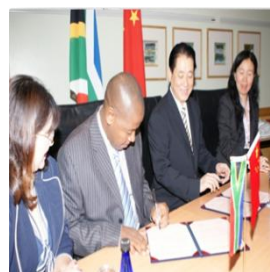




ILEMBE DISTRICT MUNICIPALITY

INTEGRATED DEVELOPMENT PLAN

REVIEW 2010/2011



To be a World Class Destination with Excellent Services and Quality of Life for all its People."

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ABBREVIATIONS USED IN THIS DOCUMENT

AsgiSA	-	Accelerated and Shared Growth Initiative for SA
AOC	-	Aircraft Operating Company
BEE	-	Black Economic Empowerment
CBD	-	Central Business District
CBPWP	-	Community Based Public Works Programme
CDC	-	Community Development Co-operative
CHARM	-	Comprehensive Hazard and Risk Management
CIF	-	Capital Investment Framework
CIP	-	Comprehensive Infrastructure Plan
CRA	-	Customer Relationship Assessment
CSC	-	Community Service Centre
DBSA	-	Development Bank of South Africa
DEAT	-	Department of Environment, Agriculture and Tourism
DFP	-	Development Framework Plan
DIMS	-	District Information Management System
DLTGA	-	Department of Local Government and Traditional Affairs
DMC	-	Disaster Management Centre
DME	-	Department of Minerals and Energy
DMF	-	Disaster Management Framework
DMP	-	Disaster Risk Management Plan
DOE	-	Department of Education
DOH	-	Department of Housing
DOT	-	Department of Transport
DWAF	-	Department of Water Affairs and Forestry
EIA	-	Environmental Impact Assessment
EMP	-	Environmental Management Procedure
EPWP	-	Extended Public Works Programme
EXCO	-	Executive Committee
FIFA	-	Fédération Internationale de Football Association, French for International Federation of Association Football
GE	-	Gender Equity
GGP	-	Gross Geographical Product
GIS	-	Geographical Information System
HIV/AIDS	-	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
ICT	-	Information Communication Technology
IDP	-	Integrated Development Plan
IEP	-	Integrated Environmental Programme
ISRDP	-	Integrated Sustainable Rural Development Programme
ISRDS	-	Integrated Sustainable Rural Development Strategy
IWMP	-	Integrated Waste Management Plan
KPA	-	Key Performance Area
KPI	-	Key Performance Indicator
KZN	-	KwaZulu-Natal
LED	-	Local Economic Development
LRAD	-	Land Redistribution for Agricultural Development
LUMF	-	Land Use Management Framework
LUMS	-	Land Use Management System
MANCO	-	Management Committee
MEC	-	Member of the Executive Council (Local Government and Traditional Affairs)
MFMA	-	Municipal Finance Management Act No. 56 of 2003
MIG	-	Municipal Infrastructure Grant
MTCF	-	Medium-term Capital Framework
MTCT	-	Mother-To-Child HIV Transmission
MTEF	-	Medium-Term Expenditure Framework
MTSF	-	Medium-Term Strategic Framework
NDMF	-	National Disaster Management Framework
NHBRC	-	National Home Builders Registration Council
NSDP	-	National Spatial Development Perspective
NWMS	-	National Waste Management Strategy
OVC	-	Orphaned and Vulnerable Children
PA	-	Planning Authority
PACA	-	Participatory Appraisal of Competitive Advantage

PGDS	-	Provincial Growth and Development Strategy
PIMS	-	Planning, Implementation and Management System
PMS	-	Performance Management System
PMU	-	Project Management Unit
PPP	-	Public-Private Partnership
PSEDS	-	Provincial Spatial Economic Development Strategy
PTO	-	Permission to Occupy
PTP	-	Public Transport Plan
RDP	-	Reconstruction and Development Programme
RIDS	-	Regional Industrial Development Strategy
RRTF	-	Rural Road Transport Forum
RSC	-	Regional Service Centre
SADC	-	Southern Africa Development Community
SEA	-	Strategic Environmental Assessment
SDF	-	Spatial Development Framework
SDBIP	-	Service Delivery and Budget Implementation Plan
SDP	-	Site Development Plan
SMME	-	Small, Medium and Micro Enterprise
TA	-	Tribal Authority
TLC	-	Transitional Local Council
UAP	-	Universal Access Plan
VTC	-	Voluntary Testing and Counselling
WSB	-	Water Services Backlog
WSDP	-	Water Services Development Plan

SECTION A: EXECUTIVE SUMMARY

Introduction

As 2010/11 hails the year in which South Africa will host the greatest show on earth-the soccer World Cup and the current iLembe Council is nearing the conclusion of its mandate pursued since 24th March 2006, excellence and achievement forms the backdrop against which all service delivery at local government level should be approached.

This 2010/11 IDP Review is the last in a series of 4 IDP reviews updating the base IDP formulated in 2007 and iLembe anticipates the preparation of a full base IDP for 2011/12. This IDP Review, like every review aims to, among other things, reflect on the progress that the district has made, challenges faced, and the new modus operandi introduced by an iLembe Turn Around Strategy prepared in January 2009.

Although the municipalities focus is in addressing local service needs within its mandate, it cannot ignore the current global economic situation because everything embarked at a local level is to a large degree influenced by the balance of forces prevailing at global, continental and national levels. South Africa and iLembe is progressing through the most serious financial crisis in decades. The crisis has given rise to a synchronized recession which threatens livelihood, decent jobs and social cohesion across the globe. Countries worldwide are affected by the most serious economic crisis in at least 80 years.

Within the framework of South Africa's response to the international economic crisis, it has been argued, that the crisis has been caused by a range of factors including gross imbalances and inequalities in the global economic system, the impact of the financialization of economies, ineffectual regulation in several of the major world economies and poor business practices, have all resulted in significant asset depression, closures of companies, rising unemployment and sharp slowing down of economic growth, with most industrialized countries entering a recession.

This current economic conjuncture requires decisive leadership and partnership to create decent work, poverty eradication and improved service delivery through infrastructural investment projects.

A new Comprehensive and updated Integrated Development Plan for the iLembe District Municipality, covering the period 2007 to 2012, was adopted in 2007 in terms of the Municipal Systems Act, Act 32 of 2000. This IDP now needs to be reviewed and for the purpose of this 2010/2011 iLembe IDP Review the 2007 - 2012 IDP shall be referred to as the "principal IDP".

The principal IDP undertook a comprehensive review and analysis of the iLembe District Municipality and specifically highlighted economic and infrastructural backlogs, together with the developmental challenges with which the iLembe District Municipality is faced. These serve as the baseline for municipal delivery, monitoring and performance and the principal IDP set out specific objectives and strategies to address these backlogs and challenges. In addition, these have been re-assessed on an annual basis within through the required IDP Review Process.

This iLembe 2010/2011 IDP Review is also done within the context of newly formulated and revised guidelines of the KwaZulu-Natal Provincial Government's Department of Local Government and Traditional Affairs (DLGTA) for the review and assessment of IDPs. These guidelines specifically provide clarification on the contents and format of reviewed IDPs for their subsequent assessment.

A Framework / Process Plan to guide the 2010/2011 iLembe IDP Review was considered and approved by the Council on 27 August 2009. This Framework / Process Plan sets out comprehensively the process of Review, including timeframes for achieving certain milestones. It details responsibilities, methodology, mechanism for community participation and mechanism for alignment with other stakeholders.

The MEC evaluation letter dated 22 September 2009 in response to the iLembe District Municipality 2009/2010 IDP submission, commended the Municipality with its efforts, alignment (horizontal and vertical) to achieve a Credible IDP with the exception of additional information required and areas to be improved. Overall the MEC recorded satisfaction regarding:-

- Participating in all intergovernmental engagements;
- Commitment to Municipal Transformation and Institutional Development;
- Including a response to the Auditor General's Report;
- Implementation of the Performance Management System;
- Inclusion of the Annual Report;
- Alignment of the budget, PMS and IDP;
- Well articulated LED strategy;
- Financial Viability and Management reflected within a three year budget;
- Clearly articulates status of project funding and articulated within a Capital Investment Framework;
- Commendation for promoting transparency and good governance;
- IDP viewed as a well structured and strategic planning tool;

The MEC further noted the following areas which could be improved within the 2010/11 IDP review:

- Goals and Objectives of the LED Strategy need to be aligned with projects, budgets and implementation timeframes;
- Service delivery Sector Plans need to be integrated and articulated within the IDP towards addressing backlogs;
- Need strategies towards augmenting financial position;
- Capital expenditure needs to be reflected spatially within key priority areas;
- Spatial Development Framework to be included as an annexure within the IDP;

Apart from the MEC comments, the iLembe Municipality through extensive strategic planning sessions have formulated and prepared a "Turn Around" Strategy that relates to an Institutional Arrangement/Restructuring Strategy, overall Service Delivery (Basic Services) linked to detailed Action Plan setting out short, medium and long term strategies, etc. The principle IDP identified the following policies and plans as outstanding of which will form part of the focus of the 2010/2011 iLembe IDP Review. The table below depicts a summary status of the respective Strategic / Sector Plans as part of the 2010/2011 iLembe IDP Review:-

No.	SECTOR PLAN	STATUS	INCLUDED IN IDP
1	Spatial Development Framework		2010/11 – Annexure J1
3	Disaster Management Plan	Disaster Management Framework included within 2009/10 IDP.	2010/11 – Annexure J2
2	Strategic Environmental Atlas		2010/11 – Annexure J3
8	Land Reform Area Based Plan	Completed July 2009.	Available on Request
4	Integrated Waste Management Plan	Drafted April 2004, Adopted in 2007, to be reviewed shortly.	Available on Request
5	Water Services Master Plan	Masterplan included within 2007/08 IDP. Umgeni Infrastructure Master Plan completed May 2009.	Available on Request
6	Water Supply and Sanitation Services Implementation Plan	Completed December 2009.	Available on Request
7	Transport Infrastructure Plan	In Process.	Available on Request
9	Public Transport Plan	Completed 2007.	2007/08
10	Energy Masterplan		2008/09
11	Local Economic Development Strategy	Completed in 2008, Currently being reviewed.	2008/09
12	Municipal Infrastructure Investment Plan		2008/09
13	iLembe District Health Plan		2008/09
14	Integrated Environmental Programme	September 2006 - Adoptive Status to be confirmed.	2007/08
15	Cemetery Plan		2007/08
16	Gender Equity Plan		2009/10
17	HIV/AIDS Strategic Plan		2009/10
18	Coastal Zone Management Plan	Complete Feb 2008	2009/10

Current Service Backlogs and Challenges

When the current Council took over the administration of ILembe District Municipality in 2006, they were confronted by huge challenge of reducing the unacceptable levels of water and sanitation backlogs. The table below summarized the current status of household access to water and sanitation in 2009/2010 as well as the total reduction in backlogs achieved since 2006.

iLembe District Municipality: Backlog Assessment & Achievements to Date								
Local Municipality	Population	Households	WATER			SANITATION		
			Access	Backlog	% Backlog	Access	Backlog	% Backlog
Mandeni	131 830	37 798	14 717	23 081	61%	27 957	9 841	26%
KwaDukuza	252 053	61 084	51 359	9 725	16%	48 628	12 456	20%
Ndwedwe	208 447	33 459	26 162	7 298	22%	18 086	15 373	46%
Maphumulo	212 909	27 606	16 643	10 963	40%	6 067	21 539	78%
Total	805 239	159 947						
H/H with Access to Water			108 881		68%	100 738		63%
Current Backlogs (H/H)			51 067		32%	59 209		37%
Total Reduction since 2006			25 408			19 788		

From 2006 to date **127 912 people residing in 24 408 households** have been given access to clean and drinkable water to a basic level of service and **99 621 people residing in 19 788 households** have been provided with basic level of sanitation.

Over and above projects that have been implemented and completed, there are other projects that are currently under construction and others being planned to ensure that all the people of iLembe will have access to basic water and sanitation services by 2014.

These include the Sundumbili / KwaDukuza Bulk Water Scheme that will provide bulk water to Mandeni, KwaDukuza and even eThekweni. This project is valued at about R600 M.

NgceboKwaDukuza Bulk Water Scheme that will serve the entire Maphumulo area up to KwaDukuza with clean and drinkable water supply. This project will cost R230 M.

The District municipality has also completed the following plans that will help the council to plan better:-

- Ilembe Backlog Study
- Water Services Development Plan
- Energy Master Plan
- Water and Sanitation Bulk Master Plan
- Transportation Master Plan.

In addressing these backlogs, iLembe has used labour intensive methods of construction as part of implementation of Expanded Public Works Programme, wherever possible, for the construction of water and sanitation project within the District. This was accompanied by training that has seen some of the local labour receiving skills training in Plumbing, Bricklaying, Storekeeping, Quality Assurance, Shattering and Steel fixing. The estimated number of employment opportunities created through the use of labour intensive methods are as follows:-

LM	No of jobs	Adult male	Adult Female	Female Youth	Male Youth
Mandeni	334	118	65	66	85
KwaDukuza	52	25	7	5	15
Ndwedwe	1792	750	326	228	488
Maphumulo	862	222	112	238	290
Total	3790	1115	510	537	878

Rapid Urban Growth

Currently The KwaDukuza Municipality is working with the provincial department of Transport and other state owned enterprises in the development of public transport intermodal facility at the estimate value of R100 million for phase one.

This facility will undoubtedly create a necessarily climate conducive to do business within the district and enable the public to have better access to economic centres of the district.

Linked to the above project is a deliberate urban renewal programme of the municipality, which look at historical, cultural and tourism activities that is being planned for 5-to 7 year programme.

This programme is also in an integrated manner linked to other critical infrastructure upgrade like electricity, roads and storm water and it is in excess of R75 million. This excludes the upgrading of water and sewer infrastructure.

As part of the broad urban renewal strategy, which in other part of the country is also known as Blue IQ Project, three catalytic projects have been identified, namely the Golf Course Redevelopment programme to an estimated value of R1 Billion, King Shaka Memorial Area Project.

It is anticipated that when some analysts predict that in five to ten years time, iLembe will be the Midrand of KZN, it is no exaggeration if one looks at the building plans that have been submitted to KwaDukuza Municipality during the past three years alone where KwaDukuza received building plans annually of approximately R2 billion in value per year.

Economic Growth & Development

Enterprise iLembe has been tasked with the co-ordination of economic growth and development and is constantly involved in the roll-out of a host of projects, which will ensure that the economic opportunities currently presenting themselves within the ilemberegion, bring about sustainable employment opportunities for its residents.

Such economic opportunities include the King Shaka international airport and the DubeTradeport, as well as macro economic developments like the Blythedale and similar resorts, KwaShuShuHotSprings in Maphumulo, titanium mining in Maphumulo and Kwaloshe Forest tourism in Ndwedwe.

There are yet further ambitious projects still in developmental phase and due to be rolled out in the near future, such as a 2000 seater international convention centre and exhibition centre and the production of wine within theregion to provide the emerging farmers with an opportunity to grow a product that will give them an excellent return, thus creating decent work and sustainable livelihoods.

iLembe Municipality is exploring avenues to create additional jobs for people who live in townships close to industrial areas, by formulating an industrial development strategy, which will highlight the types of industries available and their proximity within the region. This will attract investors who may be interested in setting up factories in our district, which will create work for those out there who wish to take up this opportunity.

The Municipality is also in process of setting up agri-processing collector hubs, where high value perishable goods will be able to be collected from community farms and transported to a central facility close to the DubeTradeport. This will ensure that the people of the soil (Ngabade), who live in our remotest areas, will be able to grow vegetables that will be sold overseas for a healthy profit. The district has also allocated R 1 million to ensure that community gardens in these areas are developed into small farms.

With the advent of the DubeTradeport and King Shaka international airport, opportunities for engagement with members of the international business fraternity will now become more prevalent, and iLembe District Municipality will ensure that the opportunities for inbound investment be made available to our entry premiers through the chamber.

Financial Viability

Financial viability and management remains one of the key priorities of Council. It remains more critical in the light of the current economic situation, which among other things requires self sustenance and prudent financial controls. The Municipality's cash flow situation still needs to improve further and it is planned to build up a working capital reserve of twice the monthly expenditure of the Municipality in the ensuing years.

One of the strategies to achieve this working capital reserve is to increase the consumer debtor payment rate. However the management of the consumer debtor arrears during the year has been a challenge.

The following strategies were initiated in this regard:

- Data cleansing exercise - This exercise is in progress and a service provider has been engaged to conduct a fieldwork investigation which involves the collection of consumer, meter and property data.
- Credit Control and Debt Collection - A Rand for Rand campaign was embarked on, which allows the consumer to enter into an agreement to pay current billings and have the arrears parked whether they have a dispute or not. A further incentive is that for every rand paid towards the arrears the municipality will also pay a rand. The consumer has a responsibility of ensuring that the current account is paid in full as and when due.

The ability of Ilembe to meet its strategic development goals as outlined in this IDP, is largely dependent on the ability to collect revenue for the services that are provided to the community as per

our constitutional obligations. Accordingly, the community is equally expected to pay for services that are rendered by the municipality. The Municipality is aiming its development ideals and operation restructuring to ensure that the financial state of the municipality is transformed in such a manner that the rest of the IDP priorities also benefits from its institutional financial viability and sustainability.

Development Challenges

The main challenges for the iLembe Municipality in this IDP relate to socio-economic, economic, infrastructure, spatial and housing issues as well as the issues around social facilities and services. The key issues most likely to have a fundamental effect on the long-term economic viability of the District are:

- Optimising on the opportunities presented by iLembe's location between the Durban and Richards Bay, the two most important harbours in Africa.
- Optimising on the opportunities presented by the N2 corridor from Durban to Maputo, which already transports more than 1 million tourists per year through the iLembe District.
- The potential opportunities of the proposed development of the King Shaka International Airport/Dube Trade Port on the southern border of the District.
- The backlog in the provision of basic services such as water, sanitation, electricity and housing, especially in the rural areas and in the informal settlements.
- Limited availability of bulk water in the District.
- The HIV/AIDS pandemic and its impact on regional demographics.
- Management of investor risk, and where necessary, direct intervention in order to attract international capital.
- The maintenance and preservation of a pristine environment and coastline.
- Land release to facilitate development is of particular concern, particularly with land monopolists such as Moreland.

The iLembe District Municipality has achieved some critical developmental and local economic milestones that are related to the strategies and policies put in place. Although much progress has been made in terms of local economic development within the District and the Local Municipalities, impact on job creation and poverty relief is still limited. Continued infrastructural and institutional support with regard to achieving sustainable settlement and development are required at the district and local municipal level, particularly in respect of addressing continued and looming backlogs.

Strategies for Improvement

To address the challenges we face and to maximise on the opportunities within the iLembe District this IDP specifically highlights the following strategic thrusts to which all Municipal plans should contribute:-

- Promoting investment along existing and new identified corridors.
- Promoting investment within defined nodes and specific to the functionality of such nodes.
- Promoting development and investment that contribute to the regeneration and renewal of CBDs.
- Promoting investment and re-investment in existing and identified development zones as priority areas.
- Promoting investment in industrial investment hubs and provide for sufficient, affordable, reliable infrastructure services.
- Introducing incentives that attract development initiatives.
- Encouraging settlement within the rural context along road networks and existing infrastructure.
- Developing a skills database of the District and procurements procedures in accordance with EPWP and AsgiSA principles.
- Establishing a Shared Services Model for purposes on mentoring, training and capacitation.
- Establishing and promoting PPPs.
- Establishing cooperatives to maximise economic opportunities in the agricultural sector.
- Preserving and protecting the natural environment must be preserved and protect and applying conservation management.
- Ensuring the regular maintenance and upgrade of existing infrastructure.
- Promoting Cultural Community Based tourism.
- Promoting integrated tourism development.

- Ensuring sustainable livelihoods through the integrated development of all the assets of the iLembe District, i.e. human capital, social capital, natural capital, physical capital, financial capital and political capital.

iLembe 5 Years from Now

The future development of the iLembe District is focused on the following perspective:

- **Its character and personality:** iLembe is an area of scenic beauty and strong developmental contrasts. As a potential and growing tourist destination it needs to make a visual and aesthetic impact on all passers-by who will remember iLembe as a place and an experience they enjoyed.
- **Its comparative advantage:** iLembe is strategically located between two of Africa's largest trade ports, i.e. Durban and RichardsBay with the N2 eThekweni-iLembe-uThungulu Corridor, also referred to as a Multi-sectoral Service Corridor, passing through its economic core. This advantage is further strengthened by the proposed DubeTradePort development on iLembe's southern boundary. These aspects provide for ample opportunity to attract economic investment that will benefit all the communities of iLembe and must be made widely known and propagated to promote iLembe as a prime business and development District. iLembe is also soon to embark on its development and marketing as a prime business and investment hub.
- **Its products and target markets:** iLembe has plenty of products to offer in all the economic growth sectors put forward by the KZN PSEDS, i.e. agriculture, industrial, tourism and services. These need to be clearly defined and promoted to the benefit of all the existing and future inhabitants of iLembe.

The IDP challenge and key issues that need to be addressed in the iLembe context revolve around the fact that the communities residing in the rural areas are more severely affected by aspects such as poverty and service backlogs than the urban community. Community upliftment and economic empowerment should involve integrated projects of social infrastructure development, environmental management and local economic development. Empowerment programmes should essentially be focused on the rural areas. The general improvement and growth of the economy of iLembe should focus on economic development, job creation, attraction of investment and maintenance of development standards within the urban areas. The spin-offs would ensure the future sustainability of this area and enable the iLembe community to improve their quality of life.

SECTION B: ANALYSIS OF CURRENT REALITIES

B1. LOCAL/REGIONAL CONTEXT

The iLembe District Municipality area (DC29) lies on the east coast of KwaZulu-Natal, between the eThekweni Metro in the south and the Tugela River mouth in the north. At 3 260 km², this is the smallest of the 10 KZN district municipalities. iLembe District consists of four Local Municipalities, i.e. Mandeni, KwaDukuza, Ndwedwe and Maphumulo. The latter two of the four Local Municipalities are both Project Consolidate municipalities.

