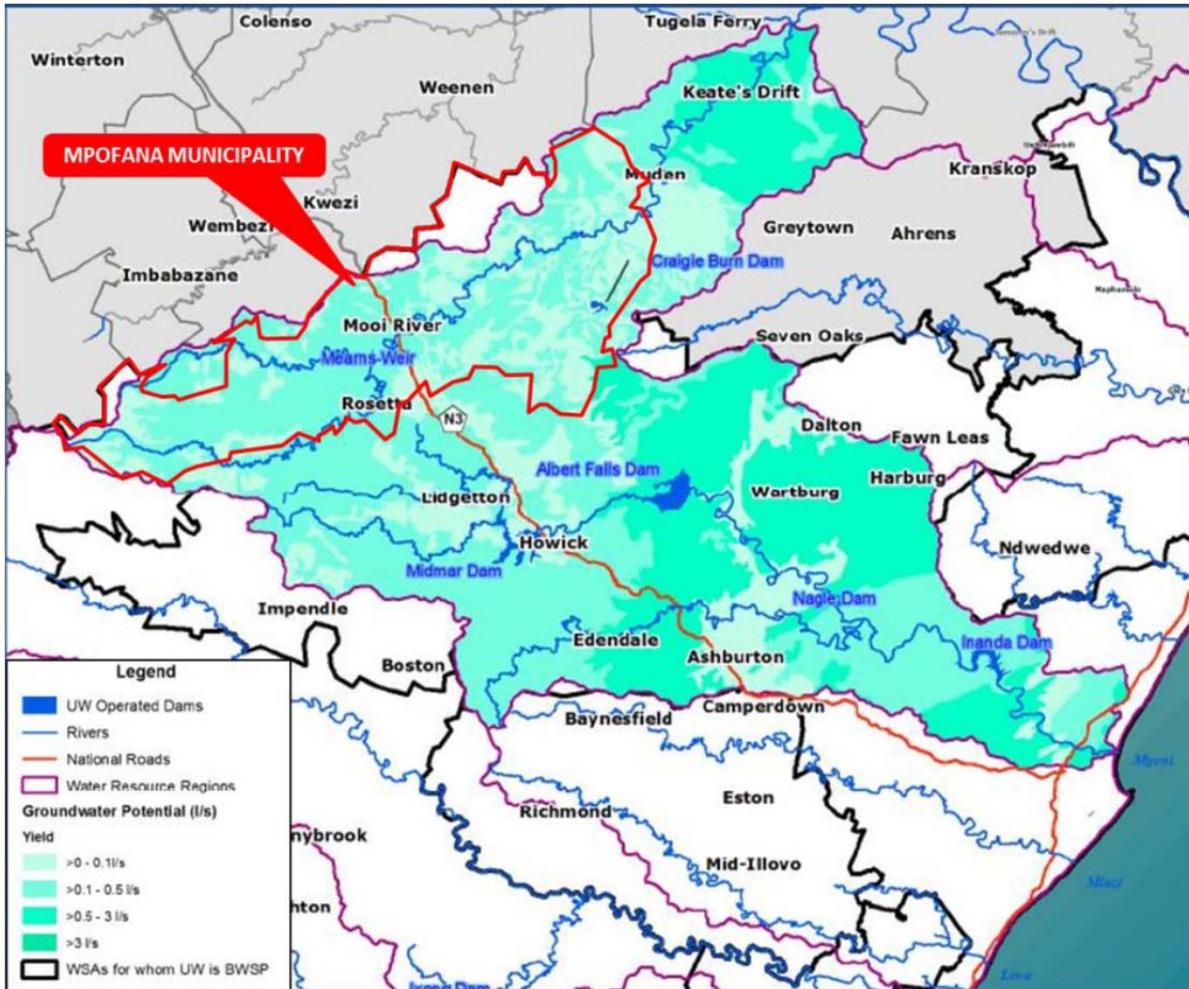


CRITICAL BIODIVERSITY

