



UMKHANYAKUDE DISTRICT MUNICIPALITY

ANNUAL REPORT

FOR THE YEAR ENDING JUNE 2009

**Harlingen No. 13433
Kingfisher Road
P O Box 449
MKUZE, 3965
Tel: +27 35 573 8600/8700
Fax: +27 35 573 1386/1644**

CONTENTS

COUNCILLORS FOR UMKHANYAKUDE DISTRICT MUNICIPALITY	3
FOREWORD BY HIS WORSHIP THE MAYOR	4
FOREWORD BY THE ACTING MUNICIPAL MANAGER	6
VISION, MISSION AND CORE VALUES	8
POWERS AND FUNCTIONS	9
CHAPTER 1: INTRODUCTION AND OVERVIEW	10
1.1 Overview of the Municipality	10
1.1.1 Local Municipal Areas	10
1.1.2 Households	11
1.2 Provision of Infrastructure	12
1.2.1 Electricity	12
1.2.3 Water and Sanitation	14
1.2.4 Transportation	15
1.2.5 Waste Management	16
1.3 Equitable Share Utilisation	16
1.4 Water Indaba	17
1.5 Summary of Infrastructure Issues	18
1.6 Goals and priorities	19
CHAPTER 2: HUMAN RESOURCE AND OTHER ORGANISATIONAL ARRANGEMENTS	22
DEMOGRAPHIC PROFILE OF EMPLOYEES	24
CHAPTER 3: FUNCTIONAL SERVICE DELIVERY REPORTING	29
ANNEXURE A: Performance Reporting – 08/09	
ANNEXURE B: Annual Report for Umhlosinga development agency – 08/09	
ANNEXURE C: Unaudited Annual Financial statements – 08/09	

COUNCILLORS FOR UMKHANYAKUDE DISTRICT MUNICIPALITY

Name and Surname	Designation
L M Mthombeni	Mayor
MC Zungu	D / Mayor
GP Moodley	Speaker
HP Mayise	Exco Member
LM Nhleko	Exco Member
SS Mhlongo	Exco Member
DP Mabika	Council Member
TMF Ntuli	Council Member
PB Madlopha	Council Member
MP Mdletshe	Council Member
M Madide	Council Member
VF Hlabisa	Council Member
ME Mkhwanazi	Council Member
PJ Mabuyakhulu	Council Member
LV Khumalo	Council Member
TP Mthethwa	Council Member
J Siyaya	Council Member
HS Ngxongo	Council Member
GJ Mthethwa	Council Member
PJ Ntuli	Council Member
MW Nxumalo	Council Member
S P Mthethwa	Council Member
NM Ncube	Council Member
TN Ngema	Council Member
BB Ntombela	Council Member
MA Ntombela	Council Member
TZ Mbatha	Council Member

FOREWORD BY HIS WORSHIP THE MAYOR

Introduction

Once more, we as Umkhanyakude District Municipality District Municipality are required to give an account of our performance for the 2008/2009 Financial Year. This report is critical as it will shed light on the service delivery and governance areas. Together with Management and Councilors, we believe that a lot of effort and energy was put towards ensuring that the lives of the people are improved.

Legal Framework

In keeping with section 127(2) of the Municipal Finance Management Act No. 65 of 2003 which states that I, as the Mayor 'must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control'. Also, section 127(5)(a)(b) charges the Municipal Manager to ensure the following pertaining to the Annual Report:

- Immediately after an annual report is tabled in the council in terms of subsection (2), the accounting officer of the municipality must—
 - ✓ In accordance with section 21A of the Municipal Systems Act—
 - make public the annual report; and
 - invite the local community to submit representations in connection with the annual report; and
 - ✓ Submit the annual report to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the province.

Without dancing to my own tune, I can boldly say that the municipality has adhered to and complied with the above quoted sections of the MFMA.

Strategic Alignment

It is important to stress the fact that, in its attempt to improve the lives of the people of the District, the municipality worked and is continuing to collaborate with national and provincial sector department; and Local Municipalities that are within its area of jurisdiction. This was meant to give effect to chapter 3 of the Constitution whereby organs of states are required to work in a cooperative manner.

We ensure that the IDP and other planning instruments of the municipality were in line with the Provincial Growth and Development Strategy, the Provincial Spatial and Economic Development Strategy, etc. The Office of the Premier was very available to provide the much needed support when we needed it to do so.

Service Delivery and governance

In our attempt to give effect to section 152 of the Constitution of the land, we worked closely with our Local Municipalities in ensuring that our Local Economic Development and infrastructure development initiatives are implemented.

However, it is critically important to comment, through this report, about the huge challenge facing the District; i.e. the issue of water provision. In the words of one official from the Premier's office, the challenge of water in our 'District is a binding constraint'. Without the sustainable provision of water for human consumption and for development, all our plans are in vain. The report will therefore give insight on how far we have gone to deal with this challenge.

In terms of governance, we believe that we have reached the stage where we can boldly say that we have established the required capacity to deal with service delivery. This is the capacity that will enable us to attack poverty, underdevelopment, unemployment and all other socio-economic ills at their core.

Turning the corner

In the name of the whole municipality, I hereby request our stakeholders receive our 2008/2009 Annual Report. Over and above us complying with the legislation, the submission of the Annual Report is one of our attempts to ensure that communities are made aware of our performance overtime. I thank you!

**CLLR L M MTHOMBENI
HIS WORSHIP THE MAYOR**

FOREWORD BY THE ACTING MUNICIPAL MANAGER

The 2008/2009 financial year was a unique one for Umkhanyakude District Municipality as was other previous financial years. Walking through the 2008/2009 financial year was a long and challenging journey which was characterised by intense focus on service delivery against the backdrop of scarce financial resources. Challenges encountered by the District Municipality, were addressed with guidance of the Municipal Council and communities were then upgraded regularly on decisions that have been taken. Some of the mechanisms that were used to communicate with members of the community were IDP roadshows and IDP/Budget consultative meetings.

The District Municipality had very successful IDP roadshows and IDP/Budget consultative meetings whereby all mayors within the family of municipalities of Umkhanyakude District managed to interact with members of the community and shared information on service delivery issues such as upgrading of waterworks, addressing drought by providing short-term relief interventions such as using water tanker trucks and placing tanks at strategic places where communities could draw water from. These initiatives have benefitted communities but there is a team that is looking into the long-term solution of implementing the bulk water master plan.