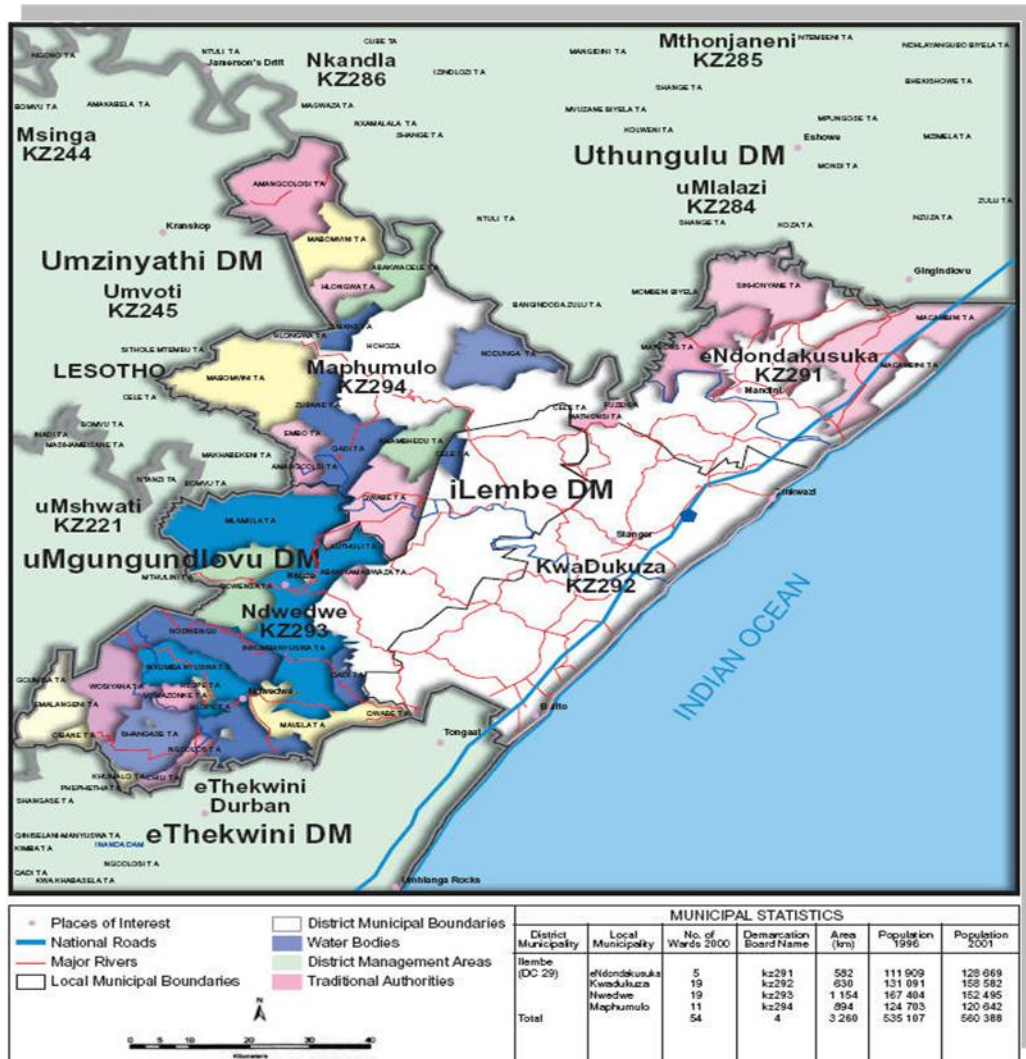
The District is made up of 45 Traditional Authority areas where settlement is controlled by Traditional Authorities according to a traditional land tenure system. These TA areas cover approximately 63% of the total area where the State and the Ingonyama Trust own the majority of the land within Municipality of Maphumulo, the lower reaches of Ndwedwe (69%) and coastal and inland reaches of Mandeni (49%).

These TA areas are generally characterised by subsistence farming activities, harsh topographical conditions and the worst of agricultural potentials. Large areas are under-utilised with traditional settlement patterns and low densities which are not conducive to the provision of infrastructural services. Smaller rural nodes, such as trading stores or clinics are scattered through the TA. Traditional housing dominates, but there is a range of other formal and informal structures proliferating in these predominantly rural areas.

The northern areas of Ndwedwe, the central corridor of Mandeni and KwaDukuza Municipality are the commercial farming hubs of the District. The commercial farming areas of KwaDukuza, Mandeni and Ndwedwe (31% of the iLembe District) are mainly under privately owned sugar cane.

Areas of urbanisation in the District comprise of KwaDukuza/Stanger, Mandeni, the Dolphin Coast and Nkwazi. Land uses within these areas are typically urban mixed uses with high levels of infrastructural and service development and an adequate provision of social facilities and services to support the resident populations. Industrial development is concentrated in KwaDukuza, Isithebe and Darnall, most notably the Gledhow and Darnall sugar milling operations at Stanger and the Sappi Paper mills at Mandeni.

Informal settlements with limited facilities or infrastructural services occur on the periphery of the developed areas and within the towns of iLembe. Village centres such as Maphumulo and Ndwedwe in the west and Nyoni and Mbizimbelwa in the north comprise of commercial and service development in the rural areas. They largely exist in association with a magistrate's court, clinic, pension pay point, health, education and welfare office or similar state service. Wholesale commercial activities have expanded and these villages have emerged as supply centres and transportation hubs to the remote rural areas of iLembe.



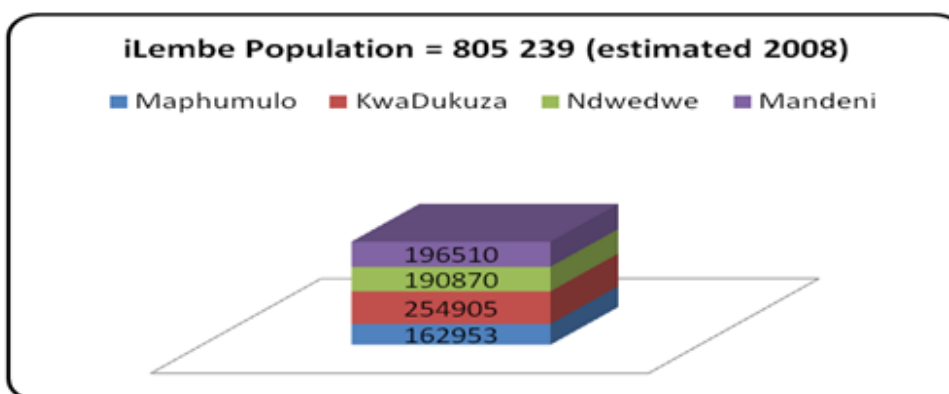
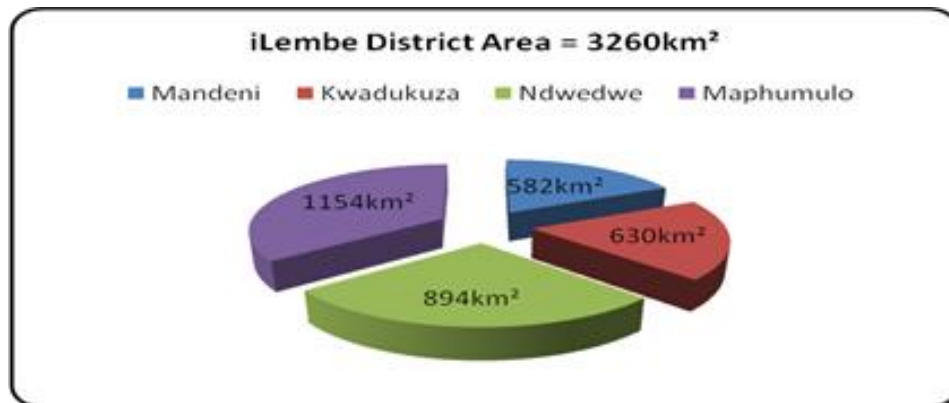
B2. KEY FEATURES OF THE MUNICIPALITY

The iLembe District is bordered by economic powerhouses to the north and south. Despite this, the iLembe District features sufficient unique selling points to prosper within its own niche market on the following basis:

- Location between Africa's two great ports, i.e. Durban and Richards Bay and its excellent transport infrastructure.
- Potential to capitalise on targeted spill over from the major initiatives planned for Durban such as the Dube Trade Port.
- Pristine beaches and a relatively unspoilt natural environment, undermines the claim of being "The Jewel of the Kingdom of the Zulu".
- Centrally located to the province's other major assets, i.e. Game Reserves, St. Lucia World Heritage Site, Berg, Battle Fields and Durban. This places this District within a two-hour drive of many of KZN's natural attractions and two World Heritage Sites.
- International and local recognition and interest in King Shaka and Zulu culture and history. This diverse and rich cultural heritage has potential for growing and broad international appeal.
- Strong cultural and historical links to India, the United Kingdom and Mauritius.
- A sub-tropical climate positions it as an all year round tourism destination.
- A warm ocean provides comfortable bathing all year round.
- Unique quality of the District's agricultural attributes of soil types, climatic diversity and rainfall.

iLembe District is known as a "Family of Municipalities" constituted by the 4

Local Municipalities of Mandeni, KwaDukuza, Ndwedwe and Maphumulo. The following diagrams give a broad profile of this Family of Municipalities.



B3. DEMOGRAPHIC REALITIES

The Census 2001 population estimate for the iLembe is 560 388 people living in 120 390 households. If population growth figures and the impact of HIV/AIDS are considered the current population is estimated at 805 239 people living in 145 907 households. This is assuming that average household sizes remained relatively constant at an average of 5.52 persons per household.

The table below depicts a comparison between the respective Census Data and that of the Backlog Study undertaken by the iLembe District Municipality as part of its Service Delivery Strategy and Plan, hence more accurate and the basis on which all the Master Planning is done and studies reviewed.

Municipal Area	Census 1996	Census 2001	DWAF 2004	Census 2006	Backlog Study 2007
Mandeni	111 909	128 669	137 129	138 736	131 830
KwaDukuza	131 091	158 582	169 022	179 963	252 053
Ndwedwe	167 404	152 495	162 452	134 754	208 447
Maphumulo	124 703	120 642	128 549	115 045	212 909
iLembe	535 107	560 388	597 152	568 498	805 239

The following demographic characteristics, issues and challenges impact on the future development of the iLembe District and need to be taken forward in the IDP Process:

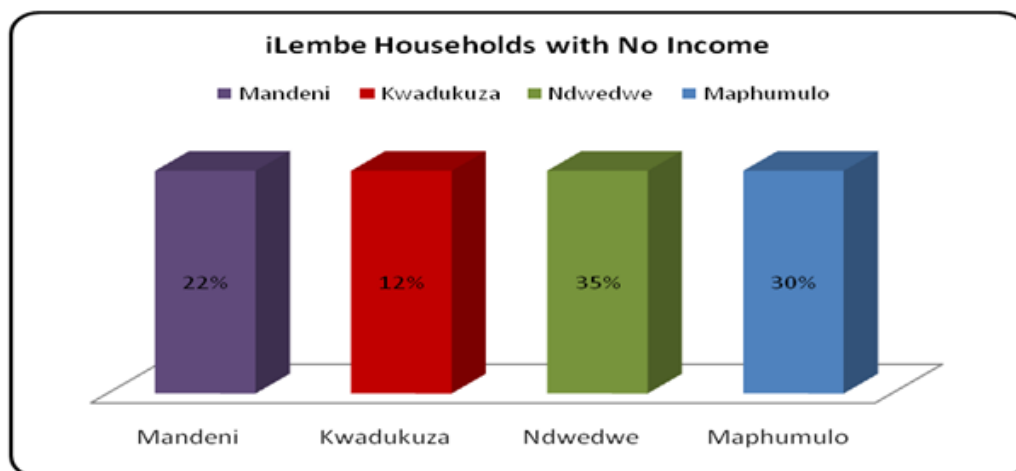
- With nearly three-quarters (72%) of people under the age of 34 years, the iLembe District has a relatively young population. And with 49% being under the age of 19 years, this poses immense developmental challenges in relation to future education, health, recreation and other social issues, particularly if the impact of HIV/AIDS is added to the equation. A significant number of these children will be orphaned due to the impact of HIV/AIDS and population growth is

expected to decline over the next 20 years. This must be taken into account in planning for new services and facilities.

- The mainly Zulu population and ethnicity/culture in rural and tribal areas play an important role in today's education levels and vocational distribution of women in particular. In the past it was not common practice for young girls to attend school. If they did it was only to achieve the most basic level of literacy and numeracy. The legacies of such practices are still evident today.
- Education levels in general and literacy levels specifically provide an indication of the level at which people will be able to engage in current social and institutional systems, i.e. an illiterate person cannot complete basic application forms for pensions etc. on his/her own. The available data indicate relatively low levels of illiteracy in Mandeni and KwaDukuza at 10.2% and 11.8% respectively. Illiteracy in Maphumulo and Ndwedwe are higher at 20.7% and 24.4% respectively. These figures suggest that there is still a need for adult education facilities and programmes. Specific issues relating to education to be addressed include:
 - the quality of education facilities;
 - the infrastructure available at such facilities;
 - the inability of rural areas to attract high quality educators;
 - the subjects offered at schools do not prepare school leavers for the job market; and
 - the lack of coordinated and targeted adult education and literacy programmes.
- A significant number of households are headed by females, particularly in the Maphumulo area. These women are usually more disadvantaged in terms of resources and education.
- At least 14.4% of the population are already infected with HIV/AIDS and it is estimated that up to 1 000 people per year can be added to this figure. This will have a severe impact on the need for social and welfare services in the future.

B4. SOCIO-ECONOMIC REALITIES

The area is characterised by high levels of unemployment and poverty. Income levels are generally low with 27% of all households earning no income.



Compared on an individual basis poverty levels in KwaDukuza are substantially lower with only 12% of households not having an income. This reflects the wealth of Ballito and its surrounds. However, poor levels of education and slow economic growth have had adverse effects on the predominantly rural and traditional areas of Maphumulo and Ndwedwe where 30% and 35% of households, respectively, have no recorded income.

The iLembe District also suffers due to low levels of employment. 29.2% of the iLembe population are economically active. Of this, 52.0% of people are employed leaving a staggering 48.0% of the economically active population being unemployed. This is significantly higher than national averages and translates into only 15.2% of the entire iLembe population currently being employed.

The major and most significant sectors of employment in the iLembe District are manufacturing (35.5%), community service (18.4%), agriculture (13.9%) and wholesale/retail (10.8%). Both the manufacturing and agricultural sectors have declined over the past 5 to 10 years. This decline is attributed to the phasing out of subsidies relating to industries located in Isithebe and the subsequent

closure and/or relocation of industries as well as the generally negative conditions in the agricultural sector, specifically the sugar industry.

The lack of employment in the District and the concentration of opportunities in the coastal corridor and eThekweni Metro area demand that all available opportunities be exploited to their maximum. Agriculture is the primary activity of the rural areas and comprises predominantly subsistence practices. There is a clear need to establish more commercial agricultural pursuits in the rural areas.

The following socio-economic characteristics, issues and challenges impact on the future development of the iLembe District and need to be taken forward in the IDP Process:

- Dependencies are very high with every employed person supporting at least 6 unemployed persons of which 4 are over the age of 15 years.
- Lack of any substantial economic activity in Maphumulo and Ndwedwe.
- Reduction of employment opportunities in specifically the manufacturing and agricultural sectors – even at a national level.
- Involvement of a large percentage of the population in subsistence farming activities.
- Lack of entrepreneurial development opportunities.
- Difficulties involved in accessing job opportunities in neighbouring metropolitan, district and local areas.
- Rural and traditional areas such as Maphumulo and Ndwedwe are the most severely affected by poverty and unemployment.

B5. SPATIAL REALITIES

The existing settlement structure is substantially influenced by prevailing topographic conditions, physical access and access to land. Consequently a series of settlement bands parallel to the coast developed. The prevailing settlement structure is also influenced by the existence of major commercial agricultural activities in the east, the existence of a series of east–west linkages and the particular opportunities of the coast.

The main urban and economic settlements of the District are located along the R102 and north-south rail linkage occurring in particular at the main intersections of R102 with the R614 and R74. This includes the development of Tongaat (located outside of the District) in the south, Groutville, Stanger, Darnall and Mandeni/Isithebe in the north.

Peri-urban settlements have emanated from the urban centres in the District with emerging rural settlements occupying many of the areas west of the commercial agricultural activities. The more inaccessible areas of the west are mostly occupied by a series of low density rural settlements.

Coastal settlements situated in accessible areas along the coast have until recently been relatively small and limited, but increased focus on tourism and associated residential accommodation have resulted in a substantial increase in these developments.

The location and distribution of land uses follow the movement and settlement patterns identified previously and are influenced by the two major east–west linkages.

Physical and social support services and facilities are in general mainly located in the urban centres, including the peripheral centres of Ndwedwe and Maphumulo. The remainder of the area has only limited access to services and facilities and this is in particular problematic in the peripheral semi-rural and emerging areas in the west.

Much of the commercial and industrial development of the District is confined to the areas in the vicinity of the R102/North Coast Rail/N2, in particular in the Stanger and Isithebe areas. Smaller existing commercial and light industrial developments are largely of local significance.

Commercial agricultural activities take up the major portion of the District, substantially located in the flatter eastern parts of the District. Smaller commercial agricultural activities extend into the western parts of the District. Relatively little diversification has taken place and activities relate mainly to the growing of sugar cane. The majority of the agricultural developments in the western parts are traditional subsistence farming activities.

Tourism related activities are concentrated along the coast, extending to some extent into the urban areas along the R102. Tourism opportunities in the western parts of the District, i.e. the scenic and dramatic landscape and rural African environment, are still underutilised.

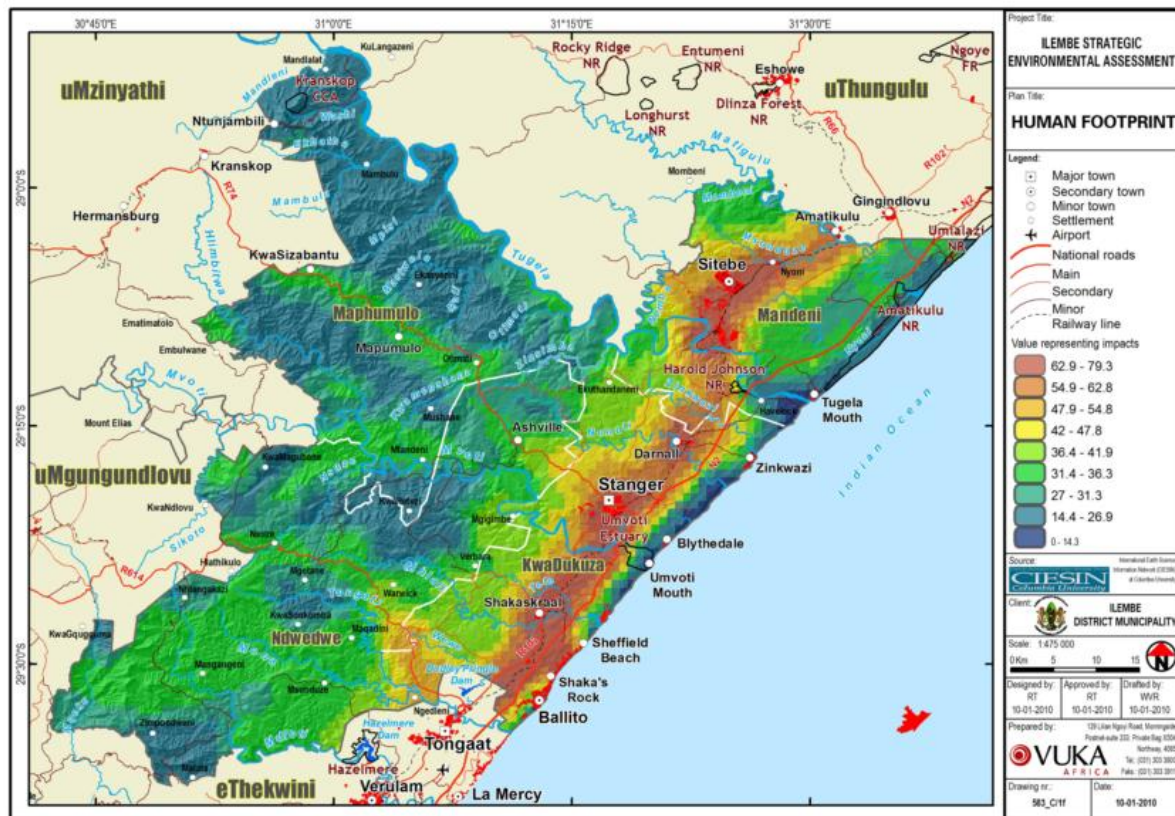
The following spatial characteristics, issues and challenges impact on the future development of the iLembe District and need to be taken forward in the IDP Process:

- Ranging from sea level to approximately 1000m above sea level, topographic and conditions that range from flat and softly undulating in the east to steep and fragmented in the west have a significant impact on the existing and future development of the area.
- The presence of traditional settlements in the west of the District is distinctly out of balance with development in the eastern parts with most of the road linkages, urban development and economic activities.
- While the coast offers significant opportunities for tourism, the topographic conditions in the west include substantial areas of dramatic and scenic rural conditions that have largely remained unused.
- The road and rail linkages are substantially influenced by prevailing topographic conditions. Consequently all significant national and regional road and rail linkages are concentrated in the east.
- Regional linkages to the west are limited and no north-south linkage exists in the western part of the District.
- Movement and accessibility has a significant impact on the urban and economic development of the area with most of the urban and economic development taking place in the vicinity of the major linkages in the east and along the coast.
- Since much of the remainder of the flat coastal band is utilised for commercial agriculture, semi-rural and rural settlements are largely confined to the western parts.
- Peri-urban development has taken place in the vicinity of major access corridors and economic development nodes.
- There is a substantial concentration of economic, commercial, manufacturing and industrial activities around the major linkages in the eastern part of the District.
- Coastal activities consist largely of tourism accommodation and related activities, some urbanisation and the remnants of natural coastal vegetation.
- Much of the remainder of the flat coastal band is taken up by commercial agricultural activities.
- The western parts of the District accommodate large expanses of traditional dispersed settlements and associated subsistence agriculture. Significant settlement densification has, however, taken place in the vicinity of major access roads and local nodes throughout the District.