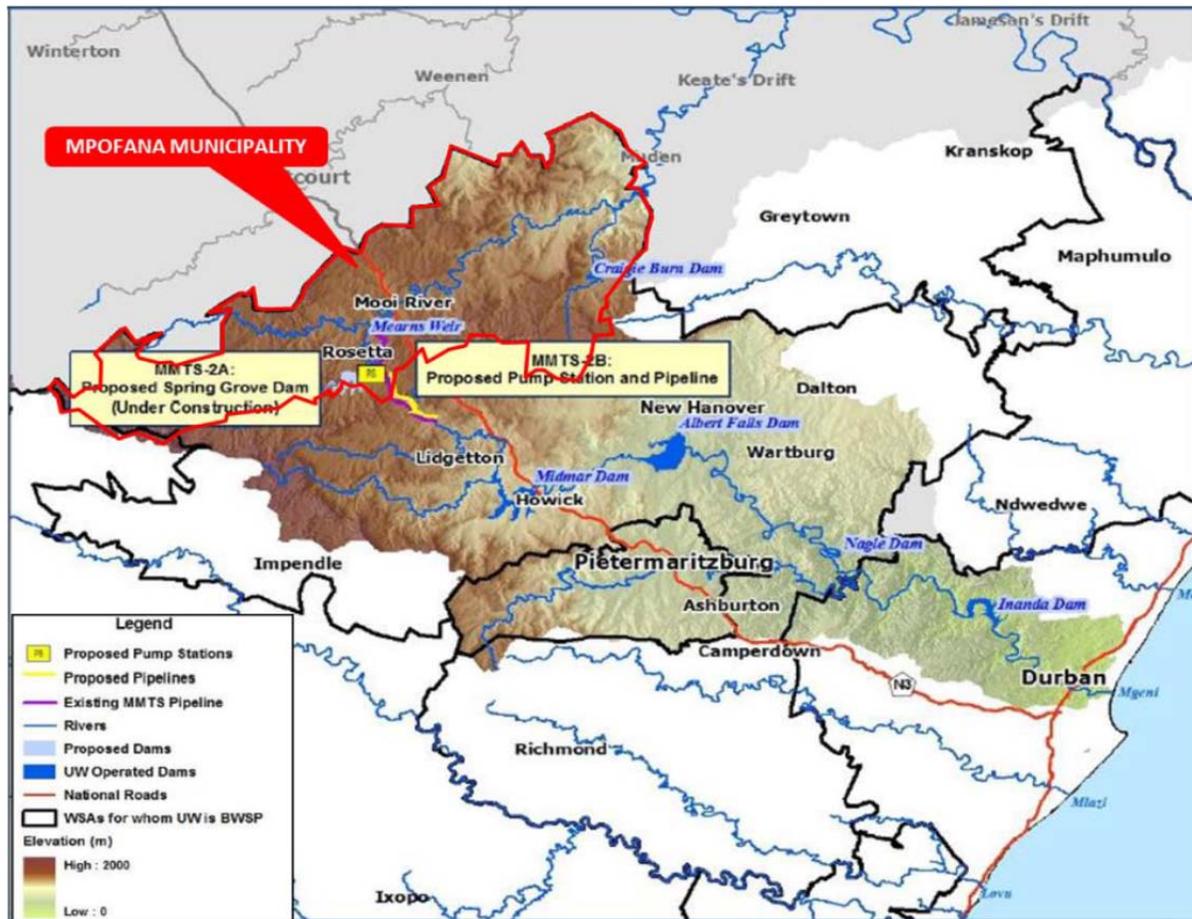