Various engagements in quest for legislative compliance were engaged in. One major programme that the family of municipalities of Umkhanyakude District Municipality District were engaged in was the preparation of the valuation rolls with the view to implement the Property Rates Act. This programme included the capturing of aerial photographs which has been outstanding for a long time in the District. One other major benefit emanating from this programme was the enhancement of GIS data as updated aerial photographs became available. It is believed that by the time Development Planning Shared Services is implemented during 2009/2010 FY, there will be quality data to work with. The implementation of Development Planning Shared Services will enable the family of municipalities to be better equipped to deal with the new KZN Planning and Development Act which will come into being by April 2010.

The partnership between Umkhanyakude District Municipality and its entity, Umhlozinga Development continues to grow. All being well the programmes that are being pursued by Umhlozinga will come to fruition very soon.

The support that has been offered by a number of sector departments and various other service providers is much appreciated. This support enabled the District Municipality to speed up delivery which would not have been possible if it were running on its own.

In the next coming financial years Umkhanyakude District Municipality will always strive for continuous improvement and ensure that its community needs are fulfilled as stipulated in the South African Constitution.

The submission of this annual report has been fully informed by the provisions of Section 127 of the MFMA.

Mr S R Mathobela
Acting Municipal Manager

VISION, MISSION AND CORE VALUES

Vision

The **Vision** Umkhanyakude District Municipality is:
“To meet basic needs and improve quality of the community in a democratic and sustainable manner”.

Mission

The District Municipality is committed to:

- Deliver basic services to all its people
- Support local municipalities to become viable
- Promote good governance and intergovernmental relations
- Maximise the opportunities offered by its Unique Natural Assets and Cultural Heritage
- Conserve Natural Bio-Diversity

Core Values

- **Integrity:** We are honest in everything we do
- **Equity:** We are equitable in the distribution of resources and opportunities
- **Transparency:** We are open, accountable and communicate with all our stakeholders
- **Team work:** we work together to achieve a common goal and purpose.
- **Respect:** We will be courteous and show high regard to our clients and those that we serve
- **Accountability:** We are responsible, responsive and accountable to our citizens and stakeholders
- **Peace:** We promote a harmonious life and security for all our citizens

POWERS AND FUNCTIONS

The family of municipalities performs the following powers and functions:

DISTRICT MUNICIPAL FUNCTIONS	SHARED FUNCTIONS	LOCAL MUNICIPAL FUNCTIONS
Potable Water Supply	Fire Fighting services	Air Pollution
Sanitation Services	Local Tourism	Building regulations
Electricity Reticulation	Municipal Airports	Child Care Facilities
Municipal Health Services	Municipal Planning	Pontoons, Ferries, Jetties, Piers and Harbours
Regional Airport	Municipal Public Transport	Storm Water Management System In Built up areas
	Cemeteries, Funeral Parlors and Crematoria	Trading regulations
	Markets	Beaches and Amusement Facilities
	Municipal Abattoirs	Billboards and the Display of advertisement in Public places
	Municipal Roads	Cleansing
	Refuse Removal, Refuse Dumps and Solid Waste	Control of Public Nuisances
		Facilities for the Accommodation, Care and Burial of Animals
		Fencing and Fences
		Licensing of Dogs
		Local amenities
		Local Sport Facilities
		Municipal Parks and Recreation
		Noise Pollution
		Pounds
		Public Places
		Street Trading
		Street Lighting
		Traffic and Parking

CHAPTER 1: INTRODUCTION AND OVERVIEW

1.1 Overview of the Municipality

Umkhanyakude District Municipality is (mostly) rural. It is situated in Northern Zululand. Its area stretches from the Mozambique and Swaziland Borders in the North, bordering the Isimangaliso Wetland Park (previously known as the Greater St Lucia Wetland Park) to the Umfolozi River in the south. Umkhanyakude District Municipality has 5 local Municipalities. The main economic activities in the area are Agriculture (Commercial and subsistence) and Tourism.

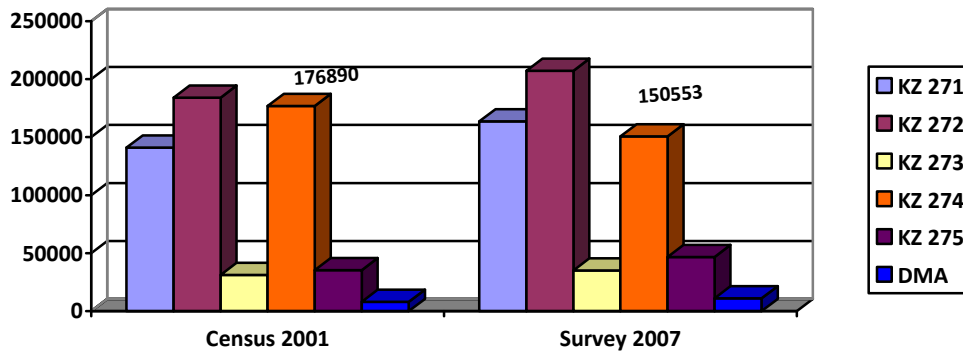
The 5 Municipalities are Umhlabuyalingana (KZ271), (with Manguzi and Kosi Bay & Sodwana as main centres), Jozini (KZ272) (Jozini and Mkuze as main centres), Big 5 False Bay (KZ273) (Hluhluwe as main Centre), Hlabisa (KZ274) (Hlabisa as main Centre) And Mtubatuba (KZ275) (Mtubatuba and St Lucia as main centres). There is also a District Management Area (KZDMA 27) which is mainly comprised of conservation areas.