More information on the spatial restructuring of iLembe District is discussed under Section J1 of this document and expanded within the attached Spatial Development Framework.

B6. ENVIRONMENTAL REALITIES

The iLembe District is made up of a number of unique natural environments, including the coastal and dune areas in the east, the remaining natural vegetation of the coastal flats, the vegetation of the incisive river valleys and steep topography with its associated fauna in the west. These environments are, however, under threat from a variety of human activities. The map below is an extract from the recently completed Strategic Environmental Atlas prepared for iLembe and illustrates the key areas where human activity and settlement densities are expected to require active management towards environmental sustainability.



The following environmental characteristics, issues and challenges impact on the future development of the iLembe District and need to be taken forward in the IDP Process:

- The District accommodates significant remnants of a range of natural environments including coastal dunes and vegetation, the natural vegetation of the mostly incisive series of river valleys, including a series of lagoons, as well as remnants of natural environments in the steep and inaccessible western parts.
- The appropriate identification, conservation, rehabilitation and management of protected areas.
- The appropriate usage and integration of environmental opportunities into wider settlement and development strategies.
- An appropriate forward looking development structure that contributes to protecting, maintaining and developing the various environmental aspects of the District and facilitate their integration into the development of a multi-faceted and unique environment.
- The protection, rehabilitation, integration and appropriate management of the natural resources and their integration into the tourism and urban development.
- Linking the unique environments and opportunities in the west of the District to the established activities in the east.
- Involvement of the affected communities, the creation of an increased awareness of the importance and opportunities in protecting the natural environment ensuring that the communities benefit adequately from the appropriate management and usage of the natural resources.
- Lack of funding for environmental management programmes and projects.

The total area is approximately 3260 square kilometres in extent of which about 18% fall into Mandeni, 19% into KwaDukuza, 35% into Ndwedwe and 28% into Maphumulo. The climate is sub-tropical with summer rainfall. The rainfall varies from 650mm to 1100mm, whilst the mean annual temperature is from 22°C in the north to 18.5°C in the south. Summers are hot and winters are mild. Frost is very rare and mild when it does occur. Humidity is high. Terrain heights range from sea level at the coast to almost 1200 meters above sea level in the hilly uplands of Maphumulo.

Where the natural vegetation has not been disturbed by anthropogenic land use activities, savannah biomes can be found in the coastal regions with bushveld and grasslands. Coastal hinterland bushveld is predominant in the more hilly and mountainous region away from the coast. Fairly large

tracts of valley thicket along major rivers intersect this. Smaller patches of forest can be found at the coast and further inland.

The coastal waters of KwaZulu-Natal are generally low in nutrients compared to the West Coast, however considerable nutrients flow from the inland areas into the coastal system through the Thukela estuary northwards forming the Thukela bank a shallow system rich in marine life that supports a substantial prawn fishery.

Generally the iLembe coast is characterised by rocky outcrops that enclose sandy embayment's. It also features bar enclosed river dominated estuaries. Dunes tend to be small, rarely exceeding 5-6 metres and are largely confined to bayheads (hummock dunes) and river mouths (barrier dunes). There are seven estuaries on the iLembe coast: Amatikulu/Nyoni, Thukela, Zinkwazi, eNonoti, Mvoti, Mhlali and Tongati. The Thukela is the most substantial and plays an important role in the marine ecosystem north of the estuary as discussed above.

This coastal lithology and landform is an indication of the stability of the area and is generally less prone to coastal erosion than some areas further north. The presence of the frontal dune providing good sea views and the relative stability of the coastline acts to promote often-inappropriate coastal development close to the sea. Dunes, and river mouths, may be quite stable when vegetated but are very easily destabilised by human interference or coastal erosion.

The iLembe Coastal Management plan identifies major vegetation types of the area as dune forest occurring on the dune area adjacent to the sea and coastal forest occurring behind the dune forest area and protected from salt spray. Scientifically, where not impacted by humans, the natural vegetation of this area is classified as sub-tropical thicket. Within this coastal ecosystem the vegetation may be divided into distinct zones depending on their distance from the coastline itself and their setting within the landscape. Vegetation changes from creepers, though to shrubland, thicket and lastly coastal forest, which represents the most advanced successional stage. The climax forest is generally the most species rich and due to the temperate climate of the iLembe coast, tropical and temperate flora and fauna intermingle.

Amatikulu Nature Reserve and Redhill Nature Reserve in Mandeni are the only conservation areas immediately adjacent to the coast. A third nature reserve, the Harold Johnson, is located slightly inland on the south bank of the Thukela estuary.

The band of coastal land from the coastline to about 15km inland has elevations of between 0 and 400m above sea level.

The following list of issues was drawn up from a desktop study of documents including for example the iLembe IDP, iLembe Environmental Management Plan, local municipality IDPs and the iLembe Coastal Management Plan; interviews with provincial departments as well as departments both within and outside of the District Municipality; questionnaires to stakeholders; workshops; presentations; field visits and responses to an initial draft of the IEP.

- Environmental legislation. Ensure that legislative requirements are adhered to for all development types listed within the EIA regulations under the Environmental Conservation Act.
- Soil erosion. Erosion control measures in both agricultural areas and areas of new development must be implemented. Education is a priority in tribal areas. Where possible, new developments should take place outside of areas of highly erodable soils.
- Poor biodiversity. The development of sustainable natural resources for muthi collection/ firewood etc. must be encouraged for rural populations. Where development occurs within conserved or sensitive areas, ensure that strict environmental management plans are drawn up to protect ecology. Plan major developments to build in ecological value that links into existing ecology. Prioritise formalisation of conservation areas to protect most endangered vegetation types.
- Poor ecological/ water quality in many lagoons. No encroachment into wetland areas to be allowed. Major developments must have adequate rehabilitation of wetlands/ adjacent water courses to minimise impacts on hydrology and water quality. Landcover must be managed to improve/ correct water quality problems.

- Ecological connectivity is poor. A strategic open space system should be devised that links into and through TLCs and DMA areas. Plan major developments to build in ecological value that links into existing ecology. Focus rehabilitation of river systems on cane producing areas.
- Lack of institutional environmental capacity. Ensure that potential developers are aware of environmental legislation and how it is likely to affect development. Ensure that tourism institutions build in environmental requirements into their project briefs.
- Sand winning is degrading river systems. Understand priorities for protection of river systems and focus management/ policing of sand winning in priority areas. Form strong working relationship with the DME in terms of decision making process and monitoring. Minimise sand winning operations in areas which are important for tourism.
- Poor environmental awareness. Focus environmental education initiatives initially around sensitive areas. Where appropriate, build educational component into tourism attractions.
- Durban is generally a gateway for international tourists who typically spend 3 nights in the City and visit major attractions such as game parks and the Drakensberg on day trips. Focus on marketing of Ilembe attractions. Investigate the possibility of providing major attractions to rival current destinations.
- The Local Municipality coastal areas which are where tourism activities are concentrated are becoming increasingly developed and ribbon development forms are degrading the coastal corridor and becoming less attractive. Do not allow ribbon development on the coastline. Protect large areas of natural coast for future generations. Support and protect green wedges and extend concept as appropriate.
- The municipality needs to expand its base of tourism attractions in order to increase appeal and spread load across facilities. To ensure economic viability and in order to network facilities with other perhaps more major attractions, focus tourism and recreational development in areas that are easily accessible to the Local Municipalities and that are close to other major attractions.
- Existing and proposed dams provide opportunity for creation of major new tourism/ recreation initiatives. Use inland water bodies to provide alternative water based facilities. Focus security measures in areas where the success of existing development is being threatened by crime. Tourism Plan to encourage tourists to visit dam facilities.
- Wealth in unexploited historical assets. Develop and market historical and cultural assets to compliment natural attractions of iLembe and mass tourism attractions of the DMA. Focus development of historical assets strategically particularly those within easy reach of existing and more major attractions.
- Much archaeology remains unexposed and could be potentially lost with development. Ensure appropriate level of investigation with development.
- Zinkwazi Beach – tourist potential. Encourage and reinforce current management that the TLC is undertaking both within and outside their area.
- Coordination of activities across catchments boundaries
- Better coordinated solid waste management. This not only relates to domestic refuse removal from urban areas but also to refuse removal for rural residential areas, the establishment of waste disposal sites and, the provision of bins at destinations such as beaches, tourist attractions etc.
- Greater protection of natural resources
- Improved control of alien invasive

- Establishing a programme for monitoring the environment with respect to development
- Implementation of a CMP
- Coordination of environmental legislation
- Loss of indigenous vegetation, communities and habitats due to cultivation
- Ecological and aesthetical assets that attract tourists are being lost
- Condition of rivers, estuaries and lagoons (i.e. sewerage discharge, siltation, development at river mouths etc.)
- Loss of linkages for vegetation communities
- Intense development along the coast
- Poor management of the coast and insufficient institutional capacity
- Limited public access due to private development
- Great momentum in development arena than in conservation arena
- Informal poorly managed settlement along the coast
- Existing and proposed tourism plans don't reflect understanding of the environment.
- Improvement in provision of sewage disposal and water provision.

In an effort to systematically increase the efficiency of environmental management within the municipality, the iLembe District has embarked on a phased approach toward formulating a Strategic Environmental Assessment towards better understanding the regional environmental sensitivity. The first step in this process was the preparation of a Strategic Environmental Atlas, attached hereto as **Annexure J3**. Essentially the atlas is a series of maps of key environmental features at a district scale which combined formed the basis for a sensitivity analysis, identifying particular land areas under pressure and threat due to their environmental significance combined with developmental pressures.

B7. ECONOMIC REALITIES

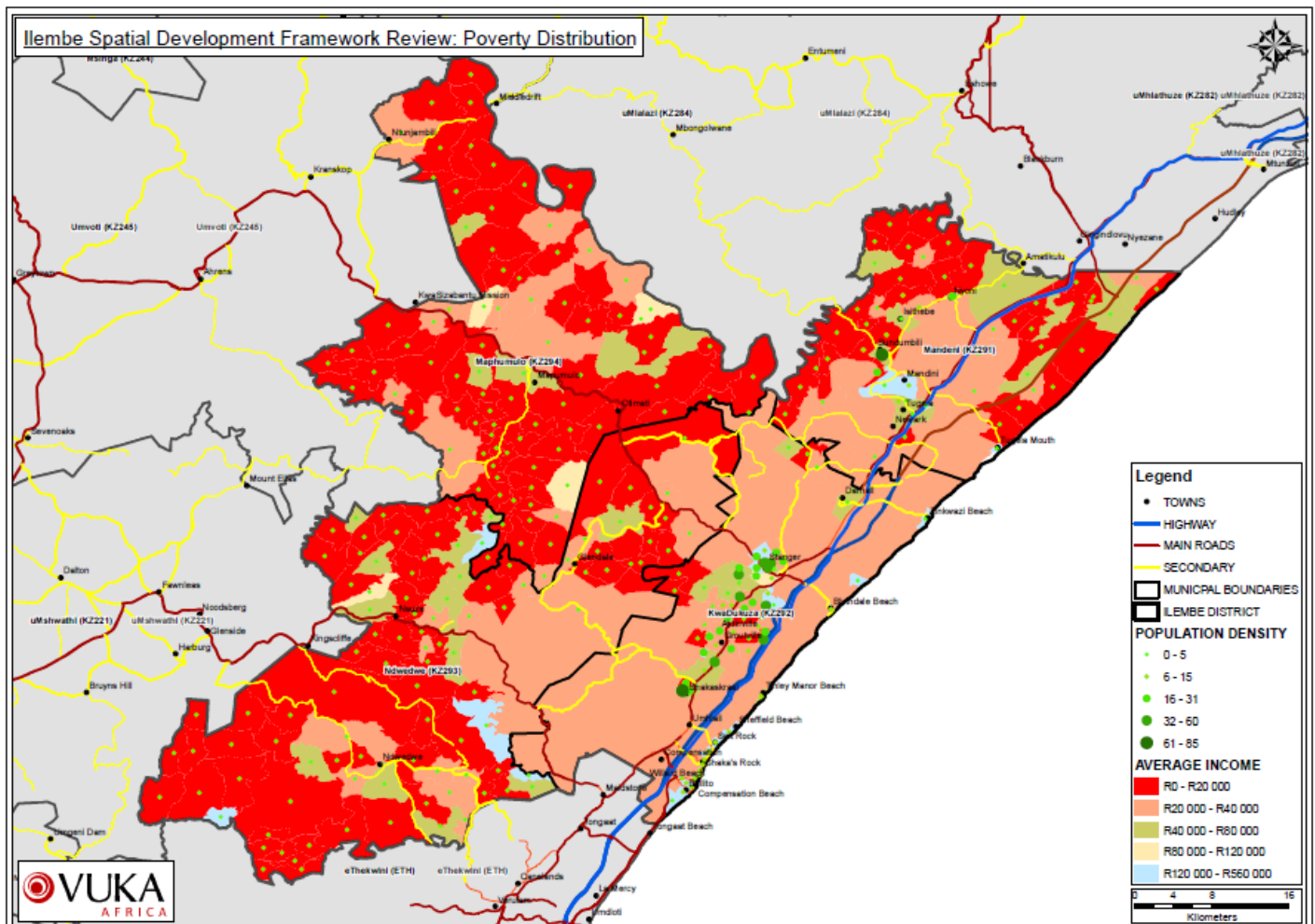
There are vast differences in wealth across the District, with small developed nodes along the coast contrasted by large areas of extreme underdevelopment in the hinterland. Land uses within these areas are typically urban mixed use with a high level of infrastructural and service development and a provision of social facilities and services to support the resident populations. The following economic characteristics, issues and challenges impact on the future development of the iLembe District and need to be taken forward in the IDP Process:

Economic Strengths	Economic Weaknesses
<ul style="list-style-type: none"> • It is relatively close to major cities and towns in the province • Location between Africa's two great ports and its excellent transport infrastructure • Potential to capitalise on targeted spill over from the major initiatives planned for Durban • A diverse and rich cultural heritage has potential broad international appeal • International and local recognition • Interest in King Shaka/Zulu culture/history • Strong cultural and historical links to India, the United Kingdom and Mauritius • Quality of natural endowments, coastline, 	<ul style="list-style-type: none"> • Backlog in the provision of basic services in rural areas and informal settlements • Access to available land and the legal framework surrounding such access • HIV/AIDS and its impact on demographics • Management of investor risk and direct intervention to attract international capital • Political differences and issues • Concerns over crime, grime and the maintenance of a pristine environment • Impediments to SMME development in iLembe include low levels of education and productive skills, lack of access to finance,

<p>beaches, climate and environmental control</p> <ul style="list-style-type: none"> • Centrally located to KZNs other major assets, i.e. Game Reserves, St. Lucia World Heritage Site, Berg, Battle Fields and Durban • Quality of agricultural attributes of soil types, climatic diversity and rainfall • High concentration of prime agricultural land in the hands of large commercial sugar cane farmers • The N2 corridor from Durban to Maputo, which already transports more than 1m tourists per year through the iLembe Region 	<p>lack of integration of rural markets into the formal economy, inadequate infrastructure, lack in effective demand and communication</p> <ul style="list-style-type: none"> • Local SMMEs are not geared to take advantage of emerging business and tender opportunities offered • Lack of adequate and appropriate services • Inappropriate location of some facilities • Dependence on neighbouring economies like Durban and RichardsBay • Economic growth is hampered by income leakages to these established economies
Economic Opportunities	Economic Threats
<ul style="list-style-type: none"> • Isithebe is well placed to participate in the new policy momentum around a proposed multi-modal logistics platform for the Durban-RichardsBay corridor • Rail links between the planned La Mercy Airport and RichardsBay harbour provide economic opportunities with potential for Isithebe to become part of an IDZ • Diversification to high value low mass niche products for export is an important opportunity. The prospects for agricultural diversification into higher-value, lower-mass niche products for export will require advanced regional infrastructure • Increasing investment in high income residential properties in Ballito, Zimbali, etc. • Opportunities exist to create greater labour mobility between the deprived interior and the developed coastline through labour bureaux type arrangements and the promotion of skills within the tourist sector through training, learnerships etc. • Opportunities exist to enhance productive participation in agriculture in former homeland areas by promoting out-grower type arrangements as it occurs in the timber and sugar industries • Better coordination of municipal and government efforts in the District to enhance performance 	<ul style="list-style-type: none"> • Sensitivity of industry in Isithebe to global and national macroeconomic forces • Roads and services need upgrading and regular maintenance to reach tourist attractions – this requires high levels of commitment and resources from municipalities • Political differences between municipalities might impede integrated regional development • Concerns over the rapid growth of residential development and the ability of the infrastructure to cope.

POVERTY STRICKEN AREAS IN THE MUNICIPALITY

Within the District context, the most poverty stricken areas are generally the inland rural areas concentrated within the Maphumulo and Ndwedwe Municipalities. The figure below provides a spatial summary of the distribution of poverty.



iLembe has conducted monitoring and evaluation as a measure to ensure that the jobs created are sustainable. We also involved the Department of Agriculture to provide skills training on the agricultural projects. Through our SMME programme we managed to involve the Department of Economic Development to train the SMMEs on business skills, and this programme is underway as the Department of Economic Development has started preparing the training which will be conducted in our four local Municipalities.

A **District Wide LED Strategy** has been developed and the project is completed. As of the completion of the strategy has led to a number of business plans that were developed for possible funding by the Corridor project, and the Department of Agriculture which is currently working on the Business Plans related to the agricultural projects.

iLembeAgri Processing Facility: this project is complete and waiting for the endorsement by EXCO.

Informal Economy Support Project: This project has received funding of R200 000 00 from DTLGA the aim of this project is to produce a feasibility study that will establish the feasibility of this project.

Establishment of Agricultural Vegetable Project: This project has received funding of R 200 000 from DTLGA to implement a vegetable production in Mandeni Municipality. The agreement between of grant entered into by and between DTLGA and iLembe District Municipality was signed and delivered to the DTLGA. We currently are waiting for the DTLGA to transfer the funds in to the iLembe District Municipality account in order to implement the project.

The following forums were established and they are functioning:

iLembe LED Coordinating Forum: it deals with LED issues from a district perspective and is represented by all 4 local municipalities with in iLembe, DED, DAEA and Cane Growers. It meets once a month and chaired by iLembe.

iLembe Agricultural Forum: It was established to deal with the agricultural issues within the district and is represented by all local municipalities, DED DAEA, Agri-business, Forestry SA, Cane Growers, SASA, DLA and CBO's. It meets once in three months and chaired by iLembe.

iLembe Secondary Cooperative Forum: It was established through the support of DED Co-operative unit and is represented by the primary cooperatives from the district.

Cultural Upliftment Forum Amagosa: It was established to co-ordinate cultural events like the Reed Dance Ceremony and other events and has been supported by the Department of Arts and Culture and Tourism.

iLembe Forestry Growers Forum: it was established with the support of Forestry SA and is made up of representatives of forestry farmers with in iLembe.

iLembe NAFCOG Committee: This is a business forum representing the small and big business from the black community that was set up by NAFCOG members from the district. The iLembe District is only providing a supportive role.

Tractors and implements: A total of four tractors were purchased by this unit and of the four tractors we were advised to loan one to Mandeni and the other one to Ndwedwe local Municipalities.

HYDROPONIC FOODS

Zunco Foods was appointed through Corridor Development Programme to do the Organic Farming that means to erect four hydroponics and two nurseries where the seedlings will be propagated and be transplanted to the hydroponics in the area of iLembe, in order to respond to the Dube Trade Port as the state-of-the-art development, which will create opportunities such as potential tenants of agricultural land within the Agri-Zone include local farmers, emerging growers and co-operatives with the ability to manage large-scale ventures and with marketing and distribution experience and links into key international markets.

Dube Trade Port is to be operational by 2010, and will comprise:

- a modern new international passenger and cargo airport facility;
- a trade zone;
- a support zone;
- an agri-zone; and
- a cyber port.

Dube Trade Port strives to achieve a critical balance between economic development and environmental sustainability in its efforts to create an international trade platform capable of serving as a significant source of permanent and sustainable employment in KwaZulu-Natal. This includes the following areas that were identified in consultation with His Worship the Mayor:

PROJECT NAME	LOCAL MUNICIPALITY	WARD	TRADITIONAL COUNCIL	PROJECT TYPE	ANTICIPATED SUSTAINABLE JOBS TO BE CREATED
Hlongwa	Maphumulo	2	KwaHlongwa	Hydroponics	17
Mlwandle-Mlamula	Ndwedwe	4	KwaMlamula	Hydroponics	17
Bulwer farm	KwaDukuza	1	Qwabe	Hydroponics	17
Siyangoba	Mandini	12	Mathonsi	Hydroponics	17
Hlongwa	Maphumulo	4	KwaHlongwa	Nursery	15
Siyangoba	Mandini	12	Mathonsi	Nursery	15

VUTHWA BIOFUELS

Vuthwa Bio fuels have reached a point where financiers are ready to be engaged. The company has spent a considerable amount of time formulating and adjusting the numerous facets of this project, making sure that the various elements combine suitably and efficiently, and preparing the relevant documentation to ensure a trouble-free finance application. In putting this application together, Vuthwa Biofuels has tried to ensure that relevant stakeholders and organs of state have been consulted in order to ensure the swift granting of the application.