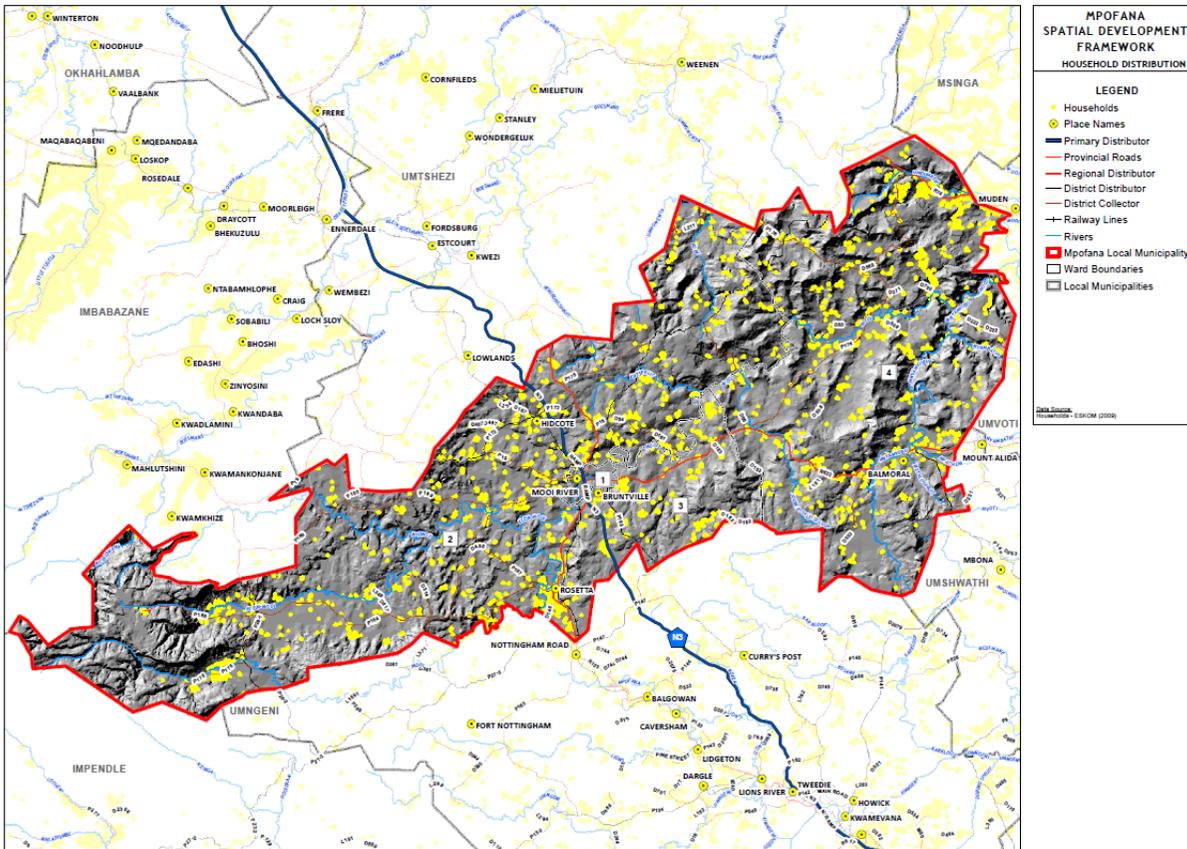
GENERAL LAY OUT OF UMNGENI AND MOOI RIVER