1.1.1 Local Municipal Areas

Table1: Municipal Profiles

Municipality	Area km ²	% Area km ²	TC Area km ²	% TC Area km ²	Population - 2001 Census	Population - 2007 Community Survey	Wards
KZ 271	3 621	26.1	3 160	87.3	140 962	163 694	13
KZ 272	3 057	22.1	2 136	69.9	184 090	207 248	17
KZ 273	1 061	7.7	239	22.5	31 106	34 990	4
KZ 274	1 417	10.2	1 345	94.9	176 890	150 553	19
KZ 275	496	3.6	0	0.0	35 211	46 594	5
KZDMA 27	4 207	30.4	0	0.0	8 082	10 961	1
Total	13 859		6 880		573 341	614 040	59

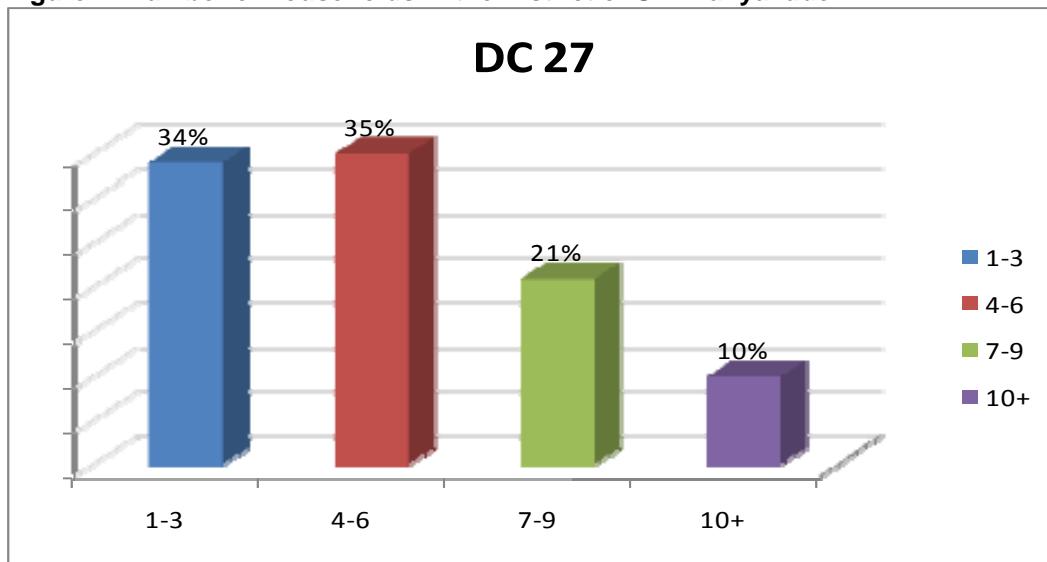
Figure 1: Comparison of Population Figures



- There has been steady increase in population in all municipalities except for Hlabisa whereby there is an estimated population decline of 26 337
- Factors such as migration patterns and terminal diseases amongst others affect population size
- The boundaries for Hlabisa and Mtubatuba are going to change in 2011 and the Municipal Demarcation Board has approved the application to have 12 wards removed from Hlabisa and incorporated to Mtubatuba Municipality
- In 2007 survey not much has changed, more than 80% of the population still resides at Umhlabuyalingana, Jozini and Hlabisa municipalities
- About 80% of the land belongs to Traditional Authorities and the DMA
- The Traditional Councils own about half of the land within Umkhanyakude District and this has implication for development and formalization of settlements

1.1.2 Households

Figure 2: Number of households in the District of Umkhanyakude



Source: Community Survey – 2007

- The total number of households at DC 27 is around 114 976
- About 69% of households in the District have 3 to 6 members and this is a major shift as previous figures showed a majority of members being 8+ per household
- In most instances though the 2001 Census is still commonly used when analyzing demographics

1.2 Provision of Infrastructure

1.2.1 Electricity

The supply of electricity remains one of the biggest challenges for the Umkhanyakude District Municipality. The area is vast and is one of the biggest districts in the province. The majority of the population is rural and households are scattered across the countryside adding to the complexities and cost of service delivery. There are currently large areas that do not have any form of electricity supply and other areas that experience intermittent supply. Progress in the alleviation of the backlog has been hampered in recent times by the countrywide supply crisis that has struck Eskom. This has led to planned projects for the 2008/2009 year being indefinitely put on hold.

There are currently three suppliers of electricity within the uMkhanyakude boundaries; Local Government, Eskom and Nuon RAPS Utility (Pty) Ltd (NuRa).

Local Government and Eskom are supply authorities licensed by the National Electricity Regulator (NER) to distribute grid electricity to customers. NuRa is one of the five national consortia which have been given a concession by National Government through its Department of Minerals and Energy to supply off-grid customers.

Generally the areas supplied are:

- Jozini Municipality - Ingwavuma area
- Mtubatuba Municipality - KwaMsane area
- Eskom — Rural areas outside the above two supply areas and the urban areas of Mtubatuba, Riverview, St Lucia, Hluhluwe, Mkuze, Jozini and Manguzi.
- Nuon RAPS Utility (Pty) Ltd (NuRa).

Ingwavuma takes a 1,2 MVA bulk supply point from Eskom off their Makhathini NB43 network while Kwamsane takes 2.1 MVA.

The areas of greatest need are in the Jozini, Big 5 False Bay and uMhlabuyalingana Local Municipalities. Eskom is currently busy with a network upgrade in these regions with sub-stations being planned and constructed in the Jozini, Ndumo, Ingwavuma and Mbazwana areas. These sub-stations are planned to boost the level of supply but reticulation networks will still be required for all of these areas.

Current supply sources

Eskom supply the bulk of electricity in uMkhanyakude. A 132kV sub-transmission network has been developed through uMkhanyakude along a route which generally follows the N2 national road. The sub-transmission network comprises a single 132kV line which in turn supplies four 132/22kV substations, Mtubatuba, Hluhluwe, Mkuze and Makhathini. These 4 sub-stations supply a total of 19 000 electrification, small and large power user customers, through a total of 22 distribution (11kV and 22kV) networks made up of both overhead line and cable with a combined network length in excess of 2400 kilometres.