The goal is for nursery construction and commissioning to take place over the winter of 2009, without planting of seedlings in identified areas taking place during the spring and summer of 2009/10.

Over the past six months, Vuthwa Bio fuels has been engaging various parties in the ILembe District Municipal area from council through to local residents with a potential interest in the project currently being undertaken in the district by Vuthwa Bio fuels.

At the invitation by Councilor Badul, Vuthwa Bio-fuels made a formal presentation to the Ndwedwe Local Municipality in October 2008. This was greeted with a fair amount of enthusiasm and recognized as a project that the local municipality should support as far as possible.

At present, the Vuthwa Bio fuels has identified well in excess of 500ha of land that would be suitable to begin this project. This has been approved by the relevant traditional leaders in the areas concerned. These include various sites in the areas of Bhamshela, Mkhonto, Mandlakazi; Ezichwayini; Mlamula; Ngcongcongonga and Ehlanzeni, all under the leadership of NkosiNgcobo and others in the KwaLuthuli and Maphumulo areas, under the leadership of Nkosi Luthuli and InkosiHlongwa.

AGRICULTURAL PROJECTS

The establishment of the Local Economic Development Strategy led to the formation of LED Unit in the iLembe District Municipality in 2002. The 2003 iLembe LED Strategy embarked on a determined Local Economic Development growth path and job creation. A number of community gardens were identified and some were funded which are Mathonsi Devine Farm, Bulwer Farm, Ndwedwe Dam Cooperative Farm, Siyanqoba Farm and Khelelani Farm.

iLembe District Municipality area falls within a high rainfall area, the coastal strips receives up to 1200mm per annum, while some of the drier inland areas receive less than 750mm, this than has implications for the type of agricultural enterprises that can be established. The seasonal nature of the rainfall also means that for many enterprises supplementary irrigation is needed during the winter months and during dry spells, therefore it is important to budget for irrigation in order to get the god produce at the harvest time.

Temperature in iLembe area are highest along the coast and decline as one moves inland, this means that the annual temperatures ranges from 21degrees C to the coast to 16 Degrees C. The warm winter temperatures provide specific opportunities for agriculture in iLembe e.g. while much of the rest of the country cannot produce during winter, cut flower producers in iLembe are available. More information is also in the iLembe Agriculture Sector Report.

The locality of these projects is as follows:

Project Name	Ward / Municipality	Availability of Land	Number of Beneficiaries	Amount to be spent on the project
Mathonsi Devine Farm	12 / Mandeni	PTO	20 member	R100 000 00
Bulwer Farm	1 / KwaDukuza	PTO	25 members	R200 000 00
Siyanqoba Farm	11/ Mandeni	PTO	21 members	R300 000 00
Khelelani Farm	9 / Maphumulo	PTO	20 members	R200 000 00
Ndwedwe Dam	14 /Ndwedwe	PTO	65 members	R200 000 00

MATHONSI DEVINE FARM

Mathonsi Devine Farm is 12 hectares, it is well fenced, with motor vehicle and pedestrian gates, it has 4 Containers where by the members use them for storage of produce during harvesting, storage of implements, storage of seeds and fertilizer and the Office for meetings and daily activities. The total number of members active in the farm are 20 including InkosiMathonsi. The Farm was found to be operationally. The 20 members can work at the 12 hectore of land and as a result they have the Sustainability Plan in place.

SIYANQOBA FARM

This Farm is 10 hectares, it no fenced, with neither motor vehicle nor pedestrian gates, it has no Containers, no storage of implements, no storage of seeds and fertilizer and no Office for meetings and daily activities there are no VIP Toilets. The total numbers of members active in the farm are 21. The Farm was found to be operationally. The 21 members can work at the 10 hectore of land and as a result they have the Mandeni River near the farm.

BULWER FARM

This Farm is 10 hectares; it is well fenced, with motor vehicle gate. There is a storage room of seeds and fertilizer and there is no Office for meetings and daily activities and a VIP toilet. The total number of members active in the farm is 25 including the youth. The Farm is well utilized by the people residing in the low cost housing. The 25 members can work at the 10 hectore of land and as a result they have the Sustainability Plan in place and currently finalizing a few outstanding information on the Sustainability Plan in place.

NDWEDWE DAM FARM

The Ndwedwe Dam Cooperative is registered cooperative through the Provincial Department of Economic Development. They are an organized cooperative which is working mainly on primary agriculture as a cooperative with one tractor that they bought. They are currently pursuing a way for a secondary cooperative and there is a sustainability plan in place.

KHELELANI FARM

Khelelani Farm comprises of 20 women and youth, it is in ward 9 in the jurisdiction of Maphumulo Local Municipality along R74. It is on the banks of the river. The Farm was found operational with some women in the field working, clearing the field preparing to plant next season, this is one of the farms that put us on the map during the chilies project as we managed to get Siyavuna Award. The members of this farm are dedicated to their work; they come and work without expecting iLembe District Municipality to pay for their wages. The farm needs fencing, seeds, fertilizers, pesticide controls, implements, tractor to plough the fields, irrigation, VIP toilets.

Other interventions from the growth and Development Summit include:

TOURISM

- The formation of a North Coast Tourism Coordination body for Coordination and Marketing - Private Sector established North Coast Accommodation Network (NCAN), with specific focus on the KwaDukuza area
- North Coast Tourism Office is in the process of being integrated into Enterprise iLembe
- The King Shaka Heritage Route is in the process of being upgraded and this is funded through the Corridor Development Fund
- We are currently engaged with eThekweni Metro to look at similar programme to Blue Flag for our coastline

- The promotion of attractions, culture, arts, crafts is ongoing through various marketing and promotional efforts i.e. through travel exhibitions, visitor and activity guides, linkages with Durban Tourism and Tourism KwaZulu Natal and the Zululand Birding Route.

The net impact of tourism efforts is best illustrated by the table below:

iLembe District Municipality: Tourism Investment Impact			
Current Projects		Budget	
King Shaka Heritage Route		2,115,000	
KwaLoshe Forest		3,000,000	
KwaShuShu Hot Springs		3,500,000	
Tugela Mouth Beach Project		3,000,000	
Zululand Birding Route		70,000	
Total		11,685,000	
Indirect Investment per Annum			
Local Tourist			
Length of Stay	4.1		
Average Spending	444		
Visits per Annum		1,452,000	
Jobs Created		7,092	11 Jobs for every R1m
Investment		644,688,000	
International Tourist			
Length of Stay	6.4		
Average Spending	6,123		
Visits per Annum		77,440	23% of KZN
Jobs Created		5,216	11 Jobs for every R1m
Investment		474,165,120	
Total Investment		1,118,853,120	
Total Number of Jobs Created		12,307	

Current and Future Planning

With the advent of the DubeTradeport and King Shaka international airport so close to our boundary, opportunities for engagement with members of the international business fraternity will now become more prevalent, and iLembe District Municipality will ensure that the opportunities for inbound investment be made available to our entry premiers through the chamber. Such economic opportunities include the King Shaka international airport and the **DubeTradeport**, as well as macro-economic developments like the Blythedale and similar resorts, KwaShushuHotSprings in Maphumulo, titanium mining in Maphumulo and Kwaloshe Forest tourism in Ndwedwe.

There are yet further ambitious projects still in developmental phase and due to be rolled out in the near future, such as a 2000 seater **international convention centre** and exhibition centre. We are even looking at the production of wine within our region to provide the emerging farmers with an opportunity to grow a product that will give them an excellent return, thus creating decent work and sustainable livelihoods.

Within our region, we have is exploring avenues to create additional jobs for people who live in townships close to industrial areas, by formulating an **industrial development strategy**, which will highlight the types of industries available and their proximity within the region. This will attract investors who may be interested in setting up factories in our district, which will create work for those out there who wish to take up this opportunity.

The District Municipality also developing an **investment incentive strategy** to guide people to our region, as well as an informal economy strategy, which will help small medium and Micro enterprises develop themselves to a level whereby they can take advantage of opportunities given to the bigger companies within our region.

Current planning and actions towards tourism development includes:

- Review Tourism Strategy
- Tourism Development - Continue with implementation of current projects as listed above
- Facilitate and co-ordinate for future Tourism Investment
- Marketing and Promotions of tourism destination (North Coast – Jewel of the Zulu Kingdom)
- Facilitate SMME training and mentorship programmes
- Maintain the District Tourism Forum

B8. INFRASTRUCTURE DEVELOPMENT REALITIES

The following infrastructural characteristics, issues and challenges impact on the future development of the iLembe District and need to be taken forward in the IDP Process:

- The provision of basic infrastructure is hampered by the topographic constraints, low densities and low affordability levels, particularly in rural and traditional areas.
- Service infrastructure in iLembe's urban areas needs upgrading and maintenance.
- Rural areas are severely affected by a lack of basic services and continued service delivery backlogs.
- Bulk water supply is a major constraint that effects the entire District and in urgent need of attention.
- 38% of the population still do not have access to clean water and obtain water from rivers and streams. This poses a health risk with further implications regarding the provision of social services.
- The urban areas have proper water borne sanitation systems, but rural areas rely on pit latrines or no system at all. This places tremendous strain on the environment and poses a health risk.
- The bulk of the urban households have access to household electricity. Very few rural settlements have this luxury. Electricity provision at schools and health facilities are especially critical.
- Refuse removal is limited to the urban area. Dumping of refuse has become a major problem, particularly in denser rural settlements. This poses serious environmental problems and risks. Efforts are needed to increase people's awareness of the advantages of good waste management practices.

B9. SOCIAL SERVICES REALITIES

A lack of social services facilities or even a breakdown in the appropriate maintenance of such infrastructure and facilities are indicative of high levels of under-development, poverty and disempowerment. These services are essential for the socio-economic functioning of any community.

As far as the provision of social services and facilities are concerned there are great disparities and imbalances between the rural/traditional areas and the urban areas/economic core of the iLembe District. Services and facilities are relatively adequate in the KwaDukuza and Mandeni areas, whereas the Ndwedwe and Maphumulo areas indicate severe inadequacies in this regards and communities often have to travel vast distances to access social services and facilities.

The following social services characteristics, issues and challenges impact on the future development of the iLembe District and need to be taken forward in the IDP Process:

- Social facilities are generally under-provided in the iLembe Municipal area and huge backlogs in the provision of these facilities and services are evident. This is especially prominent in rural areas.
- Where facilities have been provided, the effective operation thereof is often hampered by the insufficient provision of engineering services and infrastructure (water and electricity in particular). This is particularly relevant as far as education facilities are concerned.
- Services have been provided in an uncoordinated scattered pattern, which does not support the principal of sustainability.
- Community and welfare facilities and services are needed especially in densely populated rural areas. Facilities include children's homes, AIDS support facilities, pension payout points, frail care facilities, feeding schemes and crime prevention actions and facilities.
- Sports facilities and other recreational facilities are non-existent and can be translated into a plethora of social problems. The provision of such facilities and the sustained maintenance thereof pose a challenge to the District.
- Social facilities and programmes to deal with the HIV/AIDS pandemic and its effects on communities have not been fully rolled out and developed.

- There is an under-supply of cemeteries in the area, especially considering the expected number of HIV/AIDS related deaths over the next 20 years. Appropriate facilities need to be provided throughout the area with due cognisance of religion, culture and tradition.
- The Municipal area is disadvantaged in terms of the provision of security and emergency services.
- There is a lack of information on social facilities and development, particularly welfare services. There is also limited co-ordination and communication between the Local Municipalities, District Municipality and provincial government, particularly as far as social development and more specifically welfare is concerned.
- Projects and programmes related to the development of Multi-purpose Service Centre have not yet been fully implemented. Lack of funding is the major constraint in this regard.
- In many instances the boundaries of the Local or District Municipalities do not correlate with those of the relevant service providers, causing problems with coordination and provision of services.

B10. HOUSING REALITIES

Housing in the rural areas comprises largely of traditional rural dwellings, occurring in dispersed and sparse pockets on TA land. Urban centres are characterised by private residential developments of the well-developed Dolphin Coast that cater for the wealthy minority populous, starkly off-set by surrounding low cost housing and informal settlements. The latter settlements have proliferated over the past few years as hopeful employment seekers flock to the economic hubs of the District. Delivery of houses to the poorest of the poor is one of the core functions of the Local Municipalities. Significant progress has been made in housing delivery to meet backlogs in the Mandeni and KwaDukuza Municipal areas, which have backlogs of 40% and 30%, respectively. There has, however, been limited progress in Ndwedwe and Maphumulo which both still have a 60% backlog. There is an urgent need for the development of housing plan and housing capacity within these two Municipalities. These housing plans should focus on the facilitation and coordination of housing delivery with due cognisance of the delivery of bulk and link infrastructure.

There are no dedicated Housing Units within Mandeni, Ndwedwe and Maphumulo. Funding for the formulation of Housing Sector Plans for Mandeni, Ndwedwe and Maphumulo have been granted by DOH and the formulation of these Plans are in hand. None of the Local Municipalities are accredited.

The following housing characteristics, issues and challenges impact on the future development of the iLembe District and need to be taken forward in the IDP Process:

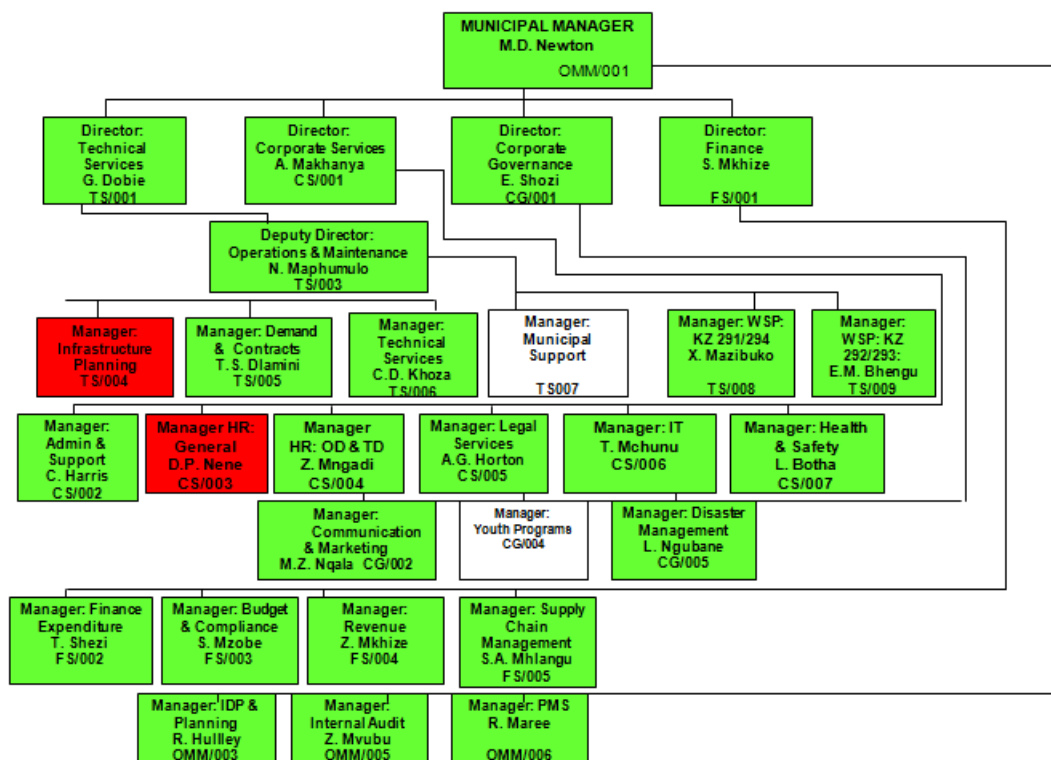
- A lack of land to build houses and where private land is available, the landowners are asking very high prices.
- Some landowners, especially in KwaDukuza are encouraging shack farming as an incoming generating activity. In most of the cases these people are staying in very unfavourable and squalor conditions, with no access to water and basic sanitation.
- The provision of engineering services and infrastructure often hampers the effective development of sustainable human settlements.
- The boom in the property and commercial development along the coast of KwaDukuza has attracted many people, especially from outside the borders of KwaDukuza, in search for employment opportunities. This has resulted in the growing number of informal settlements.
- Upmarket housing is a lucrative market in the certain parts of the iLembe District and characterised by speculation. However, this occurs outside any development framework, resulting in ad hoc development and cost inefficiencies. It has become critical to earmark development boundaries to facilitate more effective and efficient delivery of infrastructure and services.
- The lack of institutional capacity to plan for and manage housing projects.
- The lack of funding and the non-alignment of municipal and government department budgeting processes.
- Municipalities need to have bridging finance for housing projects, as well as counter funding for MIG projects. When combined these represent a large proportion of the Municipal budgets which the smaller Municipalities cannot afford.
- The issue of land reform in the iLembe District is not being dealt with strategically in the District or Local Municipal IDPs or in the Municipal Sector Plans.
- There is often a delay in the approval of housing applications by the DOH.
- Dispersed settlement patterns pose a challenge in housing delivery in the Municipal areas of Ndwedwe and Maphumulo who mainly follow the Rural Housing Process.

B11. INSTITUTIONAL REALITIES

The District and its four Local Municipalities have relatively well established organisational structures and systems in place. All of the Municipalities have appointed Municipal Managers. Most of the Section 57 positions are filled and apart for Ndwedwe, all Section 57 employees have performance contracts in place. The Municipalities of Ndwedwe and Maphumulo are experiencing capacity constraints and have accordingly been chosen as Project Consolidate beneficiaries. Municipal Action Plans have been prepared and are in the process of being implemented. On-going institutional support around issues of planning, project management and financial management are required within these Municipalities.

The current structure of the iLembe District Municipality is reflected in the diagram that follows. This structure put in place is considered to be appropriate for the developmental local government mandate assigned to the District Municipality in terms of the Municipal Structures Act, 1998. With this in mind the Municipality's organisational structure provides for five Directorates that are managed by the Municipal Manager. The District Municipality employ 455 staff members and the five Directorates are:

- Corporate Governance
- Finance
- Technical Services
- Economic Development
- Corporate Services



Within the context of this organisational top structure the current status of these positions are that all are occupied.

The organisational structure of the iLembe District Municipality is, however, currently under review and a service provider has been contracted for this investigation.

The following institutional characteristics, issues and challenges impact on the future development of the iLembe District and need to be taken forward in the IDP Process:

- The integration of the Employment Equity Act and the Skills Development Act on the human resources function of the iLembe District Municipality.

- The development of the skills of the staff of the Municipality is viewed as a key issue to be addressed in future planning activities. These skills must specifically relate to the developmental goals which the council will identify.
- Improving performance management systems by the introduction of an internally designed performance management system and the SDBIP.
- Establishing improved management processes, for example knowledge management, organisational structure and project management.
- Continuing to improve on information provided to decision makers.
- Adjusting the organisation in line with information produced from the performance management system.
- The collection and generation of the relevant District economic data remains a major challenge. At present, there is no systematic and sustained initiative for the collection or updating of economic data. As a result, the District relies on service providers and information is collected on a project-by-project basis.

Recent Achievements in Institutional Governance

The following improvements and achievements towards improved Governance within the Municipality should be noted:

- Adopted IDP (Rated Best Family of Municipalities)
- Established District HIV/AIDS Council
- Established a Youth / Gender Sub-Committee
- Approved Community Participation Plan
- Adopted Communication Strategy
- Established PMS / SDBIP
- Sector Alignment Forums – IDP Coordination
- Established Planning Forum – Coordinate Planning Initiatives
- Appointed Audit Committee's
- Established District Coordinating Forum (DCF)
- Established Traditional House of Leaders (Framework Protocol Agreement Signed)
- 66 Ward Committee's Established & Operational
- 33 CDW's Deployed in District
- Established District Technical Coordinating Committee
- Powers & Functions sufficiently Dealt with at Institutional Level
- Municipal Annual Report Completed Successfully
- Designated Groups (Woman, Youth & Disabilities) – Implementation Plans Completed
- Organisational Review underway – Staff Structure
- Shared Services allocated to Enterprise iLembe
- 5 ICT Center through E-Cooperatives Programme
- Planning Support deployed re Township Establishment for Ndwedwe & Maphumulo
- Formulated "Turn Around" Strategy linked to Action Plan

B12. FINANCIAL REALITIES

AUDITOR-GENERAL'S REPORTS

The Auditor General Reports on the Financial Management of the past three years can be summarized as follow:

FINANCIAL YEAR	AUDIT OUTCOME	BASIS FOR QUALIFIED OPINION
2008/2009	Unqualified Report	<ul style="list-style-type: none"> • NA
2007/2008	Qualified Report	<ul style="list-style-type: none"> • Ineffective Water Billing System, • Lack of Monitoring of Expenditure, • Supply Chain Management Policy not fully implemented, • Lack of Audit Committee, • Internal Investigations.
2006/2007	Qualified Report	<ul style="list-style-type: none"> • Incorrect Meter Readings, • Incorrect Tariff application, • Incomplete Address Database, • Inaccurate VAT Liability Record, • Non-Compliance to MFMA, • Ineffective Internal Audit, • Material Corrections to Financial Statements.

FINANCIAL MANAGEMENT POLICIES

The following financial Management policies are in place and being implemented:

FINANCIAL MANAGEMENT POLICY	STATUS OF IMPLEMENTATION
Supply Chain Management Policy	A Supply Chain Management Policy is in place and being adhered to at all times. There are furthermore sub SCM policies such as Catering Policy in place to guide expenditure and procedures.
Revenue Enhancement Strategy	No Revenue Enhancement Strategy in place at the moment, although the Rand for Rand Campaign has been successful in increasing payment levels.
Indigent Policy	Indigent policy is in place and actively being implemented.

INDIGENTS

As indicated before, the iLembe District Municipality has an Indigent Policy in place, addressing Principles of dealing with indigents, Qualification for Indigent Support, Registration as Indigent, Parameters of Relief as well as Management Control Procedures. Although the municipality does factor in indigents in the debtor's collection data, the collection and maintenance of indigent data remains problematic.