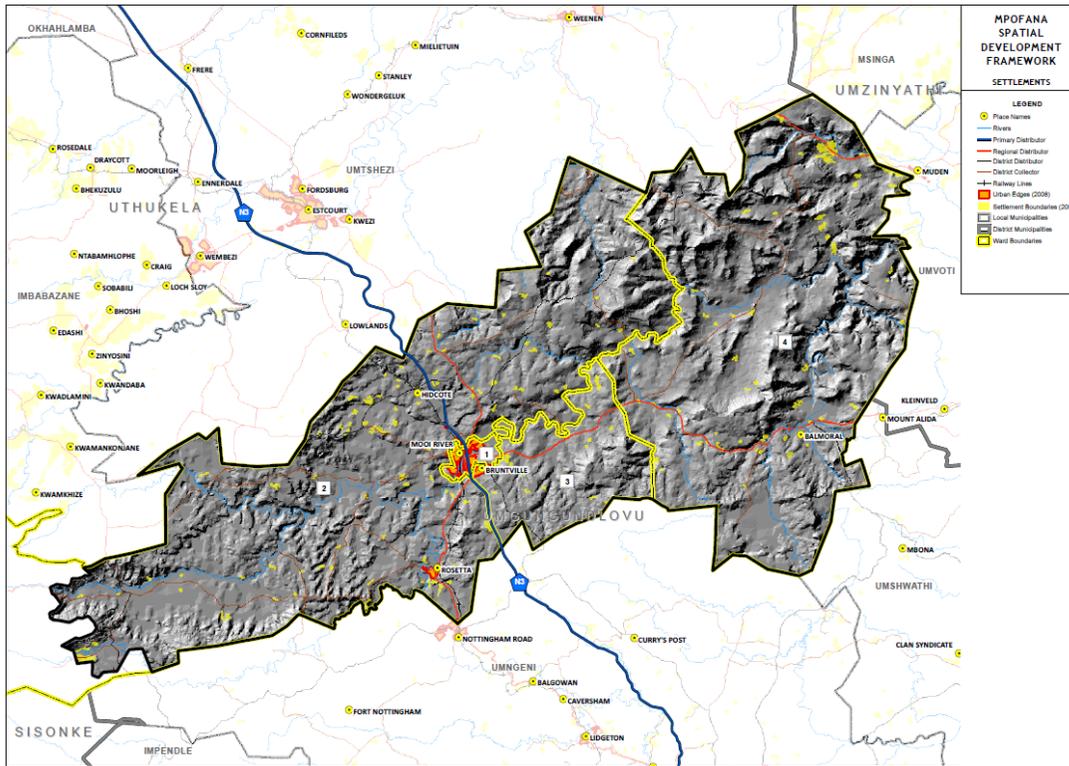
Ground water potential of Umngeni and Mooi River



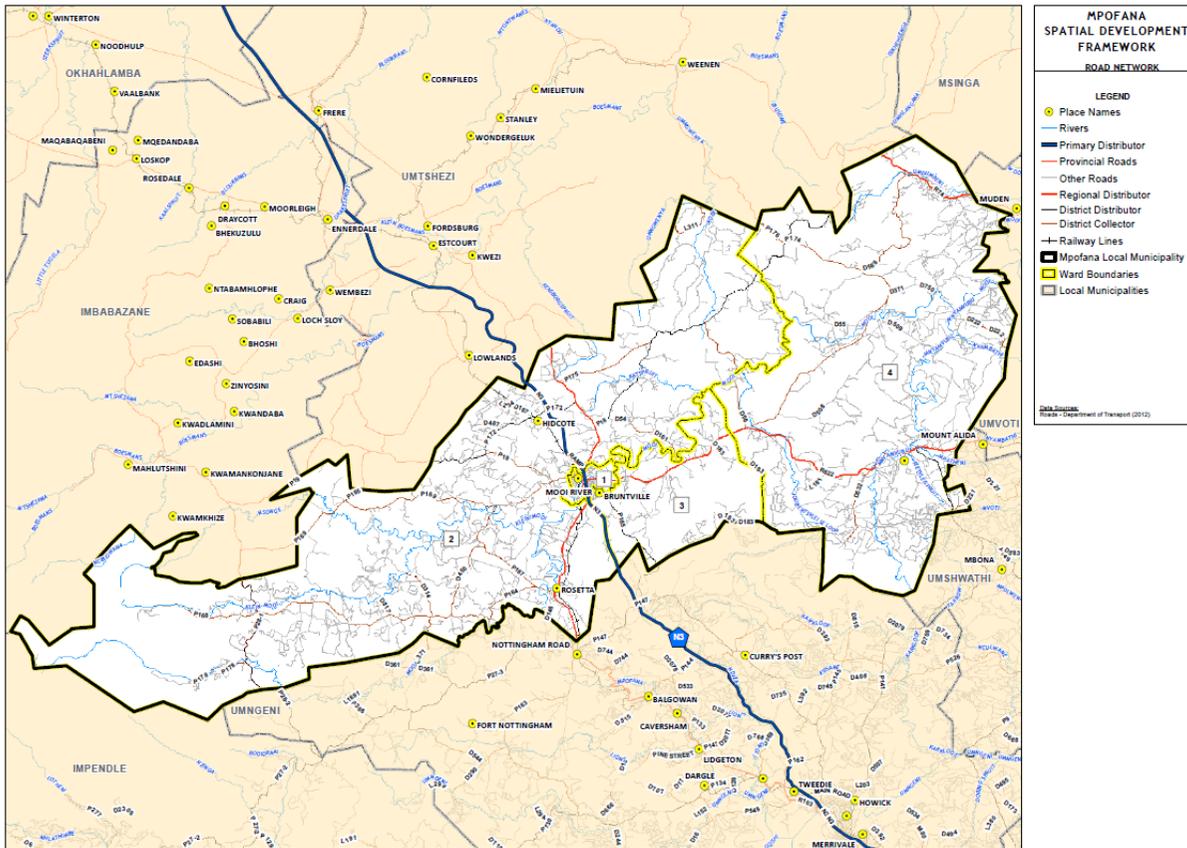
Proposed water resource infrastructures in Mooi river /umngeni