1.2.2 Backlog in Infrastructure

Table : Backlog in Electricity infrastructure – bulk & distribution (ESDP 2006)

No	Year	Trigger	Local Municipality	Project Name	Funding	Cost
2	2012	Reliability	Hlabisa	Mtubatuba to Hluhluwe	Nersa	R 10,700,000.00
32	2009	Strengthening	Hlabisa	Hlabisa 88/22 kV S/S	Eskom	R 27,755,000.00
12	2010	Capacity	Jozini	Ingwavuma 132 kV S/S	DME	R 37,050,000.00
31	2008	Customer	Jozini	Nondabuya 132/22 kV S/S	Customer	R 27,755,000.00
13	2011	Capacity	uMhlabuyalingana	Mbazwana 132 kV S/S	DME	R 50,570,000.00
14	2009	Capacity	uMhlabuyalingana	Manguzi 132 kv S/S	DME	R 55,640,000.00
						R 209,470,000.00

Table : 2009/2010 Electricity Projects

Local Municipality	Project Name	No. of Connections	Total Project Costs
UMHLABUYALINGANA	SIKHEMELELE	400	1,642,164
	Sub Total	400	1,642,164
JOZINI	MAMFENE	210	879,663
JOZINI	MBODLA	184	807,388
JOZINI	BHAMBANANI	714	3,753,200
JOZINI	NONDABUYA	1,294	12,692,336
JOZINI	KWASIWONGANA	1,465	6,274,894
	Sub-Total	3,867	24,407,481
HLABISA	MAPELENI	488	2,887,798
	Sub-Total	488	2,887,798

Source: ESKOM

1.2.3 Water and Sanitation

The majority of households are located in settlements that are in rural areas and as such sanitation is based on the RDP VIP toilet system. Furthermore the District is gradually rolling out the construction of VIP toilets based on MIG grant allocations. In the interim and until such roll out is complete then there are likely to be backlogs in the District. The current water and sanitation services situation in the Umkhanyakude District is summarised below.

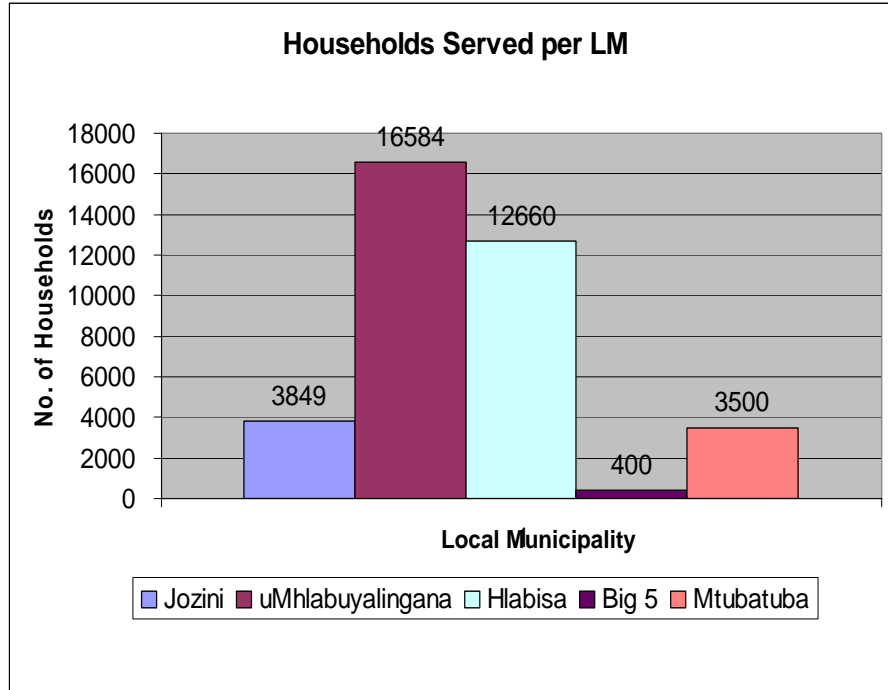
Table : Households Forming the Backlog in Water Services Provision

	Population	Households
Ezibayeni	27,600	3,943
Hluhluwe Phase 4	37,657	5,380
Hluhluwe Phases 1 to 3	30,030	4,290
Isihlangwini	6,035	862
Kwangwanase	19,000	2,714
Mpopphomeni 2	26,800	3,829
Mpukonyoni	30,500	4,357
Mtonjeni	3,406	487
Nondubuyo	12,977	1,854
Phelendaba	38,500	5,500
Qondile/Gujini	20,798	2,971
Shemula	36,725	5,246
Enkanyezini	27,000	3,857
Sub Total		45,290
Plus Jozini North	17,559	2,508
Plus Jozini South	45,000	6,429
Plus Hlabisa South	30,242	4,320
Plus Kwazibi CWSS	9,275	1,325
Plus Manyiseni CWSS	15,000	2,143
Grand Total		62,015

Backlog Study: 2008

- The total estimated households within the District according to the 2007 Community Survey is 114 976.
- The total number of households without potable water in the District is estimated to be around 62 015 or 54%.

Figure : Number of Households Served with Sanitation Services per Local Municipality



- The total number of households served is 47 221 which means that the backlog in sanitation services is 50 002 households or 44%.

Issues:

- majority of the population of the UDM is indigent;
- low revenue base upon which to provide services;
- heavy dependence on the equitable share allocation to meet operational costs
- additional capital roll out will only serve to increase the existing operation and maintenance costs

The viability and sustainability of services provision in the future depends upon rationalisation along the lines indicated in the NSDP.

1.2.4 Transportation

Issues:

- Public Transport Plan has been reviewed
- The focus of public transport system is on main centers in each LM;
- The focus of public transport system follows corridor routes between main centers;
- The focus of public transport system can enhance LED opportunities from PTS.

1.2.5 Waste Management

Issues:

- Municipalities have limited capacity and expertise to collect waste;
- There is limited capacity in all municipalities to manage landfill sites;
- Under current conditions Municipalities are unable to extend their services into rural areas;
- There are financial limitations on current systems and equipment in terms of volumes of waste that can be processed;
- The illegal sites currently in operation need to be closed down;
- Certain existing sites need to be upgraded and new sites developed;
- Closure of illegal sites will mean that haulage distances will increase to fewer upgraded sites so new vehicles will be required by municipalities for long haul purposes.

1.3 Equitable Share Utilisation

The Equitable Share allocation is used for various different activities within the District Municipality. A large portion of it is used to fund the shortfall in revenue generation versus water operational costs. In addition to this the DM's administration costs and counter-funding also needs to be paid from this fund.