CONSOLIDATED BILLING

The Municipality's billing system allows for **consolidated billing**. One statement per property is used for all service charges. It should however be noted that since the district municipality only provides water and sanitation services to consumers, a separate services bill is also received from the respective local municipalities for other services rendered.

PAYMENT FOR WATER

As the municipality only provides water and sanitation services to consumers, payments are only received for these services. Table 1 below illustrates the annual volume and cost value of water purchased and sold to consumers. Significant to note is the fact that the cost price of water more than doubled over the past four years and as the selling price corresponded, this is anticipated to have an impact on the payment levels for the service.

DEBTORS REPORT

From Table 2 below it is evident that although there is a fair trend of collection within 90 days of outstanding debt, there is a large growing amount of debtors older than 120 days. This could be ascribed to the fact that there are not effective debt collection strategies in place and it this is to be addressed; the current collection mechanisms will have to be improved.

Table 1 - Summary of Water Expenditure and Income (2005 to 2009)

Item	Fin Year 2005/2006	Fin Year 2006/2007	Fin Year 2007/2008	Fin Year 2008/2009
Water				
Cost Price of Water	R 970.02 per MI	R 634.66 per MI	R 1,582.80 per MI	R 2,411.11 per MI
Selling Price of Water	R 4,893.57 per MI	R 5,505.21 per MI	R 5,414.14 per MI	R 8,996.20 per MI
Volume of Total Bulk Purchases for Water	15,733.00 MI	14,766.00 MI	18,266.00 MI	12,421.00 MI
Value of Total Bulk Purchases for Water	R 15,261,340.00	R 9,371,460.00	R 28,911,401.00	R 29,948,378.00
Volume of Total Sales for Water	10,180.00 MI	8,909.00 MI	10,480.00 MI	8,015.00 MI
Value of Total Sales for Water	49,816,507.00	49,045,935.00	56,740,197.00	72,104,569.00
Volume of Free Basic Water	1,584.00 MI	1,726.00 MI	1,746.00 MI	1,831.00 MI
Value of Free Basic Water	R 1,536,513.22	R 1,095,431.39	R 2,763,566.53	R 4,414,739.56
Total Unaccounted for Water	R 5,386,526.47	R 3,717,231.56	R 12,323,670.66	R 10,623,343.81

Table 2 - Summary of Debtors by Age and Value

Item	Fin Year 2005/2006	Fin Year 2006/2007	Fin Year 2007/2008	Fin Year 2008/2009
General				
Total Number of Indigents				
Provision for Indigents	R 0.00	R 0.00	R 0.00	R 0.00
Value of current Outstanding Debtors	R 65,612,709.00	R 108,372,956.00	R 117,822,274.00	R 166,410,431.00
Value of Debtors aged <30 days	R 5,140,730.00	R 7,039,502.00	R 9,548,631.00	R 9,091,982.00
Value of Debtors aged 30-60 days	R 3,533,357.00	R 4,770,826.00	R 7,970,396.00	R 8,133,696.00
Value of Debtors aged 60-90 days	R 3,605,245.00	R 4,500,154.00	R 6,440,044.00	R 6,666,093.00
Value of Debtors aged 90-120 days	R 3,243,637.00	R 3,928,375.00	R 5,951,980.00	R 5,429,938.00
Value of Debtors aged >120 days	R 50,089,740.00	R 88,134,099.00	R 87,911,223.00	R 137,088,722.00
Value of Debtors ito. Water	R 65,612,709.00	R 108,372,956.00	R 117,822,274.00	R 166,410,431.00

iLembe Financial Position & Implications

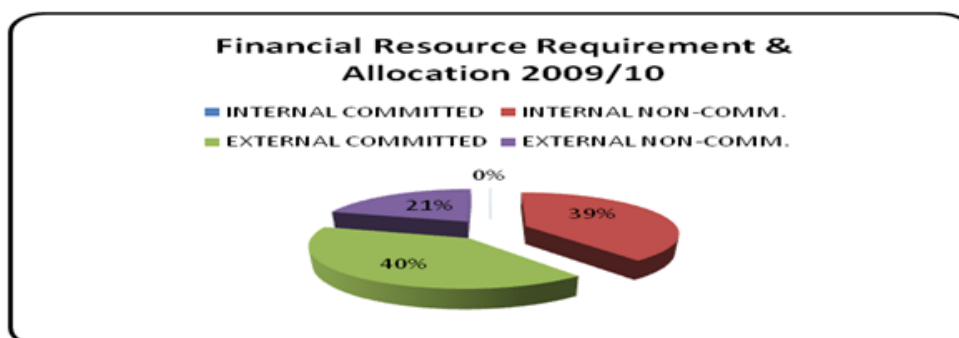
Finance in general, and the availability of funding, both capital and operating, is viewed as the primary constraint for the District and Local Municipalities in achieving their developmental mandate. The iLembe District Municipality is acutely aware of the financial pressures on it and has instituted an entirely new approach to its budgeting, monitoring and financial control procedures. Its position in terms of increasing debt, creditors and unspent grant is considered a critical issue in the future cash management of the Municipality.

The Municipality is aiming for cash backed operating reserves equivalent to 2 months operating expenditure. The Municipality has formulated a number of strategies to facilitate the actual implementation of this IDP and these include:

- The Municipality will, as part of its ongoing budget process, produce a three-year medium-term strategy and review and amend it as necessary on an annual basis.
- The Municipality will continue to develop a budgetary system that projects at least three years in advance from the forthcoming year. This is in line with the recommendations of the MFMA.
- The Municipality will introduce key performance indicators relating to cash and cash management.
- The Municipality will develop budgetary systems that increase ownership of the budgetary process by departmental heads.
- The Municipality will encourage maximum interest earnings and minimum interest outgoings. It will achieve this by appropriate cash flow forecasting as part of its prudential financial control principles.
- The Municipality will develop an income maximisation strategy.
- The Municipality will produce an Asset Management Plan as part of its annual budgetary processes.
- The Municipality will endeavour to achieve at least two months operating budget in the form of a general reserve backed by cash by 2010. In the interim the Municipality will build accounting and cash balances during a period of low short-term interest rates.
- The Municipality will ensure national, provincial and district priorities are included in the decision framework.
- The Municipality will leverage increased grants from organisations such as the DBSA, the National Lottery and others for major initiatives.
- The Municipality will increase tariffs subject to inflation rate.

The purpose of the Medium-term Expenditure Framework is to set out a three year framework for money planned for capital investment programmes required to achieve the IDP objectives. This is directly linked to the strategic objectives of the iLembe Municipality, thereby linking IDP objectives to an approved Municipal Budget.

A Capital Investment Framework was developed as part of the Financial Plan demonstrating the relationship between what resources are required to meet the challenges as per mandate and the actual budget implications, incorporating the respective MTEF's of the Provincial Sector Departments in an attempt to set the framework for capital investment. It is clear that the need by far over exceed the resource allocation, as well as the ability of the iLembe District Municipality to fulfill its mandate through the allocation of own resources, hence its dependency on external grant funding to deliver services. The diagram below depicts the relationship between the different levels of funding (committed versus non-committed) for the financial year 2009/10 within the context of the Capital Investment Framework.

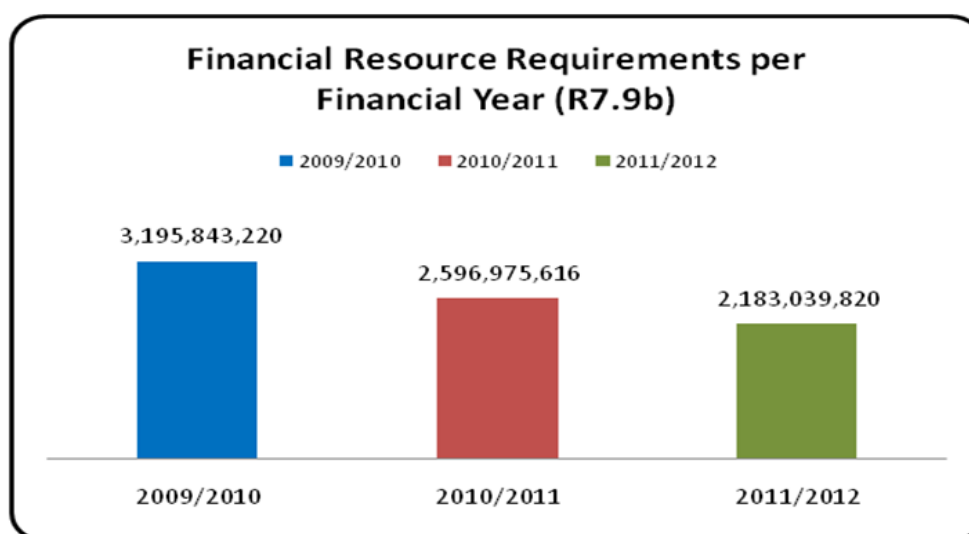


The table below depicts the Capital Budget per Functional Sector (Strategic Development Role) for the principle 2009/10 iLembe IDP. It can be noted that water and sanitation was regarded as priority and to which most of the iLembe resources are to be allocated.

Functional Sector (Strategic Role)	Total Budget 2009/10	%
Agriculture	21,300,000	0.27
Cemetery & Crematoriums	500,000	0.01
Community Centres	19,300,000	0.24
Disaster Management	34,695,000	0.43
Economic Development	13,150,000	0.17
Education	696,902,646	8.84
Electricity Provision	1,727,405,786	21.91
Environmental Management	750,000	0.01
Finance & IT	16,900,000	0.21
Governance	900,000	0.01
Health	223,200,000	2.83
Housing Development	918,995,978	11.66
Institutional Development	73,250,000	0.93
Manufacturing	-	0.00
Roads & Storm Water & Transportation	259,513,486	3.29
Sanitation Infrastructure	1,401,777,760	17.57
Social Development (Welfare)	-	0.00
Spatial & Land Use Management	135,050,000	1.71
Special Projects	85,830,000	1.09
Sport & Recreation Facilities	40,000,000	0.51
Tourism Development	2,100,000	0.03
Waste Management	900,000	0.01
Water Infrastructure	2,303,888,000	28.88
TOTAL	7,976,308,656	100%

This clearly indicates an alignment of capital investment with key areas of intervention, i.e. the provision of basic services which in the case of iLembe is focused on water and sanitation as it should be in terms of national and provincial guidelines. A critical factor remains the capacity of the respective service providers to deliver on these requirements.

The graph below outlines the financial resources required per financial period to meet the millennium goals / targets (address backlogs) within the context of the Capital Investment Framework.



Of the total capital investment need of R7,9 billion, 46% constitute water and sanitation need to address iLembe District Municipality backlog and to meet the millennium goals of 2014. In the case of

Water Infrastructure a total of R2,3 billion is required to address the backlogs of which only R112 million (16%) is secured as committed capital funding, to be received from external sources i.e. MIG, etc. A similar scenario presents itself in the case of Sanitation Infrastructure that represents committed funding of R32,67 million (7%).

In response to the above circumstances and in response to the "Turn Around" Strategy, a high and low road scenario was formulated to assess the financial implications/requirements to address the need/backlog with regards to delivery of basic services namely water and sanitation within both the rural and urban context. The scenarios were based on the following assumptions:

- Total Water Backlog of 51 067 Households (32%)
- Total Sanitation Backlog of 59 209 Households (37%)
- 50/50 Allocation between Urban & Rural Population
- Different Costs allocated towards Urban & Rural Bulk Infrastructure
- Different Costs allocated towards Urban & Rural Bulk Reticulation
- High Road – **iLembe Top-Up Contribution** to eradicate Backlog by 2014
- Middle Road – **iLembe Partial Contribution** to eradicate Backlog by 2014
- Low Road – **iLembe No Contribution** to eradicate Backlog by 2014
- Infrastructure Opex associated with different Type & Level Service Average at 4%
- Human Resource Opex associated with dedicated HR average at 5%
- Opex Knock-On of 9% to meet 100% of Backlogs (Millennium Goal)
- Opex varies towards lesser contribution by iLembe to meet Targets

The following tables demonstrate the different scenarios:-

	Year 1 2009/10	Year 2 2010/2011	Year 3 2011/2012	Year 4 2012/2013	Year 5 2013/2014	Total
High Road Scenario (Water & Sanitation)						
MIG DORA Allocation	104 276 000	85 438 000	100 000 000	110 000 000	120 000 000	519 714 000
iLembe Budget Allocation	264 957 264	283 795 264	269 233 264	259 233 264	249 233 264	1 326 452 320
	369 233 264	369 233 264	369 233 264	369 233 264	369 233 264	1 846 166 320
					To meet Target of 2014	100%
					Total Cost per Household	77 329
No of Units (Water)	10 611	10 611	10 611	10 611	10 611	
No of Units (Sanitation)	12 263	12 263	12 263	12 263	12 263	
Accumulative No of Units	22 874	45 747	68 621	91 494	114 368	114 368
Operational Cost (New Infrastructure)	14 769 331	14 769 331	14 769 331	14 769 331	14 769 331	73 846 653 4%
Operational Cost (Human Resources)	18 461 663	18 461 663	18 461 663	18 461 663	18 461 663	92 308 316 5%
	33 230 994	33 230 994	33 230 994	33 230 994	33 230 994	166 154 969
					Allocation towards Operational Costs	9%

- iLembe Capital requirement of R1.33b over next 5 Year – 100% Eradication
- Operation Knock-On of R166 m over next 5 Years (9%)
- Annual Service Delivery of 22 874 Units per Sector (Water & Sanitation)

	Year 1 2009/10	Year 2 2010/2011	Year 3 2011/2012	Year 4 2012/2013	Year 5 2013/2014	Total
Middle Road Scenario (Water & Sanitation)						
MIG DORA Allocation	104 276 000	85 438 000	100 000 000	110 000 000	120 000 000	519 714 000
iLembe Budget Allocation	132 478 632	141 897 632	134 616 632	129 616 632	124 616 632	663 226 160
	236 754 632	227 335 632	234 616 632	239 616 632	244 616 632	1 182 940 160
No of Units (Water)	7 958	7 958	7 958	7 958	7 958	
No of Units (Sanitation)	7 958	7 958	7 958	7 958	7 958	
Accumulative No of Units	15 916	31 832	47 749	63 665	79 581	79 581
					Estimated additional 3 Years to address backlog	70%
					Total Cost per Household	29 729
Operational Cost (New Infrastructure)	9 470 185	9 093 425	9 384 665	9 584 665	9 784 665	47 317 606 4%
Operational Cost (Human Resources)	7 102 639	6 820 069	7 038 499	7 188 499	7 338 499	35 488 205 3%
	16 572 824	15 913 494	16 423 164	16 773 164	17 123 164	82 805 811
					Allocation towards Operational Costs	7%

- iLembe Capital requirement of R663m over next 5 Year – 70% Eradication
- Operation Knock-On of R82.8m over next 5 Years (7%)
- Annual Service Delivery of 15 916 Units per Sector (Water & Sanitation)

	Year 1 2009/10	Year 2 2010/2011	Year 3 2011/2012	Year 4 2012/2013	Year 5 2013/2014	Total
	Low Road Scenario (Water & Sanitation)					
MIG DORA Allocation	104 276 000	85 438 000	100 000 000	110 000 000	120 000 000	519 714 000
iLembe Budget Allocation	-	-	-	-	-	-
	104 276 000	85 438 000	100 000 000	110 000 000	120 000 000	519 714 000
No of Units (Water)	5 305	5 305	5 305	5 305	5 305	-
No of Units (Sanitation)	5 305	5 305	5 305	5 305	5 305	-
Accumulative No of Units	10 611	21 222	31 832	42 443	53 054	53 054
	<i>Estimated additional 5 Years to address backlog</i>					46%
	<i>Total Cost per Household</i>					19 592
Operational Cost (New Infrastructure)	4 171 040	3 417 520	4 000 000	4 400 000	4 800 000	20 788 560 4%
Operational Cost (Human Resources)	2 085 520	1 708 760	2 000 000	2 200 000	2 400 000	10 394 280 2%
	6 256 560	5 126 280	6 000 000	6 600 000	7 200 000	31 182 840
	<i>Allocation towards Operational Costs</i>					6%

- iLembe Capital requirement of R0 over next 5 Year – 46% Eradication
- Operation Knock-On of R31.2m over next 5 Years (6%)
- Annual Service Delivery of 10 611 Units per Sector (Water & Sanitation)

The challenges now require a concerted effort to procure and source funding to meet the targets, and for iLembe District Municipality to consider different funding structures and mechanisms to align its budget with of its need and "Turn Around" Strategy.

Recent Achievements in Financial Management

The following improvements and achievements towards improved Financial Management within the Municipality should be noted:

- Received FITCH rating BB+
- Employed Key Financial Positions
- SDBIP approved and Monitored
- Rand for Rand Campaign Adopted
- Data Cleansing Underway – Revenue Enhancement
- Budget successfully linked to IDP & PMS & SDBIP
- Established Internal Audit Unit.
- Senior Supply Chain Manager recently appointed.

B13. BROAD BASED COMMUNITY NEEDS

Regular public meetings of the Local Municipalities with their Representative Forums on matters related to the iLembe District IDP reaffirmed the needs and challenges that emerged from this IDP status quo analysis. These need to be taken up and addressed through the iLembe District IDP and its budget allocations. The priority needs identified during various meetings and Izimbizos are as follows:

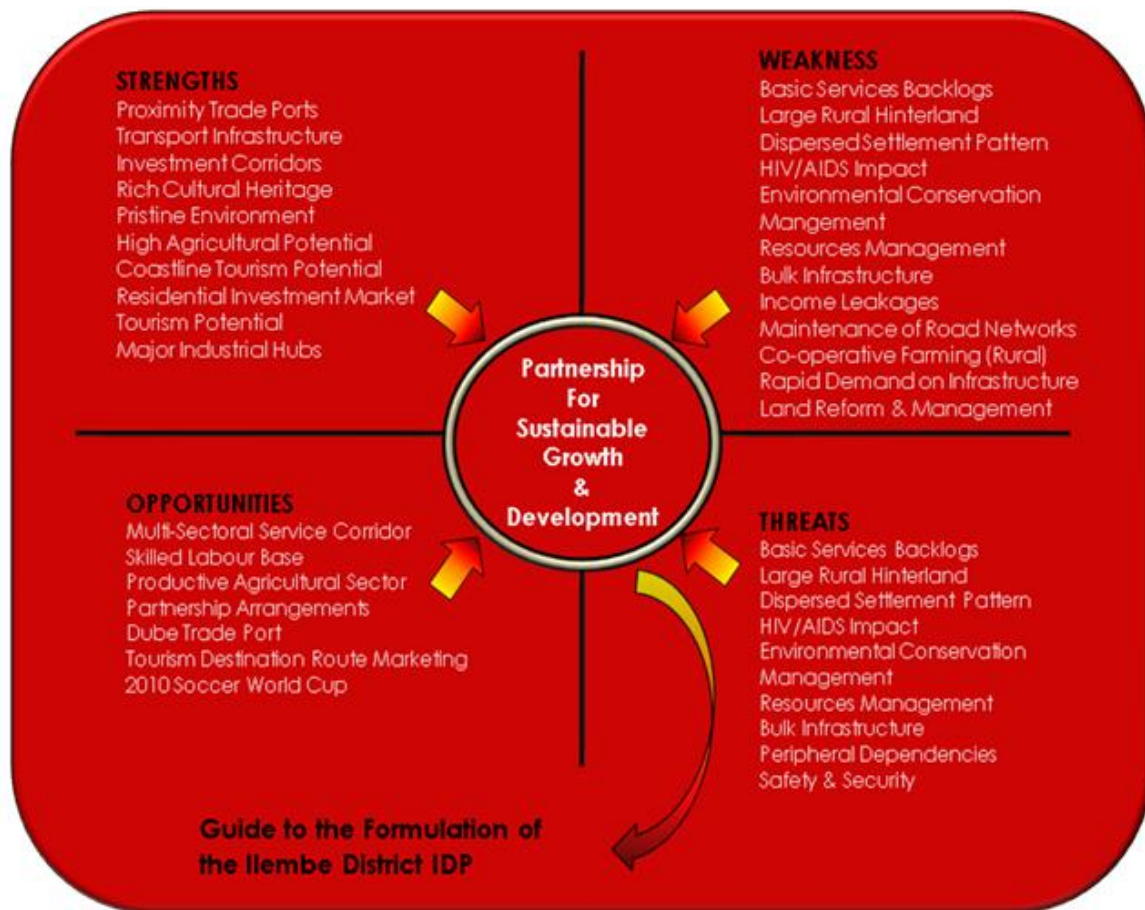
Priority Needs Identified	Remarks on Needs
Water Service Delivery and Infrastructure	<ul style="list-style-type: none"> • Particularly in Ndwedwe, Maphumulo and Mandeni • The lack of service • Unreliable source • Expensive and unaffordable fees for water supply
Community Services and Infrastructure	<ul style="list-style-type: none"> • Particularly in Maphumulo and KwaDukuza • Need for clinics • Need for sports facilities • Need for schools that are safe from potential road accidents
Public Transport and Road Infrastructure	<ul style="list-style-type: none"> • Particularly in rural areas • Specifically related to roads and bridges

Priority Needs Identified	Remarks on Needs
	<ul style="list-style-type: none"> • Safety of small school-going children
Electricity	<ul style="list-style-type: none"> • Particularly in Maphumulo and Ndwedwe where many people have no access to electricity • Unreliable service provision • High fees for electricity installation
Sanitation	<ul style="list-style-type: none"> • Generally an issue in KwaDukuza • Unavailability of toilets in rural area, particularly Mandeni
Economic Development	<ul style="list-style-type: none"> • Unemployment • Political bias when providing assistance to community projects • Sustainability of projects, particularly in Ndwedwe, Maphumulo and Mandeni • Need for providing support to cooperatives
Housing	<ul style="list-style-type: none"> • Particularly in Mandeni • Clarity needed on rural housing programmes • Impact of land reform programmes • Need for speeding up housing delivery programmes
Skills Development	<ul style="list-style-type: none"> • Particularly in Maphumulo • Concerns regarding high illiteracy levels

The overwhelming importance of basic services and infrastructure delivery shows the need for applying the concepts of sustainable human settlements, robust economic growth and the principles of Expanded Public Works Programmes (EPWP) to the development of the iLembe District. Such an approach will ensure that infrastructure delivery has a meaningful impact on local economies. It will help the iLembe District Municipality to contribute towards the achievement of AsgiSA as espoused by the Presidency. Ultimately, service infrastructure development should be delivered in a manner that takes into account development processes that are taking place beyond the borders of the District.