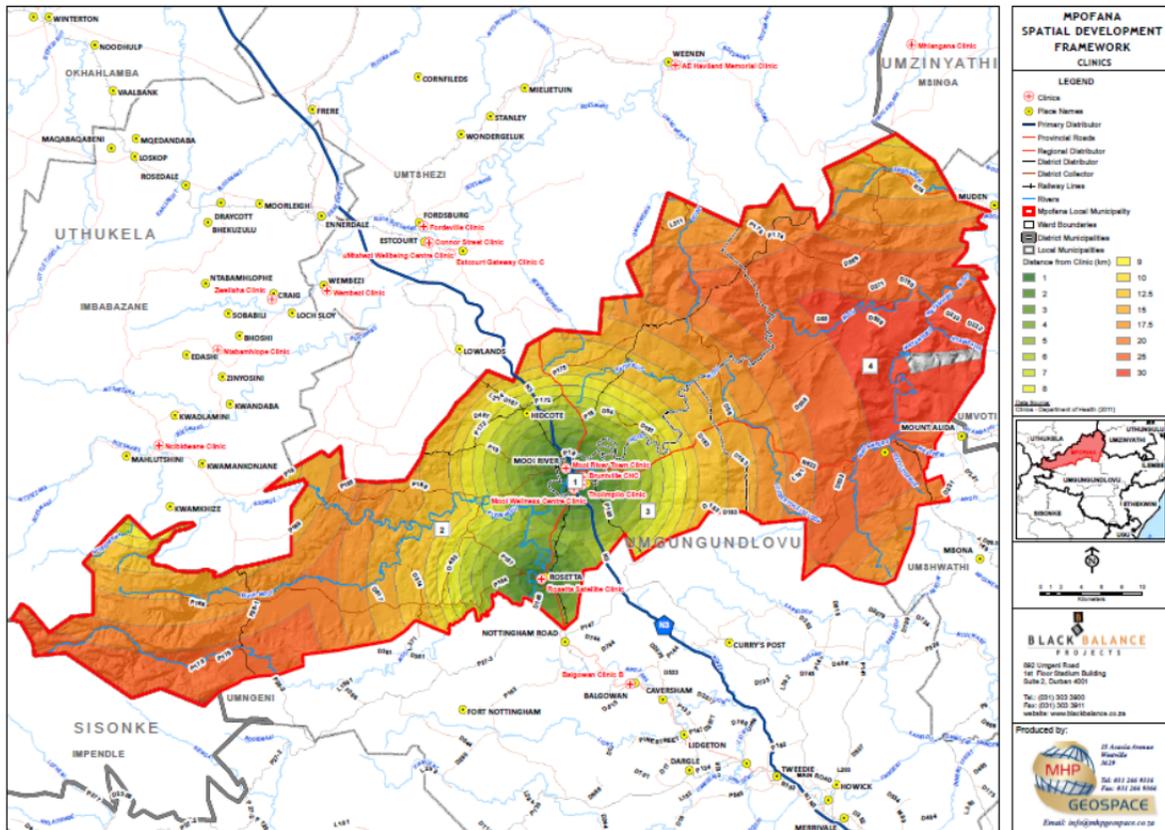
HOUSE-HOLD DISTRIBUTION



SETTLEMENTS



ROAD NETWORK



CLINICS