Table : Relationship between Equitable Share, Operational Costs and Revenue Generated

Financial Year	Equitable Share	Operational Costs	Revenue Generated	Amount Funded From Equitable Share	Percent of Equitable Share Spent on Water Operational Costs	Amount Remaining For Other DM Admin Costs
07/08	R 68,404,000.00	R 57,000,000.00	R 28,000,000.00	R 29,000,000.00	42.40%	R 39,404,000.00
08/09	R 70,838,000.00	R 65,550,000.00	R 30,800,000.00	R 34,750,000.00	49.06%	R 36,088,000.00
09/10	R 88,586,000.00	R 75,382,500.00	R 33,880,000.00	R 41,502,500.00	46.85%	R 47,083,500.00
10/11	R 110,074,000.00	R 86,689,875.00	R 37,268,000.00	R 49,421,875.00	44.90%	R 60,652,125.00
11/12	R 126,585,100.00	R 99,693,356.25	R 40,994,800.00	R 58,698,556.25	46.37%	R 67,886,543.75
12/13	R 145,572,865.00	R 114,647,359.69	R 45,094,280.00	R 69,553,079.69	47.78%	R 76,019,785.31
13/14	R 167,408,794.75	R 131,844,463.64	R 49,603,708.00	R 82,240,755.64	49.13%	R 85,168,039.11
14/15	R 192,520,113.96	R 151,621,133.19	R 54,564,078.80	R 97,057,054.39	50.41%	R 95,463,059.58
15/16	R 221,398,131.06	R 174,364,303.16	R 60,020,486.68	R 114,343,816.48	51.65%	R 107,054,314.57
16/17	R 254,607,850.72	R 200,518,948.64	R 66,022,535.35	R 134,496,413.29	52.82%	R 120,111,437.42

Source: DC 27 backlog Study - 2008

Points to note on the above table:

- The equitable share figures for the financial years from 2007 to 2011 are actual planned figures. After this a 15% per annum increase has been included.
- The operational costs, revenue generated and amount funded from equitable share figures for 2007/2008 are actual figures.

- The operational costs have been escalated at 15% per annum which is above inflation. This is to cater for new schemes that will be commissioned over the next 10 years.
- The revenue generated figures have been escalated at 10% per annum. This is a figure close to inflation because although more schemes are being commissioned it is not envisaged that more revenue will be generated. It is felt that the more affluent areas of the district (Mtubatuba, St Lucia, Mkuze, Mbazwana, Sodwana and Jozini) are already served with water and already form part of the revenue base. The new schemes will be supplying water to the less affluent people in the rural areas who realistically will not be able to pay for water.
- The percentage of the equitable share being spent on water operational costs increases throughout the 10 year projection. This is despite the equitable share amounts increasing year on year by a projected 15%.
- The figures in the revenue generation column are merely billed amounts and are not necessarily money collected. Only a percentage of this money will actually be collected and some will be bad debts. This will place even more pressure on the equitable share amounts.

1.4 Water Indaba

On the 13 November 2008 the District held a Water Indaba in order to discuss with stakeholders water crisis that it faces and how it impacts on development as a whole and service delivery in general.

The following resolutions were then taken:

- I. Promoting closer working relations with: Weather South Africa and Development Bank of Southern Africa (DBSA), Sector Departments / NGO's and FBO's and Business Sector
- II. Pursue Development off- river storage(s) ,(Ntweni, Majamisa, etc)
- III. Ensure successful implementation of small infrastructure projects
- IV. Focus on Water Conservation and Water Demand Management to save water
- V. Focus across the District as a whole not just in one area of the District
- VI. Reticulate raw water from source and purify it along the way. This has a number of advantages including reducing cost
- VII. Investigate the possibility of Private Public Partnership (PPP) opportunity
- VIII. To have a comprehensive Feasibility Study rather than isolated pockets of feasibility studies
- IX. Consider formation of District Steering Committee – to discuss strategies and to also form a delegation to present the case of uMkhanyakude elsewhere
- X. Consider prioritization of water projects vs. other programs which can be considered later instead
- XI. Sector Departments to priorities resource contribution to the District Municipality due to its status of being a Presidential Node in order to eradicate backlog and help to achieve the National Government Millennium goals within the specified period

1.5 Summary of Infrastructure Issues

- Provision of infrastructure plays a major role in structuring the space economy of a District.
- The District Municipality is in the process of securing loans from the DBSA for two major water supply projects. The one is for the construction of the Mandlakazi Pipeline (R14m-DBSA and R58m-DWAF) and the other is the Mtubatuba Water Treatment Works (R30m-DBSA).
- The WSDP is currently under review.
- Rural populations located in settlements in traditional areas appear to have access to educational and health facilities.
- Access to on-grid electricity is poor in the District particularly in rural settlements in traditional areas.
- Municipalities are experiencing difficulty in compliance over solid waste. A number of sites are not compliant and consequently there is a need for upgrades in order to extend services into rural areas. In addition current haulage vehicles are not adequate to take on the additional long haul and loads implied in regionalization of dumps.

1.6 Goals and priorities

In a nutshell, this Annual Report is aimed at giving an account of the financial and non-financial performance of the municipality. This section will therefore address the following issues:

- A statement of the overall goals and priorities; and
- The mission and vision for the municipality

Based on the Situational Analysis and the Spatial Development Framework for 2008, the following section focuses on priority issues that need to be considered by all spheres of Government and were raised during an NSDP session.

ISSUE	PRIORITY ACTIONS	STATUS
Strategic actions required by the three spheres of government to ensure the success of the strategies (i.e. address the needs, harness the potential and mediate the risks) and in so doing ensuring (1) sustainable, shared and inclusive growth and (2) quality of life for all in the District	1. The persisting drought requires swift action on securing water from the Pongolapoort/Jozini Dam	Initiatives underway to implement bulk master tender
	2. Set up appropriate structures and manage their performance to ensure greater intergovernmental coordination and integration in prioritisation, resource allocation and implementation. The required outcome is that provincial plans, strategies and budgets reflect the priorities and proposals as captured in the local and District municipal IDPs.	IDP Representative Forum meetings and other provincial initiatives are used to address coordination and integration
	3. Develop and implement a land use management system that is suitable for rural conditions in the province of KZN.	Local municipalities are in the process of addressing LUMS
	4. Explore the prospects of the “ Swaziland and Mozambique markets ” for the export of products from the Umkhanyakude District, as well as for capturing a larger slice of the movement on the roads through the District for local retail sales and the provision of business, personal and health services.	Pending. The LED and Corridor Development initiatives should be used to address this issue