B14. IDP SWOT ANALYSIS

The diagram below depicts a SWOT Analysis to achieve Partnerships for Sustainable Growth and Development.



B15. SUMMARY OF BACKLOGS AND ACHIEVEMENTS

Clearly the iLembe District is severely backlogged as far as the provision of infrastructure is concerned. Backlogs are estimated to escalate if programmes and projects are not implemented to eradicate these backlogs.

From the analysis of current realities it is clear that the rural and traditional areas of iLembe, i.e. Ndwedwe and Maphumulo, are more severely affected by these backlogs. The topographical features and dispersed settlement pattern of these areas do not make the provision of basic services and infrastructure any easier.

From 2006 to date **127 912 people residing in 25 405 households** have been given access to clean and drinkable water to a basic level of service and **99 621 people residing in 19 788 households** have been provided with basic level of sanitation.

The following tables outline the Backlog recorded per Financial Year and the Achievement per Local Municipality. This Assessment relates to a four Year Period from 2006/2007 to 2009/2010 for Water & sanitation Service Delivery.

ilembe District Municipality: Backlog Assessment & Achievements to Date							
Local Municipality	Population	Households	2006/2007	2007/2008	2008/2009	2009/2010	Total
Water - Backlog Study Estimates (UVP)							
Mandeni	131 830	37 798	25 913	24 081	23 461	23 081	
KwaDukuza	252 053	61 084	13 125	12 225	9 725	9 725	
Ndwedwe	208 447	33 459	15 917	14 236	8 057	7 298	
Maphumulo	212 909	27 606	21 119	18 709	11 811	10 963	
Total	805 239	159 947					
HHH with Access to Water			83 873	84 273	91 096	107 294	109 281 68%
Backlogs			76 074	69 251	53 054	51 067	51 067 32%
Achievements			400	6 823	16 198	1 987	25 408
% Eradication of Backlogs							33%
Sanitation - Backlog Study Estimates (UVP)							
Mandeni	131 830	37 798	12 491	10 691	10 691	9 841	
KwaDukuza	252 053	61 084	12 456	12 456	12 456	12 456	
Ndwedwe	208 447	33 459	22 231	18 061	17 478	15 373	
Maphumulo	212 909	27 606	25 445	21 977	21 977	21 539	
Total	805 239	159 947					
HHH with Access to Sanitation			87 324	93 698	103 136	103 719	103 719 65%
Backlogs			72 623	63 185	62 602	59 209	59 209 37%
Achievements			6 374	9 438	583	3 393	19 788
% Eradication of Backlogs							27%
Summary Assessment (Water & Sanitation)			2006/2007	2007/2008	2008/2009	2009/2010	
Total Number of Household			6 774	16 261	16 781	5 380	45 196
Capital Resource Allocation			62 680 000	72 314 000	91 717 000	175 926 000	402 637 000
Average Investment Cost per Household			9 253.03	4 447.08	5 465.69	32 700.00	51 866
Number of People Employed			1 016	2 439	2 517	807	6 779
Average Day Rate			50.00	60.00	70.00	75.00	
Average Employment Investment per HHH			8 019	3 854	4 737	28 340	44 950
Total Employment Cost			8 148 400	9 400 820	11 923 210	22 870 380	52 342 810

The respective table depicts the Total Infrastructure Cost Investment made over the said period and describes the associated Unit Cost per Household. Furthermore the Table highlights the respective Wards that have benefitted from the Investment.

Water and Sanitation Backlogs per Local Municipality

Mandeni Backlogs and Achievements

Water

In terms of Water infrastructure a total of 3234 households have been provided with potable water since 2006, addressing approximately 12 % of the total backlog of 26313 recorded in 2006. A total of R 14 989 543-00 was spend on the eradication of water backlogs in this local municipality since 2006. Currently the backlog for water provision in Mandeni is estimated at 23081 households. Ward 6 and 7 recorded the highest backlogs at 4626 households each.

Backlog Assessment per Ward with the respective Local Municipality												
Mandeni Local Municipality												
Ward	No. H/H	2006/2007		2007/2008		2008/2009		2009/2010		Consolidation		%
		Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Blog
Water Infrastructure												
1	2 555	1 807								1 807	-	71%
2	2 948	2 619								2 619	-	89%
3	2 457	114								114	-	5%
4	2 642	809								809	-	31%
5	2 765	2 718						380		2 338	380	85%
6	4 626	4 626								4 626	-	100%
7	4 626	4 626								4 626	-	100%
8	2 213	1 995								1 995	-	90%
9	1 965	1 965								1 965	-	100%
10	1 126	1 126	400		106	620				-	1 126	0%
11	3 317	1 329								1 329	-	40%
12	3 148	1 726			1 726					-	1 726	0%
13	853	-								-	-	0%
14	853	-								-	-	0%
15	853	-								-	-	0%
16	853	853								853	-	100%
17										-	-	
18										-	-	
19										-	-	
20										-	-	
Total	37 798	26 313	400	-	1 832	-	620	-	380	23 081	3 232	12%
										Capital Expenditure	14 989 543	
										Cost per Household	4 638	

Sanitation

Backlog Assessment per Ward with the respective Local Municipality												
Mandeni Local Municipality												
Ward	No. H/H	2006/2007		2007/2008		2008/2009		2009/2010		Consolidation		%
		Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Blog
Sanitation Infrastructure												
1	2 555	1 231								1 231	-	48%
2	2 948	1 472								1 472	-	50%
3	2 457	67								67	-	3%
4	2 642	751								751	-	28%
5	2 765	1 530								1 530	-	55%
6	4 626	1 476								1 476	-	32%
7	4 626	1 107								1 107	-	24%
8	2 213	959								959	-	43%
9	1 965	-								-	-	0%
10	1 126	876	876							-	876	0%
11	3 317	1 800			1 800					-	1 800	0%
12	3 148	2 564	2 564							-	2 564	0%
13	853	416								416	-	49%
14	853	416								416	-	49%
15	853	416								416	-	49%
16	853	850						850		-	850	0%
17										-	-	
18										-	-	
19										-	-	
20										-	-	
Total	37 798	15 931	3 440	-	1 800	-	-	-	850	9 841	6 090	38%
										Capital Expenditure	38 407 041	
										Cost per Household	6 307	

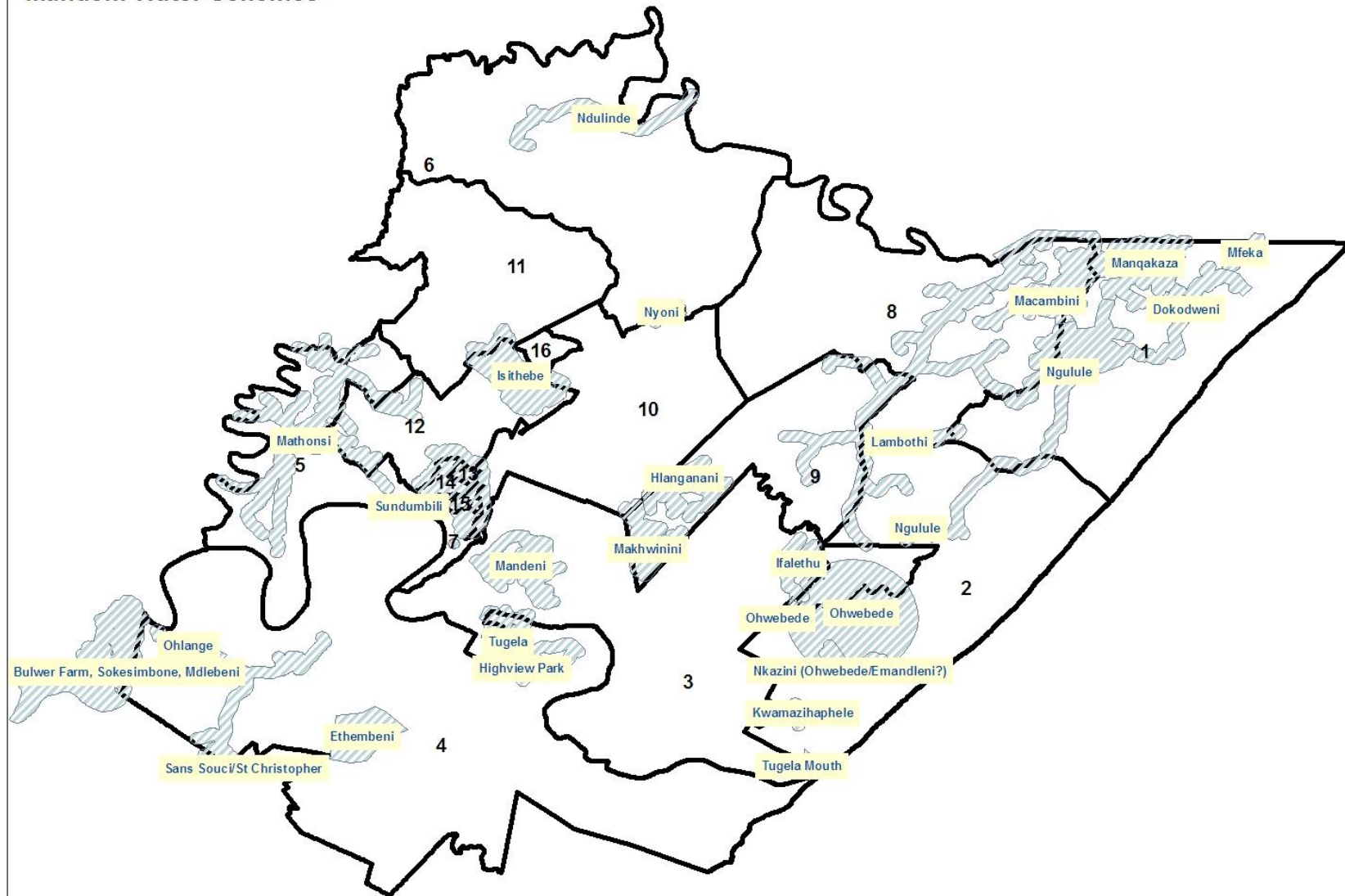
From the above table it should be evident that major inroads have been made since 2006 in eradicating sanitation backlogs in Mandeni. A total of 6090 households were provided with acceptable sanitation services representing a 38% of the backlogs record in 2006 (15 931 hh) being eradicated. A total of R 38 407 041-00 was spent on the eradication of sanitation backlogs in this municipality.

The table below provides a consolidated summary of the achievements in water and sanitation provision within Mandeni.

Backlog Assessment per Ward with the respective Local Municipality													
Mandeni Local Municipality													
Ward	No. H/H	2006/2007		2007/2008		2008/2009		2009/2010		Consolidation		%	
		Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Blog	
Water Infrastructure													
Total	37 798	26 313	400	-	1 832	-	620	-	380	23 081	3 232	12%	
										Capital Expenditure	14 989 543		
										Cost per Household	4 638		
Sanitation Infrastructure													
Total	37 798	15 931	3 440	-	1 800	-	-	-	850	9 841	6 090	38%	
										Capital Expenditure	38 407 041		
										Cost per Household	6 307		
Consolidated Achievements for Period 2006 - 2009													
										32 922	9 322		
										Capital Expenditure	53 396 584		
										Cost per Household	10 944		

The current areas within Mandeni with access to potable water are spatially illustrated by the plan overleaf.

Mandeni Water Schemes



Kwadukuza Backlogs and Achievements

Water

The table below indicates that a total of 3400 households within Kwadukuza have been provided with potable water representing 26% of the backlogs recorded in 2006 (13125 hh) being eradicated. A total of R 11 164 465-00 was spent on the eradication of waterbacklogs in this municipality. Currently the backlog for water provision in Kwadukuza is estimated at 9725 households. Ward 4 recorded the highest current backlog at 5701 households.

Backlog Assesment per Ward with the repective Local Municipality												
KwaDukuza Local Municipality												
No. H/H	2006/2007		2007/2008		2008/2009		2009/2010		Consolidation		% Blog	
	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve		
Water Infrastructure												
4 593	4 593				2 500				2 093	2 500	46%	
1 411	382								382	-	27%	
5 190	2 240		900						1 340	900	26%	
6 493	5 701								5 701	-	88%	
108	-								-	-	0%	
1 614	-								-	-	0%	
1 351	-								-	-	0%	
4 240	-								-	-	0%	
1 521	24								24	-	2%	
11 724	-								-	-	0%	
3 342	-								-	-	0%	
2 523	-								-	-	0%	
2 094	185								185	-	9%	
1 074	-								-	-	0%	
1 770	-								-	-	0%	
1 751	-								-	-	0%	
1 246	-								-	-	0%	
2 644	-								-	-	0%	
3 636	-								-	-	0%	
2 759	-								-	-	0%	
61 084	13 125	-	-	900	-	2 500	-	-	9 725	3 400	26%	
										Capital Expenditure	11 164 465	
										Cost per Household	3 284	

Sanitation

The backlogs and achievements in sanitation provision for Kwadukuza are illustrated below:

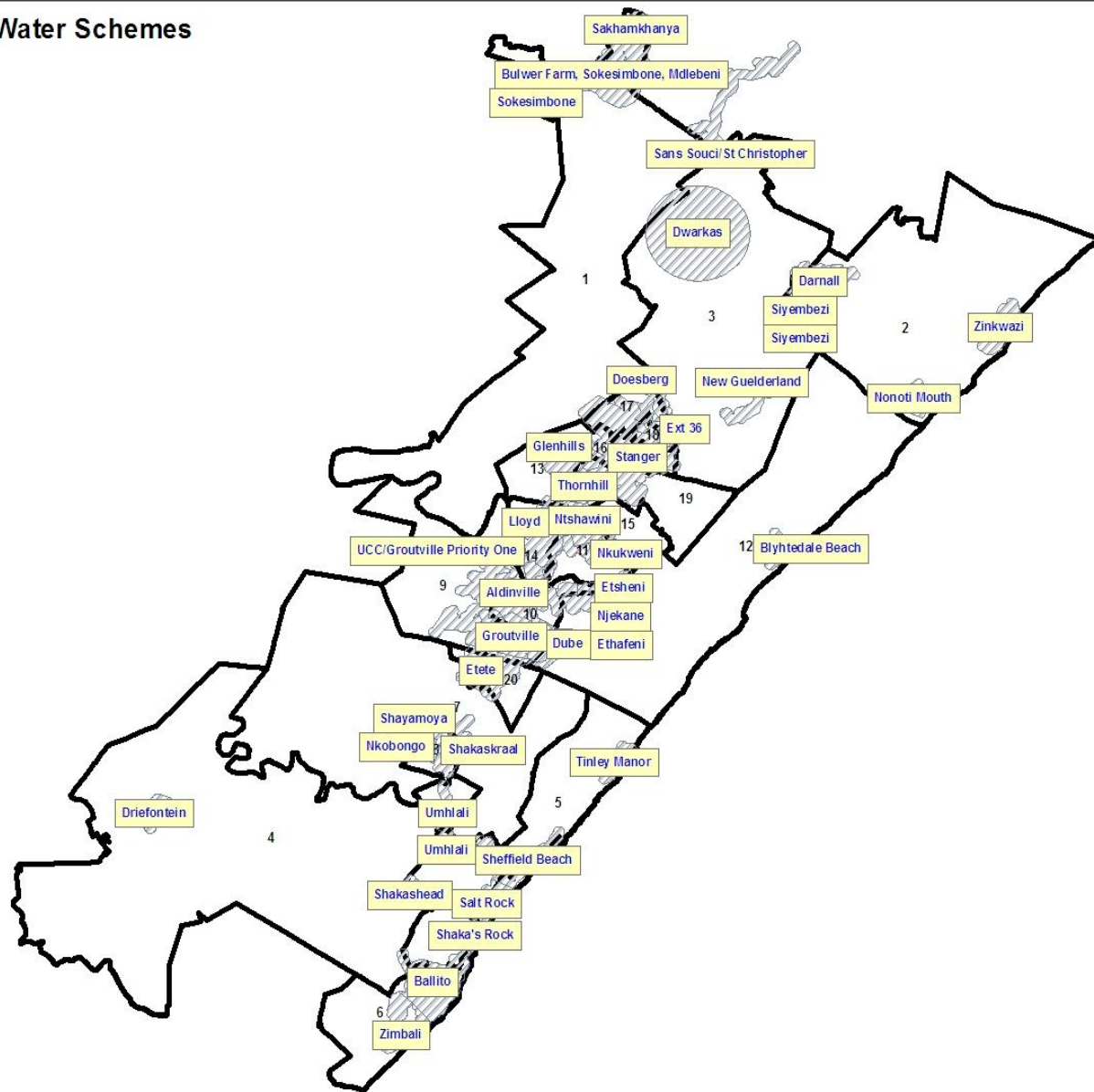
Backlog Assessment per Ward with the respective Local Municipality												
KwaDukuza Local Municipality												
No. H/H	2006/2007		2007/2008		2008/2009		2009/2010		Consolidation		% Blog	
	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve		
Sanitation Infrastructure												
4 593	1 509									1 509	-	33%
1 411	-									-	-	0%
5 190	3 522									3 522	-	68%
6 493	5 701									5 701	-	88%
108	-									-	-	0%
1 614	-									-	-	0%
1 351	-									-	-	0%
4 240	-									-	-	0%
1 521	24									24	-	2%
11 724	-									-	-	0%
3 342	-									-	-	0%
2 523	-									-	-	0%
2 094	479									479	-	23%
1 074	-									-	-	0%
1 770	-									-	-	0%
1 751	-									-	-	0%
1 246	-									-	-	0%
2 644	-									-	-	0%
3 636	1 221									1 221	-	34%
2 759	-									-	-	0%
61 084	12 456	-	-	-	-	-	-	-	-	12 456	-	0%
										Capital Expenditure	-	
										Cost per Household	-	

The table below provides a consolidated summary of the achievements in water and sanitation provision within Kwadukuza.

Backlog Assessment per Ward with the respective Local Municipality												
KwaDukuza Local Municipality												
No. H/H	2006/2007		2007/2008		2008/2009		2009/2010		Consolidation		% Blog	
	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve		
Water Infrastructure												
61 084	13 125	-	-	900	-	2 500	-	-	-	9 725	3 400	26%
										Capital Expenditure	11 164 465	
										Cost per Household	3 284	
Sanitation Infrastructure												
61 084	12 456	-	-	-	-	-	-	-	-	12 456	-	0%
										Capital Expenditure	-	
										Cost per Household	-	
Consolidated Achievements for Period 2006 - 2009												
										22 181	3 400	
										Capital Expenditure	11 164 465	
										Cost per Household	3 283.67	

The current areas within Kwadukuza with access to potable water is spatially illustrated by the plan overleaf.

KwaDukuza Water Schemes



Ndwedwe Backlogs and Achievements

Water

The backlogs and achievements in sanitation provision for Kwadukuza are illustrated below:

Backlog Assesment per Ward with the repective Local Municipality												
Ndwedwe Local Municipality												
No. H/H	2006/2007		2007/2008		2008/2009		2009/2010		Consolidation		% Blog	
	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve		
Water Infrastructure												
1 681	1 054									1 054	-	63%
1 154	516									516	-	45%
1 040	1 040									1 040	-	100%
2 856	1 500		200		395					906	595	32%
2 100	1 507		306		1 201					1	1 507	0%
2 112	1 108		106		806					197	912	9%
3 298	2 373		141		923					1 309	1 064	40%
1 269	900		141					759		0	900	0%
2 199	700		141							559	141	25%
774	171									171	-	22%
1 726	-									-	-	0%
2 078	-									-	-	0%
1 814	91									91	-	5%
1 088	19									19	-	2%
1 435	49		49							-	49	0%
2 135	2 135				1 300					835	1 300	39%
1 843	600									600	-	33%
1 300	1 300				1 300					-	1 300	0%
1 557	854		598		256					-	854	0%
										-	-	-
33 459	15 917	-	-	1 681	-	6 180	-	759	-	7 298	8 620	54%
										Capital Expenditure	138 791 885	
										Cost per Household	16 102	

From the above table it should be evident that major inroads have been made since 2006 in eradicating water backlogs in Ndwedwe. A total of 8620 households within Ndwedwe have been provided with potable water representing 54% of the backlogs recorded since 2006. Currently the backlog for water provision in Ndwedwe is estimated at 7298 households.

A total of R 138 791 885-00 was spent on the eradication of water backlogs in this municipality representing the largest portion of the district capital budget being spent on a local municipality. This focus on Ndwedwe is in line with the pro-rural focus within the municipality aimed at improving rural livelihoods. It is further anticipated that the provision of water infrastructure in this municipality will contribute to the attraction of industrial development within the area.