<p>Strategic actions required by the three spheres of government to ensure the success of the strategies (i.e. address the needs, harness the potential and mediate the risks) and in so doing ensuring (1) sustainable, shared and inclusive growth and (2) quality of life for all in the District.....</p>	<p>5. Explore the possibilities of importing raw and semi-manufactured products, processing them and exporting them via Richards Bay and/or Ethekewini.</p>	<p>Pending. The LED and Corridor Development initiatives should be used to address this issue</p>
	<p>6. Ensure that the Provincial Roads Department prioritises the upgrading and maintenance of the key roads in the District, notably the N2, the Jozini to Kwangwanase road (R22), and the new SDI Route (MR439), running from Hluhluwe to Phelandaba, and extends the system of local access routes to improve public transport and mobility.</p>	<p>In progress</p>
	<p>7. Attract and retain qualified professional persons in the scarce skills categories, i.e. engineering, town planning financial planning and project management, to assist in the planning and implementation of municipal services. Lack of skilled people as in most rural areas is a major problem, which both frustrates the provision of government services and the development and establishment of novel industries that utilise local products, knowledge and wisdom.</p>	<p>Policy to address this matter is currently under review</p>
	<p>8. Expedite the pace of land reform in the District. While the District has definite agricultural potential in a number of areas, slow movement in this regard is keeping the industry in the hands of white commercial farmers and denying entrance to black farmers, newcomers and whole communities to the market.</p>	<p>In progress</p>
	<p>9. Urgently implement environmental management measures to protect the trees and plants used in the crafting and multi-industries from over-exploitation</p>	<p>Pending.</p>
	<p>10. Ensure integration between social and economic development programmes and investments to ensure integrated spatial and holistic human development.</p>	<p>LUMS and SDF to be used to address this matter.</p>

	11. Ensure the construction of low to medium-income middle class housing to fill a growing need in the District, but also assist in attracting and retaining skilled persons. Should the key roads in the District be adequately upgraded and maintained, the District could increasingly also provide housing for this segment, as well as higher income earners that could travel on a daily and weekly base to the Richards Bay/Empangeni economic hub.	Applications for this kind of development in progress
High-level Issues to be attended to in the domain of (1) national and provincial policy and legislation and (2) compliance with existing legal and policy provisions and intergovernmental agreements	12. The development of a true/real rural development vision and programme , that provides for quality living space in rural South Africa.	The Development Agency and DBSA are investigating this need
	13. Equitable share and MIG allocations need to be reconsidered to factor in the long distances in a District like this one that drive up costs and even render certain areas unserviceable.	Pending
	14. Stronger guidance “from the centre” as to spatial development on a national level, together with measures to ensure that proposals for development in IDPs are given the serious treatment they deserve by provincial governments, should these be in line with (such) national guidance.	
	15. Stronger guidance and a system of rewards and penalties are required to ensure “joint planning” in the planning for and development of settlements.	

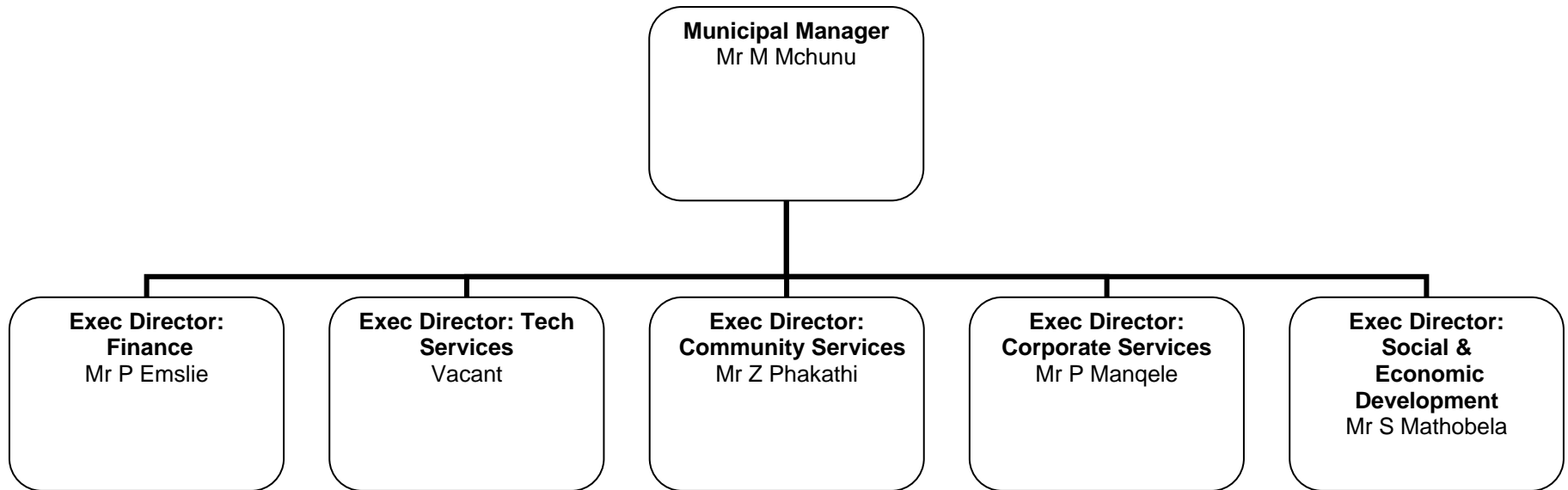
CHAPTER 2: HUMAN RESOURCE AND OTHER ORGANISATIONAL ARRANGEMENTS

The District of Umkhanyakude comprises of five local municipalities and a District Management Area. The Council is made up of 27 members with the ExCo comprising of six members. The Municipal Manager of the District Municipality is responsible for the following departments:

- Corporate Services
- Financial Services
- Waste and Environmental Services
- Technical Services
- Social, Planning and Economic Development (SED)
- Community Services

The total number of staff is 000 excluding councillors. This number includes community water scheme staff members that were incorporated into the District Municipal's payroll as from June 2008.

Below is the organogram of the top management structure for **2008/2009 FY**:



Current IGR Structures

The following are IGR Structures that are fully functional:

- Mayors Forum
- Municipal Managers Forum
- District Planning Forum
- CFOs Forum
- Umkhanyakude District Liaison and Conservation Forum
- LED Forum

DEMOGRAPHIC PROFILE OF EMPLOYEES

Workforce Profile and Core & Support Functions: DC 27

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	16				5		1	2			24
Senior management	10				4						14
Professionally qualified and experienced specialists and mid-management	25										25
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	56				2						58
Semi-skilled and discretionary decision making	20				23						43
Unskilled and defined decision making	46				22						68
<i>TOTAL PERMANENT</i>	173				56		1	2			232
Temporary employees	47				8						55
GRAND TOTAL	220				64		1	2			287

Employees with Disabilities

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management											
Senior management											
Professionally qualified and experienced specialists and mid-management											
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	1										1
Semi-skilled and discretionary decision making											
Unskilled and defined decision making											
<i>TOTAL PERMANENT</i>	1										1
Temporary employees											
GRAND TOTAL	1										1

Core Operation Functions and Support Functions by Occupational Level

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	4				1			1			6
Senior management	12				4		1	1			18
Professionally qualified and experienced specialists and mid-management	10				4						14
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	25										25
Semi-skilled and discretionary decision making	79				56		1				136
Unskilled and defined decision making	23				10						33
<i>TOTAL PERMANENT</i>	153				75		2	2			232
Temporary employees	47				8						55
GRAND TOTAL	200				83		2	2			287

TERMINATION

Termination by Category

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management											
Senior management											
Professionally qualified and experienced specialists and mid-management											
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents											
Semi-skilled and discretionary decision making											
Unskilled and defined decision making											
<i>TOTAL PERMANENT</i>											
Temporary employees											
GRAND TOTAL											

Termination Category

Terminations	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Resignation											
Non-renewal of contract											
retrenchment – Operational requirements											
Dismissal - misconduct											
Dismissal - incapacity											
Retirement											
Death											
<i>TOTAL</i>											

Skills Development

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management	8				3		1	1	13
Senior management	8				4				12
Professionally qualified and experienced specialists and mid-management	18								18
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents					18				18
Semi-skilled and discretionary decision making	31								31
Unskilled and defined decision making									
<i>TOTAL PERMANENT</i>	65				25		1	1	92
Temporary employees									
GRAND TOTAL	65				25		1	1	92

CHAPTER 3: FUNCTIONAL SERVICE DELIVERY REPORTING

KPA 1: Service Delivery and Infrastructure Development

Strategic Objectives	Planned Interventions
1. To provide access to affordable, potable and quality water to all communities	Improve access to basic levels of water and sanitation
	Undertake and improve rudimentary programmes e.g. Rain water harvesting, spring protection, etc
	Rehabilitation of non-functional water schemes
	Provision of maintenance and repairs to existing boreholes
	Reduce usage of commercial water tankers
2. To finalise a water services development plan (WSDP)	<ul style="list-style-type: none"> - Terminate existing contract - Appoint a new service provider
3. To target and reduce basic service delivery backlog	Source skilled service providers to compile a business plan for water and sanitation
4. To provide dignified sanitation	Ensure provision of good quality, sustainable and dignified VIPs. Repair and rehabilitate all sewerage systems within DC27
5. To ensure that the Districts' built environment and economic space is appropriately defined, referenced and mapped	Review of 2007/2008 SDF Document
6. To provide electricity to all communities using effective resources which are in harmony with the ecosystem	Commissioning of Hydroelectric Scheme project (renewable energy)
7. Provision of sport facilities	Appointment of main contractors for Makhasa, Mtubatuba & Mnqobokazi sport facilities

Strategic Objectives	Planned Interventions
8. Supply and maintenance of electricity network	<p>Increase number of households supplied with grid electricity</p> <p>House holds supplied with non-grid electricity</p> <p>Compliance with maintenance and repairs requirements for KwaMsane and Ingwavuma areas</p> <p>Construction of Nondabuya 132/22KV Sub-station</p> <p>Mhlelezi – 240 new connections</p> <p>New connections Vumbe Gwebu and Emabundeni</p> <p>Mgangatho-473 new connections</p>
9. Provision of roads and storm drainage system	<p>Upgrade and maintain road network in Phumulani village</p>

KPA 2: Transformation and Institutional Development

Strategic Objectives	Planned Interventions
1. Preparation of credible IDPs by the family of municipalities	Compliance with DLGTA IDP Framework Guide
2. Ensuring an effective and efficient District Shared Service Centre	Establishment of District-wide development planning shared service Centre/capacity
3. Development of a District Waste Management Plan	Facilitate for the development of a District-wide Integrated Waste Management Plan
4. Implementation of Employment Equity (EE) Targets	Filling of vacant posts as per the EE Plan
5. Ensure recruitment of high caliber personnel	Recruitment policy in place to cover all aspects of recruitment such as: <ul style="list-style-type: none"> - Job specification advert - Media used to advertise posts. - Duration of posts advertised internally and externally - Clarity between internal and external advertisement - Probation period
6. Development of policies related to corporate services	Develop and finalize: <ul style="list-style-type: none"> ▪ Recruitment and selection policy ▪ Acting allowance policy ▪ Attendance at memorial and funeral services policy ▪ Keeping and use of fire arms policy. ▪ Staff retention strategy
7. To strengthen intergovernmental system so that IGR structures adhere to IGR Framework Legislation	<ul style="list-style-type: none"> - Functional District IGR structures - Participation in Provincial IGR structures
8. To strengthen working relations with key local stakeholders (such as the Isimangaliso Wetland Park, Local Traditional Council, Ezemvelo KZN Wildlife, farmers associations, tourism associations, NGOs etc)	<ul style="list-style-type: none"> - Transparency in development initiatives by all stakeholders - Aligning the IDP with IMPs
9. To implement Organisational Performance Management System (OPMS) across all levels of the Municipality	<ul style="list-style-type: none"> - Cascading of PMS across all municipal employees and councillors

Strategic Objectives	Planned Interventions
10. To Revise the DM's organogram	<ul style="list-style-type: none"> - Identification and prioritisation of critical posts - Filling of vacant posts - Efficient utilisation of staff
11. To ensure effective and efficient IT System	<ul style="list-style-type: none"> - Integration of IT financial systems introduced and operationalised (cross cutting issue IT, GIS/DIMS/MIS/Payroll and Web Site etc) - Development of a website
12. Capacity building and training	Training of staff in accordance with Workplace Skills Plan
13. To support initiatives aimed at ensuring peace and safety of communities	<ul style="list-style-type: none"> - Implementation of programmes in partnership with the SAPS and other stakeholders to address crime, peace and stability amongst the local communities
14. To promote preservation, sustainable development and conservation of natural resources found within the District	<ul style="list-style-type: none"> - Implementation of Biosphere Reserve Plan - Preparation of Environmental Management Framework - Preparation of Environmental Management Plan (EMP)
15. Alignment of sector plans with the IDP, NSDP and PGDS	<ul style="list-style-type: none"> - Aligned programmes across all spheres of government
16. To Improve the livelihoods of the poor, vulnerable groups and support initiatives to reduce vulnerability of infectious diseases	<ul style="list-style-type: none"> - Revision of District HIV/AIDS - Functional District Disability Forum - Establishment of District Advisory Council of Children