Sanitation

The backlogs and achievements in sanitation provision for Ndwedwe are illustrated below:

Backlog Assessment per Ward with the respective Local Municipality											
Ndwedwe Local Municipality											
No. H/H	2006/2007		2007/2008		2008/2009		2009/2010		Consolidation		% Blog
	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	
Sanitation Infrastructure											
1 681	1 681								1 681	-	100%
1 154	510								510	-	44%
1 040	1 040							160	880	160	85%
2 856	954		54					900	-	954	0%
2 100	1 211		1 113			98			-	1 211	0%
2 112	1 833		1 687			146			-	1 833	0%
3 298	2 000								2 000	-	61%
1 269	1 269								1 269	-	100%
2 199	1 340	1 340							-	1 340	0%
827	160							213	(53)	213	-6%
1 726	864							409	455	409	26%
2 078	2 078		1 316			339		423	-	2 078	0%
1 814	1 814								1 814	-	100%
1 088	1 088								1 088	-	100%
1 435	620								620	-	43%
2 135	2 135								2 135	-	100%
1 843	1 843								1 843	-	100%
1 300	1 131								1 131	-	87%
1 557	1 031	1 031							-	1 031	0%
33 512	24 602	2 371	-	4 170	-	583	-	2 105	15 373	9 229	38%
									Capital Expenditure	68 082 286	
									Cost per Household	7 377	

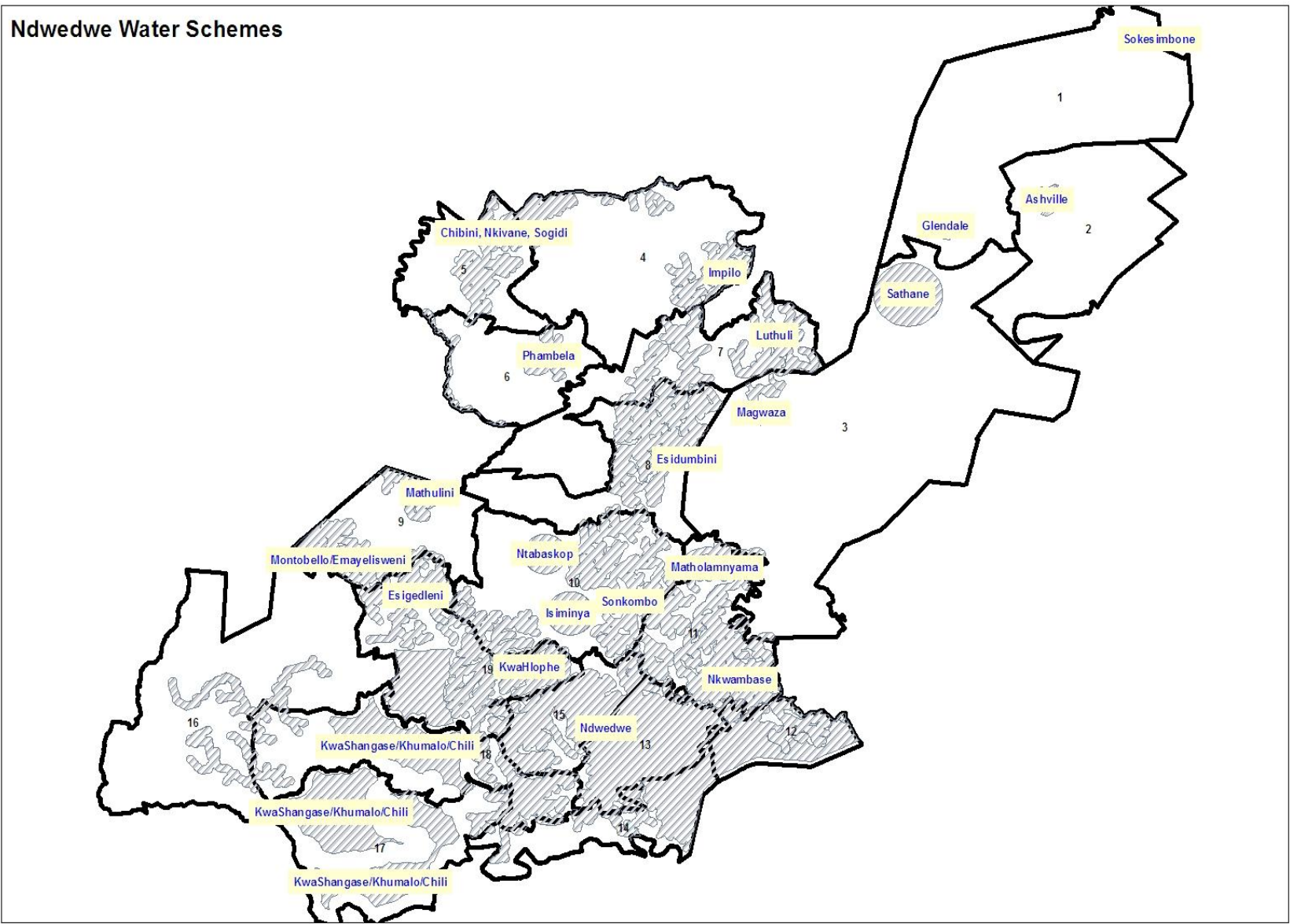
From the above table it should be evident that a total of 9229 households were provided with acceptable sanitation services representing a 38% of the backlog record in 2006 (24 602 hh) being eradicated. A total of R 68 082 286-00 was spent on the eradication of sanitation backlogs in this municipality. Currently the backlog for sanitation provision in Ndwedwe is estimated at 15 373 households. Ward 16 recorded the highest current backlog at 2135 households.

The table below provides a consolidated summary of the achievements in water and sanitation provision within Ndwedwe.

Backlog Assessment per Ward with the respective Local Municipality											
Ndwedwe Local Municipality											
No. H/H	2006/2007		2007/2008		2008/2009		2009/2010		Consolidation		% Blog
	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	
Water Infrastructure											
33 459	15 917	-	-	1 681	-	6 180	-	759	7 298	8 620	54%
									Capital Expenditure	138 791 885	
									Cost per Household	16 102	
Sanitation Infrastructure											
33 512	24 602	2 371	-	4 170	-	583	-	2 105	15 373	9 229	38%
									Capital Expenditure	68 082 286	
									Cost per Household	7 377	
Consolidated Achievements for Period 2006 - 2009											
									22 671	17 849	
									Capital Expenditure	206 874 171	
									Cost per Household	23 479	

The current areas within Ndwedwe with access to potable water is spatially illustrated by the plan overleaf.

Ndwedwe Water Schemes



Maphumulo Backlogs and Achievements

Water

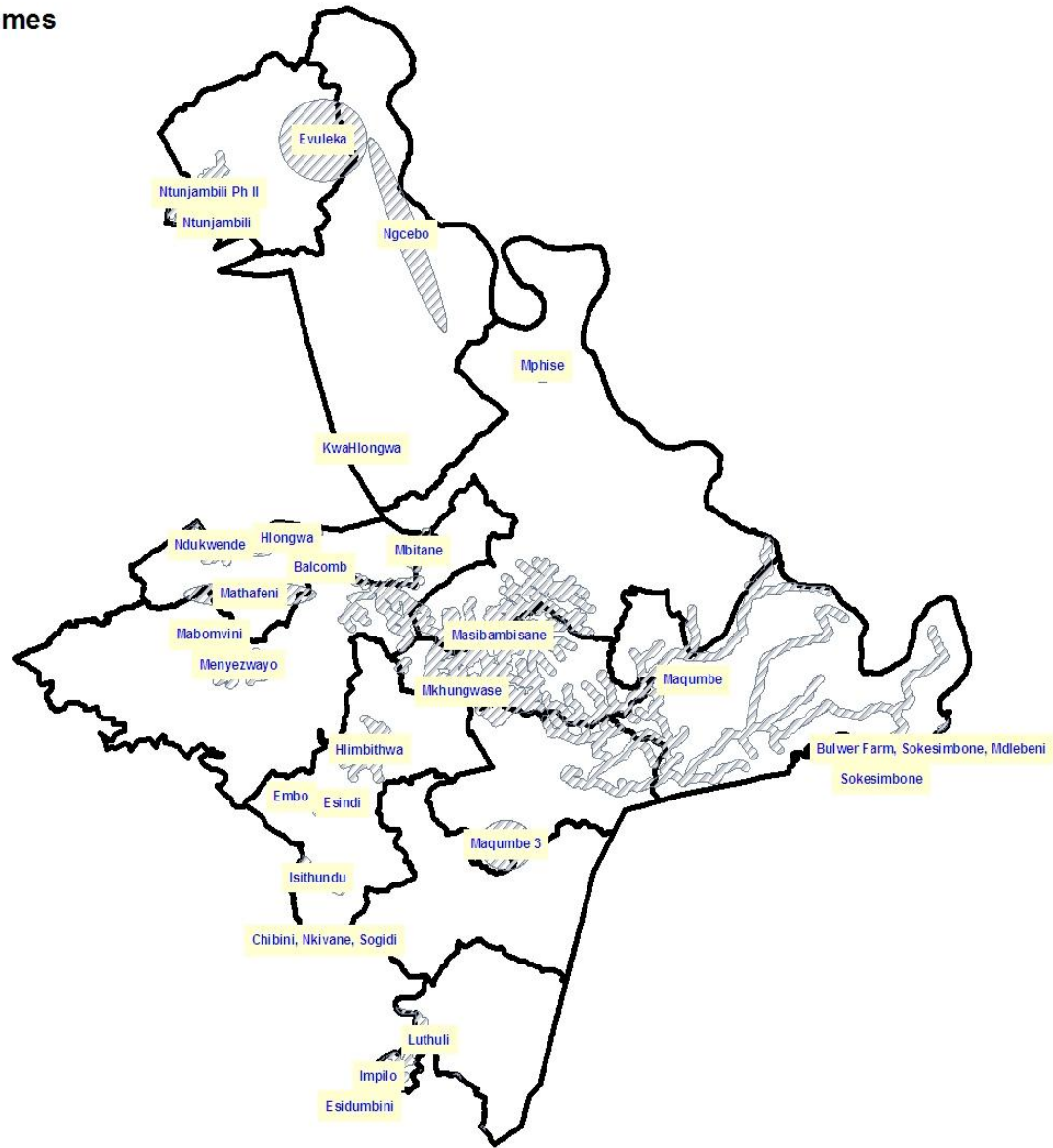
In terms of Water infrastructure a total of 10 156 households have been provided with potable water since 2006, addressing approximately 48 % of the total backlog of 21119 households recorded in 2006. A total of R 83 001 628-00 was spend on the eradication of water backlogs in this local municipality since 2006. Currently the backlog for water provision in Maphumulo is estimated at 10963 households. Ward 7 and 8 recorded the highest backlogs at 2240 and 2421 households respectively.

Backlog Assesment per Ward with the repective Local Municipality												
Maphumulo Local Municipality												
No. H/H	2006/2007		2007/2008		2008/2009		2009/2010		Consolidation		% Blog	
	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve	Backlog	Achieve		
2 487	2 487			2 410						77	2 410	3%
4 837	3 412					3 412				-	3 412	0%
2 049	1 674					1 617				57	1 617	3%
3 424	848									-	848	0%
2 500	2 000									2 000	-	80%
2 250	2 000					619				1 381	619	61%
2 240	2 240									2 240	-	100%
2 421	2 421									2 421	-	100%
1 739	1 739									1 739	-	100%
1 847	486									486	-	26%
1 812	1 812					1 250				562	1 250	31%
										-	-	
										-	-	
										-	-	
										-	-	
										-	-	
										-	-	
										-	-	
27 606	21 119	-	-	2 410	-	6 898	-	848		10 963	10 156	48%
												83 001 628
												8 173

Sanitation

From the table below it should be evident that a total of 4469 households were provided with acceptable sanitation services representing a 17% of the backlogs record in 2006 (26008hh) being eradicated. A total of R 28 961 912-00 was spent on the eradication of sanitation backlogs in this municipality. Currently the backlog for sanitation provision in Maphumulo is estimated at 21 539 households. Ward 2 recorded the highest current backlog at 4837 households.

Maphumulo Water Schemes



Electricity Backlogs:

- There is limited access to electricity throughout the iLembe District.
- To fulfil the demand for electricity in the District three sub-stations would need to be built at a cost of R70 million.
- The backlog in electricity provision also affects delivery of other services in the District.
- A Free Basic Electricity Policy has been approved and implemented in the District.
- The provision of electricity in rural areas is most problematic due to a range of factors such as access, distribution of population, remoteness, etc.
- Current electricity backlogs stand at 59% or 86 570 households.
- The greatest backlogs are in Ndwedwe (81%) and Maphumulo (85%).
- To address these backlogs an Energy Master Plan has been prepared and now needs to be fully implemented.

Housing Backlogs:

- Current housing backlogs stand at 40% or 58 690 households.
- Land availability and the price of land, particularly land in private ownership tend to hamper efforts to eradicate the housing backlog.
- The availability of bulk infrastructure is a serious stumbling block in effective and efficient housing delivery processes.
- The nature of dispersed settlement areas hinders a smooth housing delivery process, as do a lack of funding and the non-alignment of the allocation of funds for housing.
- The current status of Housing Sector Plans impacts negatively on the allocation of budgets for housing projects.
- iLembe needs to fully participate in the Land Reform process.
- To facilitate a successful housing delivery process specific attention is required to obtain bridging finance and to utilise emerging contractors in the housing delivery process.

B16. CONCLUSION ON IDP CHALLENGES

There are significant imbalances within the iLembe District. There is firstly a mismatch between local policies, priorities and budgetary allocation. There is also a short-term approach that focuses on compliance as opposed to efficient change in development perspectives. The focus must be on establishing local competitive advantages that collectively are aligned with District and provincial goals and targets. The imbalances of the iLembe District can be summarised as follows:

- The focus of the previous 2006/2007 IDP at local and district level fell on services such as water, sanitation, electricity, housing, health, education and welfare. Economic development is focused on poverty alleviation rather than on changing development trajectories and/or the economic base of the District. The Local IDPs do not explore their competitive advantages in relation to that of the District.
- Operational and detail project planning did not materialise in the majority of ID's. A shortfall in the alignment of budgets and detailed project planning has had a negative impact on the implementation of the IDPs.
- Financial viability within the context of the Municipality's capacity, local economic resource potential and associated operating costs is a cause for concern. These factors influence whether identified programmes and projects can in fact be implemented or not. There is further little integration between the IDP and implementation, both vertically and horizontally and specifically in relation to financial allocations and applicable mechanisms.
- Issues such as land development and growth management in relation to needs (backlogs), etc. were mentioned in all IDPs. In most cases, however, very little indication was given of how these aspects would be practically addressed. This raises questions on the prospect that the IDP has on contributing towards a more efficient, more sustainable and more equitable area in terms of access to resources and opportunities.
- Within KwaDukuza, Ballito land development and intensification have a strong focus on the urban environment. There are, however, problems in that there are substantial inefficiencies, separation of land uses and a fragmented urban forum.
- Local visions are short to medium-term, possibly due to legislative requirements. These need to be directed towards a longer term vision aligned with the Provincial focus.

The main challenges for the iLembeMunicipality in this IDP relate to socio-economic issues, economic issues, infrastructure issues, spatial and housing issues as well as the issues around social facilities and services. The key issues most likely to have a fundamental effect on the long-term economic viability of the District are:

- Optimising on the opportunities presented by iLembe's location between the Durban Metro and RichardsBay, the two most important harbours in Africa.
- Optimising on the opportunities presented by the N2 corridor from Durban to Maputo, which already transports more than 1 million tourists per year through the iLembe District.
- The potential opportunities of the proposed development of the KingShakaInternationalAirport on the southern border of the District.
- The backlog in the provision of basic services such as water, sanitation, electricity and housing, especially in the rural areas and in the informal settlements.
- Limited availability of bulk water in the District.
- The HIV/AIDS pandemic and its impact on regional demographics.
- Management of investor risk, and where necessary, direct intervention in order to attract international capital.
- Political stability which will best be ensured via measurable service delivery and economic opportunity.
- The maintenance and preservation of a pristine environment and coastline.
- Land release to facilitate development is of particular concern, particularly with land monopolists such as Moreland.

The iLembeDistrictMunicipality has achieved some critical developmental and local economic milestones that are related to the strategies and policies put in place. Although much progress has been made in terms of local economic development within the District and the LocalMunicipalities, impact on job creation and poverty relief is still limited. Continued infrastructural and institutional support with regard to achieving sustainable settlement and development are required at the district and local municipal level, particularly in respect of addressing continued and looming backlogs. The need for this support is most evident in Ndwedwe and Maphumulo where there is revenue base.

During the analysis of current realities a continuous effort was made to offer possible solutions in addressing the issues and challenges that the iLembeMunicipality are faced with. These solutions are linked to national and provincial development strategies and targets. The identified key issues and challenges can therefore be addressed by one or more of the following possible solutions presented:

- Implementing appropriate community upliftment and empowerment programmes.
- The roll-out of an HIV/AIDS Programme.
- Providing the necessary facilities that would create an environment where people can meet their basic needs and improve their quality of life.
- Implementing a LED Programme, focussing on employment creation programmes and greater economic diversity.
- Creating a stronger nodal pattern in the Municipal area through the possible development of Batho Pele Service Centres.
- Addressing the organisation and management of human settlement and creating an environment which is conducive to sustainable settlement and living.
- Implementing more appropriate land use management by applying the LUMS.
- Agriculture needs to be promoted to create downstream investment opportunities in the manufacturing sector.
- Developing and implementation of a fully-fledged Tourism Plan.
- Initiating key economic development projects.
- Implement measures that will result in the sustained economic development of the area with focused economic growth strategies for Ndwedwe and Maphumulo.
- Create an enabling environment to stimulate investment interest and confidence and maintain the momentum created. This includes skills training, adult education and increased access to job opportunities.
- Plan and provide time scales for basic engineering service provision to rural areas.
- Maintain and upgrade existing services in urban areas.
- Implementing service delivery plans in respect of all engineering services.
- Implementing projects that integrate social, infrastructural and economic development.
- Providing social facilities and social educational programmes focused on the provision of shelter/place of safety for people in distress (HIV/AIDS, abused women and children) and permanent accommodation for orphans.
- Delivery of housing through the coordination of Municipal Housing Sector Plans.
- The provision of Batho Pele Service Centres in the rural areas could address this shortcoming. These centres are one-stop shops for those community services required on a frequent basis. The concentration of social activities may also spur the attraction of economic activities.
- Continued financial management and discipline.

- Formulating and implementing a programme of engagement to facilitate more effective co-ordination between the District, Local Municipalities and other service providers in the funding and delivery of services.
- Formulating and implementing a programme for the more effective targeting and utilisation of external sources of funding.

These solutions now come into play in the next section, i.e. the iLembe IDP Strategies where they are synthesised into coherent IDP strategies, objectives, programmes and projects.

B17. ILEMBE “TURN AROUND” STRATEGY

Within the current context and the MEC evaluation letter the following adjustments need to be considered during this review:-

- Additional information with regards to indigent Policy linked to roll-out of Free Basic Services (FBS);
- Funding of the Disaster Management Plan remains a challenge;
- Provide details on economic opportunities linked to Soccer 2010 Events;
- Review backlogs pertaining to basic services and linked to realistic funding strategies;
- Capital Investment Framework noted but need to ensure that internal / external funding is aligned with MTEF's from Sector Departments;
- Securing of project funding linked to priority programmes and projects;
- Alignment of Organisational Performance Management Framework to the SDBIP which needs to be addressed in coming review; and
- Update and review Spatial Development Framework to align capital investment / expenditure.

Apart from the MEC comments, the iLembe Municipality through extensive strategic planning sessions have formulated and prepared a “Turn Around” Strategy (**Appendix K3**) that relates to an Institutional Arrangement/Restructuring Strategy, overall Service Delivery (Basic Services) linked to detailed Action Plan setting out short, medium and long term strategies, etc. The diagram below depicts the process followed to assess the iLembe District Municipality within the context of:-

- Is the iLembe Vision realistic and can the municipality achieve the goals as set out in the said Vision?
- Are the Key Areas of Intervention and Challenges aligned with the overall Strategic Thrust?
- Does the iLembe District Municipality fulfil its mandate in terms of Section 84 Schedule of Functions, and what are the associated challenges?



Once the has been assessed the focus areas (high importance) need to be evaluated against the Financial Implications, Organisational / Institutional Arrangements and undertake a Risk Profile, where after the actions are prioritised and aligned with a “SMART” Action Plan. The Action Plan will outline the Responsibility, Timelines, Budget Implications and Implementation Process. Once the above has been

formulated and adopted as the way forward, the "Turn Around" Strategy will influence and be incorporated into the Organisational Performance Scorecard.

The following two schedules (schematic representation) depicts a self-assessment / evaluation of the iLembe District Municipality performance against its mandate in terms the Power and Functions of the Municipal Systems and Structures Act. The diagram indicates whether the District performs the function or not, did the Auditor General (AG) Report logged a query, did the MEC during his IDP Evaluation make reference to non-complying or identified areas for improvement, and then lastly internal performance was evaluated against the Organisational Performance Scorecard. In summary the iLembe District Municipality is not fulfilling its mandate, which in turn was queried by the AG. Furthermore, the IDP evaluation by the MEC Panel makes reference to some shortcomings that need to be addressed and to be incorporated as part of this review. Within the context of the self-evaluation (Performance Management Report) the municipality is scoring below average and can be regarded as poor.

Having considered the impact of such and comparing the strengths, weakness against the current state of affairs as associated risk, the "Turn Around: Strategy was formulated. In summary the strengths to be noted are:-

- Good Strategic Plans in place (Best IDP in province);
- Active participating Councilors;
- Overall Dedication and Commitment;
- Political Stability;
- Good relationship with Private Sector;
- Focused Service Delivery – resource allocation; and
- General Compliance with Legislation.

The risk exposures are:-

- Aging Infrastructure;
- Reliance on Grant Funding;
- Revenue Collection;
- Inadequate water as a Resource;
- Water Loss linked to Billing System;
- Ability to respond to Basic Services Delivery; and
- SCM System to be Streamlined.