KPA 3: Good Governance and Public Participation

Strategic Objectives	Planned Interventions
1. To implement <i>Batho Pele</i> customer services principles	Conduct customer satisfaction survey Attend to all queries from customers (internal and external) Reduction of queries and complaints in the complaints register
2. To improve relationship and communications with stakeholders	Review of a communication strategy
3. Ensure supply of Free Basic services	Provision of free basic services
4. To ensure and improve public participation in municipal processes	Preparation of procedures for community participation processes including direct communication with Traditional Councils Improved public confidence in municipal functioning, infrastructure development and service delivery
5. To ensure and improve public participation in municipal processes...	Preparation of anti-corruption strategy to address prevention, detection and awareness/communication
6. To improve the relationships between the District Municipality and local municipalities	<ul style="list-style-type: none"> - Establishment and operation of inter-municipal liaison forum - Strengthen District IGR structures - Regular support to LMs on MIG programme and any other developmentally related programmes
7. Regulate & control electricity usage	Electricity by-laws approved Review of ESDP ESDP completed Revised tariffs published
8. To regulate water services provision	Review of policies and by-laws

KPA 4: Sustainable Local Economic Development

Strategic Objectives	Planned Interventions
1. To promote, coordinate and manage economic growth	Securing funding for the construction of an airport terminal building Securing strategic partner to operate the regional airport Strategic support of projects (in partnership with provincial sector departments) that are in line with ASGISA Programme Marketing of the District and its comparative advantages (tourism and agriculture)
2. To ensure increased SMME opportunities	Initiate macro and micro projects
3. Strategic support of municipal entities	Development of investment plan by uMhlosinga Development Agency Implementation of a District Tourism Development and Marketing Plan by Elephant Coast Tourism Association Training of PSC members and labourers on infrastructural projects Commencement of final phase of learnership programme Tenders awarded to SMME & BEE Tenders awarded to women contractors Tenders awarded to youth Tenders awarded to people living with disabilities Preparation and submission of project proposals to the DLGTA for funding Effective management of projects funded

KPA 5: Financial Viability and Management

Strategic Objectives	Planned Interventions
1. To improve municipal financial viability and sound financial management as per MFMA	<ul style="list-style-type: none"> - Timorous preparation of SDBIP - Preparation of annual financial statements - Municipal viability achieved by ensuring that: <ul style="list-style-type: none"> • Consumer debt exceeding 90 days is recovered • Reduction in grant dependency ratio is reduced • Financial legislation is implemented • Asset register for all municipal property and infrastructure is updated and maintained - To ensure proper and sufficient budgeting in line with IDP - To ensure proper and sufficient budgeting in line with IDP
2. To ensure effective and efficient management of departmental budget	<ul style="list-style-type: none"> - Continuous implementation of SDBIP - Adherence to SDBIP by departments
3. To ensure accurate billing of all consumers of the municipality	<ul style="list-style-type: none"> - Reliable billing system - Sending of monthly bills to customers - Implementation of credit control policy
4. To ensure prompt payment/collection of all funds due to the municipality	<ul style="list-style-type: none"> - Handing over of long outstanding debts in line with Cr control policy
5. To ensure that goods/services of the municipality are procured in an efficient economical and equitable manner, from reputable suppliers	<ul style="list-style-type: none"> - Scheduled bid committee meetings - Training of bid committee members - Demand management - Annual compilation of data base of service providers - Monthly and quarterly report to NT,PT and structured of the Council - Implementation of the SCM policy - Development of specific delegation document

REPORTING ON ACHIEVEMENTS AGAINST THE SET TARGETS FOR 2008/09 F/Y

Key Performance Objective	Target (2008-2011)	2008/09 Target	Actual	Comments
Provision of water infrastructure	12 water projects completed	30%	5 projects have been completed (40%)	
	14 Business plans completed / developed	5	2 business plans developed	Due to non availability of priority list
Provision of sanitation infrastructure	13100 households provided with toilets	4500 (zamazama) (Shemula & Ezibayeni)	4520 toilets completed	
	11 business plans developed	3	1 Variation Order	
To provide access to affordable, portable and quality water to all communities	Yearly Review	Review	WSDP reviewed 50%	
	Completed regional bulk plan by 2009	Implementation	Only draft submitted for comments	
	100% functioning	80% repaired	236	
	All boreholes maintained	80% maintenance	Ongoing	
	100% of indigents receiving free basic water by 2011	60% of indigents		Function assigned to finance department

Key Performance Objective	Target (2008-2011)	2008/09 Target	Actual	Comments
Energy and lighting To facilitate the supply of sustainable energy sources to all households in the municipality	800 Households supplied with non-grid electricity	300 households	2000	Exceeded the target according to information received from NURA
	4995 households	441 connections in Mhlekezazi (240) Vumbe Gwebu, Emabundeni (201)	441 connection completed	
	800 households supplied with grid electricity	300 households	0 connections	Eskom put them on hold due to the prioritisation of sub-stations
	ESDP approved by EXCO	March 2009	ESDP not approved	Insufficient funding to source services of a consultant for review
	Revised tariffs published	Document publicized through media/ LM	Tariffs published	
	Construction of Nondabuya 132/22KV Sub-station	July 2008	Nondabuya substation completed	
	Electricity by-laws approved by EXCO	Draft approved by Exco	August 2008	Noted by Exco and are due to be translated to IsiZulu.
Community and municipal facilities Investment in the development of new and existing community and municipal facilities and infrastructure	3 projects completed (Makhasa, Mtuba & Mngobokazi)	30%	90% completed	Mngobokazi has contractual issues which are being resolved
	2 Business plans developed	100%	0	No longer the function of the DM.