Although the challenges are discussed in more detail as part of the "Turn Around" Strategy Report a number of solutions are presented but for purposes of this IDP Review, Top 5 Priority Areas were considered and addressed:-

- Financial Viability & Sustainability;
- Aged Infrastructure linked to Water Loss;
- Organisational Review that relates to systems, processes, structure, skills, etc;
- Communication i.e. lack of public participation; and
- Interim Turn Around Management that considers governance matters, setup control procedures and overall management.

The diagram depicts the road map for the "Turn Around" Strategy.

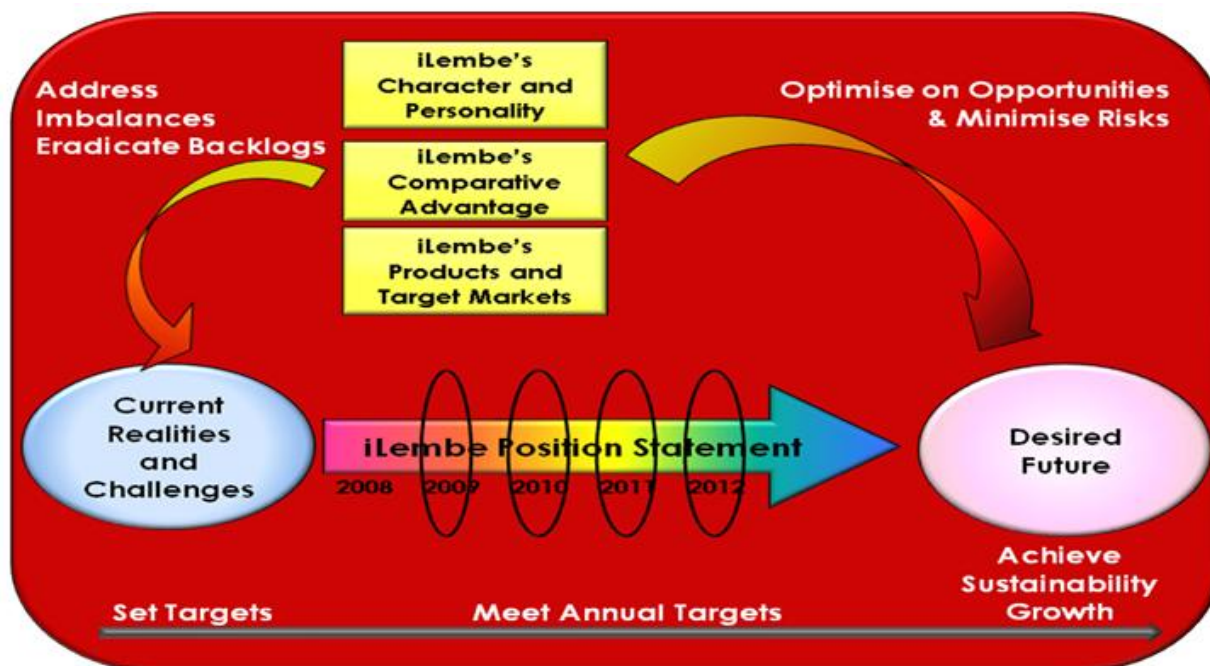


SECTION C: THE IDP DEVELOPMENT STRATEGIES

C1. ILEMBE'S POSITION STATEMENT

The iLembe position statement provides a common perspective that ensures that all planning endeavours are focused on the same aim or destination to achieve the desired future for the District. This position statement creates common ground on which all stakeholders can agree and embrace in their individual or joint efforts to achieving the desired future.

The future development of the iLembe District is focused on the following perspective:



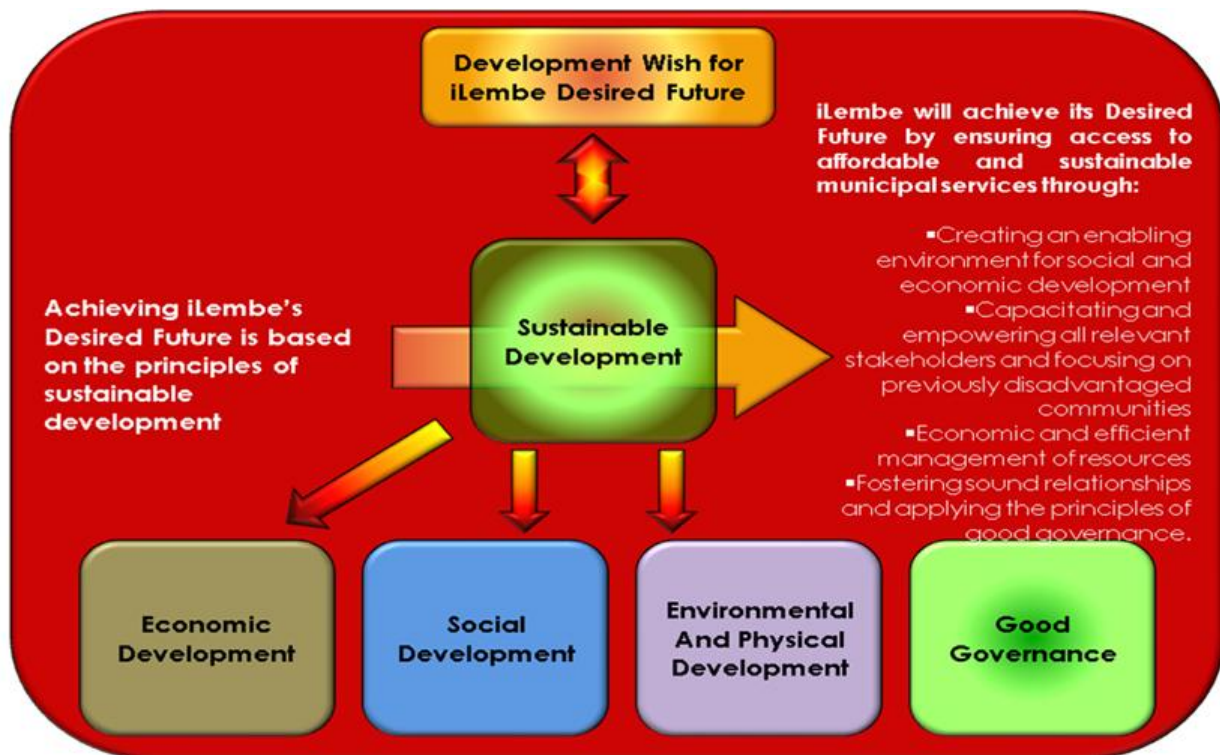
- **Its character and personality:** iLembe is an area of scenic beauty and strong developmental contrasts. As a potential and growing tourist destination it needs to make a visual and aesthetic impact on all passers-by who will remember iLembe as a place and an experience they enjoyed.
- **Its comparative advantage:** iLembe is strategically located between two of Africa's largest trade ports, i.e. Durban and Richards Bay with the N2 eThekweni-iLembe-uThungulu Corridor, also referred to as a Multi-sectoral Service Corridor, passing through its economic core. This advantage is further strengthened by the proposed DubeTradePort development on iLembe's southern boundary. These aspects provide for ample opportunity to attract economic investment that will benefit all the communities of iLembe and must be made widely known and propagated to promote iLembe as a prime business and development District. iLembe is also soon to embark on its development and marketing as a prime business and investment hub.
- **Its products and target markets:** iLembe has plenty of products to offer in all the economic growth sectors put forward by the KZN PSEDs, i.e. agriculture, industrial, tourism and services. These need to be clearly defined and promoted to the benefit of all the existing and future inhabitants of iLembe.

C2. ILEMBE'S DEVELOPMENT VISION

The iLembe position statement provides the foundation from which a clarity and agreement can be obtained of the desired future for the District. By explicitly formulating a development wish the iLembe District Municipality can ensure that all planning endeavours are focused on the same aim or destination. It inspires, focuses the attention and mobilises all residents, communities, stakeholders, politicians and officers in creating that desired future.

Ultimately this development wish can be condensed into a more catchy vision statement, but the basics stay the same, i.e.:

- Creating economic growth and jobs.
- Eradicating backlogs in service delivery
- Providing for housing and socio-economic development (including the impact of HIV/AIDS).
- Positioning the iLembe area as a prime tourist destination.
- Making the area of iLembe a safe and vibrant meeting place of rural, traditional and urban life-styles.
- Integrating the first and second economies to benefit from investment.
- Achieving a sustainable settlement pattern where people could meet all their needs to provide for a better quality of life and maintain sustainable livelihoods.
- Creating functional and institutional harmony with upstream and downstream spheres of government.



A Vision Statement is an essential ingredient in successful comprehensive development planning. Essentially, the statement should reaffirm time-tested policies or values that are generally held as positive development and community trademarks and identify others deemed relevant. Moreover, a Vision Statement should be a reflection of developmental and community aspirations. Through periodic review and refinement, it should help to set parameters for future municipal and community activities.

To guide the ultimate development of the iLembe District, the following development Vision is pursued:

Vision 2027 :To be a World Class African Destination, with excellent services and quality of life for it's people

The ILembe District Municipality will achieve it's Vision by 2027 subscribing to the following:



C3. ILEMBE'S DEVELOPMENT THRUSTS

ILembe has set itself the following strategic objectives and development thrusts as a guide towards achieving its Vision and to create a framework within which strategies, projects, programmes and eventual implementation can occur:

- Promote investment along existing and new corridors.
- Promote investment within defined nodes.
- Promote investment that contributes to regeneration and renewal.
- Promote investment in industrial hubs and introduce incentives.
- Provide sufficient, affordable, reliable infrastructure services.
- Encourage rural settlement along road networks and existing Infrastructure.
- Undertake skills development and maintain an updates skills database within the District, incorporating EPWP and AsgiSA principles.
- Establish a Shared Services Centre as a seat of capacity building and fast-tracking of delivery.
- Establish and promote PPPs.
- Establish cooperatives to maximise economic opportunities in the agricultural sector.
- Preserve and protect the natural environment through the application of appropriate conservation management.
- Regularly maintain and upgrade existing infrastructure.
- Promote cultural and community based tourism.
- Promote integrated tourism development.

C4. ILEMBE'S STRATEGIC DEVELOPMENT ROLE

Within a development context iLembeDistrictMunicipality has very specific roles, i.e.:



- Balanced approach to fund allocation and identification of strategic projects and programmes.
- Establish and disseminate guidelines and standards for efficient and effective service delivery in an integrated manner.
- Ensure integration of actions that support one another and encourage innovation, coordination and methods of implementation.



- Provide funding for strategic and coordinated service delivery, especially for those services that are the responsibility of the District.
- Through the coordination of the Local IDPs, identify common strategic projects for implementation.



- Create and communicate alternative incentives for service delivery and investment in the District.
- Create mechanisms that will ensure sustainable investment and economic opportunities.
- Develop and provide training for new approach and requirements.
- Establish a Shared Services Centre for coordinated and streamlined administration.
- Identify needs and opportunities for intervention especially in relation to cross-border initiatives.



- Ensure that funding is available and within the budgetary allocation towards training, capacitation, project management, monitoring, evaluation and communication.
- Establish an environment conducive to investment, skills transfer, BEE and service delivery.

C5. ILEMBE'S DEVELOPMENT STRATEGIES

To achieve this Vision together with sustainable growth and development within the District, the following Strategies and Objectives are to be explored and invested:

KPA1: Service Delivery & Infrastructure Development

Objective: To address services backlogs and future growth as well as maintain and upgrade existing infrastructure.

Municipal Action

- Prepared a Water Services Master Plan.
- Prepared an Energy Master Plan.
- Prepare Transportation Infrastructure Plan.
- Eradicate 15% of the water and sanitation backlogs.
- Improve the Spatial Structure of the District through proper land use management.
- Coordinate and facilitate the provision of infrastructure towards social services.
- Establish an Electrification Programme, particularly in KwaDukuza and Mandeni.
- Maintain and upgrade electrification networks.
- Provide and upgrade the road network.
- Provide waste management services.
- Emergency Water Supply and Management

Achievements to Date

- Master Plans have been prepared and backlogs verified.
- Master Plans outlined preferred options associated with funding requirements.
- Reduced backlogs by 7.5% by delivering water to 6 090 households and sanitation to 2 356 households.
- Partnership with Umgeni Water for bulk water supply.
- Established regional landfill and transfer sites.
- Gradually implementing Free Basic Electricity (50kw/h).
- Implementing Free Basic Water (6kl/m).
- Implementing Free Basic Solid Waste for the Indigent.
- Electrification of 1 560 new houses in KwaDukuza.
- Upgrade in progress of 3 sub-stations in KwaDukuza.
- General maintenance of roads.
- General upgrade of sports and recreation facilities.
- Established a Capital Investment Framework that is linked to the IDP.
- Upgrade of bulk electricity to the value of R129m in Ndwedwe and Maphumulo.
- Energy Master Plan linked to Roll-Out and funding requirements.
- Review of SDF to guide investment along corridors and nodes.
- Formulated "turn Around" Strategy linked to Action Plan.

KPA 2: Social and Economic Development

Objective: To stimulate economic development and reverse current trends of decline in diversity thereby enhancing economic growth

Municipal Action

- Prepare the LED Strategy.
- Increase the competitive advantage of the District.
- Act on development opportunities.
- Stimulate and invest in this District as a tourism destination.
- Integrate economies to achieve socio-economic upliftment.
- Focus on poverty alleviation and empowerment.
- Achieve sustainable development by incorporating environmental decision-making tools.
- Align Local Municipal Housing Sector Plans.
- Endeavour to achieve sustainable human

Achievements to Date

- 4 Sector Plans and a combined LED Strategy have been prepared.
- 12 Lead Projects were identified – 3 each for the economic sectors Agriculture, Tourism, Manufacturing and Services.
- A Regional Development Agency has been established.
- The Growth Coalition has been established.
- The Growth and Development Summit (2007) was held.
- R5m was sourced and secured from Provincial and National funds.
- DEAT seconded an Environmental Specialist to the District.
- Upgrade of Ndwedwe and Maphumulo Villages (NGDP).
- An Incentive Scheme Strategy is currently in progress.

- settlement in all aspects of development and growth.
- Develop By-Laws for Environmental Health Services.
- Occupational Health Risk Assessment.
- Fire Services linked to Disaster Management Plan.
- R35m was allocated towards Corridor Development (DLGTA).
- The Integrated Environmental Development Plan has been approved.
- The Environmental Risk and Hazard Assessment has been undertaken.
- Approved the Coastal Development Plan.
- Approved the Land Use Management Framework.
- Established a SEDA Office.
- Facilitated delivery of low-cost, subsidised housing throughout District.
- Established a Disaster Management Center.
- The regeneration and renewal of the KwaDukuza and Mandeni CBDs were initiated and underway.
- Approved building plans to value of R900m, primarily in KwaDukuza.
- Prepared and adopted Spatial Development Plans to guide future growth.

KPA 3: Good Governance and Public Participation

Objective: To provide systems and mechanisms for accountability and public participation in municipal developmental affairs.

Municipal Action

- Formulate an IDP within the context of the 5-year cycle.
- Establish institutional structures.
- Empower the Municipality and its workforce to champion social and economic change through transparent and cooperative governance.
- Build a culture of good governance.
- Prepare and implement the PMS that is linked to IDPs and the SDBIP.
- Improve Public Participation efforts.

Achievements to Date

- Adopted the iLembe 2007 – 2012 IDP which was rated "Best Family of Municipalities" IDP.
- Established a District HIV/AIDS Council.
- Established a Youth/Gender Sub-Committee.
- Approved a Community Participation Plan.
- Adopted a Communication Strategy.
- Established the PMS and SDBIP.
- Established Sector Alignment Forums for more effective IDP coordination.
- Established a Planning Forum, focusing on coordinate planning initiatives.
- Appointed Audit Committees.
- Established a District Coordinating Forum.
- Established a Traditional House of Leaders with the appropriate Framework Protocol Agreement signed.
- Established and operationalised 66 Ward Committees.
- Deployed 33 CDWs in the District.
- Established a District Technical Coordinating Committee.
- Employed OSAC Officer.

KPA 4: Municipal Transformation and Institutional Development

Objective: To promote an institution that is representative, participative and empowered to improve the institutional capabilities for service delivery.

Municipal Action

- Undertake skills training to improve staff performance.
- Promote innovative leadership.
- Build capacity through sharing of services.
- Develop Strategy to retain critical and scarce skills.
- Develop innovative Leadership.
- Prepare and implement PMS linked to IDP's and

Achievements to Date

- Powers and functions have sufficiently been dealt with at an institutional level.
- Completed the Municipal Annual Report successfully.
- Implementation plans completed for designated groups, i.e. woman, youth and disabled.
- Staff structure currently under review.
- Shared Services allocated to Enterprise iLembe.

- SDBIP
- Develop and review annually the Organisational Structure.
- Optimisation of ICT to improve Business processes.
- Implementation of Employment Equity Plan.
- Undertake Client Satisfaction Survey – link findings to “turn Around” Strategy.

- Established 5 ICT Centres through the E-Cooperatives Programme.
- Deployed planning support for township establishment in Ndwedwe and Maphumulo.
- Formulated “Turn Around” Strategy linked to Action Plan.

KPA 5: Municipal Financial Viability and Management

Objective: To manage municipal resources to ensure financial sustainability and affordability.

Municipal Action

- Introduce and provide Development Incentive Schemes
- Stimulate the local economy.
- Undertake a performance based budget that is accurate and realistic.
- Boost investment confidence and interest through sound financial principles and discipline.
- Improve Revenue Collection.
- Develop strategy to improve Billing System.
- Review expenditure on Non-core activities
- Review Indigent Policy
- Improve SCM.

Achievements to Date

- Received a FITCH rating of BB+.
- Employed staff in key financial positions.
- The SDBIP was approved and is continuously being monitored.
- Adopted the Rand for Rand Campaign – considering its continuation
- Data cleansing focusing on revenue enhancement is currently underway.
- The budget has successfully been linked to the IDP, PMS and SDBIP.
- Established Internal Audit Unit

In summary, the following challenges and interventions apply to iLembe District at a strategic level:



SECTION D: THE SPATIAL DEVELOPMENT FRAMEWORK

D1. ALIGNMENT OF THE SDF WITH KEY PROVINCIAL & NATIONAL POLICIES

THE NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE (NSDP)

iLembehas considered the National Spatial Development Framework within the SDF formulation which has ensured that there is alignment between the NSDP and the IDP, the SDF and the IDP Sector Plans. Part of the project included an assessment of the SDF to see whether it fulfilled the NSDP principles.

This assessment concluded that there was good alignment between the NSDP and the iLembe SDF.

The principles for the NSDP are summarised as follows:

- Government spending on fixed investment, beyond the constitutional obligation to provide basic services to all citizens (such as water, electricity as well as health and educational facilities) focus on localities of economic growth and/ or economic potential. This is in order to attract private- sector investment, stimulate sustainable economic activities and/ or create long-term employment opportunities.
- Economic growth is a pre-requisite for the achievement of other policy objectives, key among which are poverty alleviation.
- In localities where there are both high levels of poverty and development potential, fixed capital investment beyond basic services are to be included to exploit the potential of these areas.
- Efforts to address past and current social inequalities should focus on people and not places.
- In order to overcome the spatial distortions of Apartheid, future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centres.
- In localities where there is low development potential, government spending beyond basic services should focus on providing social transfers, human resource development and labour market intelligence.
- As indicated above, the NSDP Pilot Project (2009) concluded that there was good alignment between the IDM's SDF and the NSDP.

The iLembe SDF is currently under review and attached as **Annexure J1**, it serves as a tool for the implementation of the IDP and localised spatial plans and policies, including the LUMS. It also serves to facilitate planning at a higher level by informing district and provincial authorities of the spatial development directives of the iLembe Local Municipality. Furthermore, the broad purpose of the SDF is to provide strategic guidelines and principles in terms of which development initiatives and land use applications can be evaluated. The SDF is guided by the following 5 spatial principles which form the foundation of an appropriate SDF:

- Equality
- Efficiency
- Integration
- Sustainability
- Fair and Good Governance

D2. SPATIAL DEVELOPMENT VISION AND THRUSTS

As the central future concept for development within the municipality, this vision needs to be translated spatially in order to ensure the development of land as well as the future management of all resources all work towards the achievement of this vision and does not contradict it.



In

translating the development vision of the municipality, the core elements of the vision is firstly identified and then expressed in terms of Spatial concepts, responsibilities or challenges. The entire Spatial Development Framework which then follows should ideally be structured and linked to these **core spatial challenges** based on an interpretation of the overall development vision as illustrated below:

The resulting spatial challenges can be described as follow:

THE SPATIAL CHALLENGES IN ACHIEVEING THE VISION	
SPATIAL SUSTAINABILITY	Implies a sense of balance, between the key activities found on land. A continued balance between economic development, social development and environmental development should be sought in all development actions. Practically this will imply that cognisance should be taken of the impact of any development in any one sector on the other two sectors to ensure continued development. If iLembe is to become attractive a World Class Investment Areas, the principle of sustainability is vital to create and secure investment environment as well as ensuring long term benefits to local residents from such investments.
SPATIAL EFFICIENCY	Refers to the most economical and viable means of achieving spatial development within the limitations of available resources. Efficient and strategic spatial planning should ensure the co-ordination and the resolution of conflicts between competing activities, while strengthening market access and unlocking development opportunities crucial for economic growth.
SPATIAL EQUITY	Refers to the fair distribution and access to land and resources. It also recognises that the playing field is not always level in the competition between various land users. In order to ensure fair and equitable spatial development, it may be necessary to take special measures to remedy the disadvantages and promote equity of space in line with the principles of the Development Facilitation Act. The main responsibility of spatial equity is to ensure that all land users have the opportunity to use suited and available land to address their basic needs and requirements for prosperity.

These challenges are crosscutting in nature and needs to addressed within all the development sectors identified, within all of the development priorities as well as within all geographical areas of the municipality; urban as well as rural settings. Thus these three spatial challenges will form the basis of the entire Spatial Development Framework in order to achieve the municipal development vision.

iLembe's Development Thrusts

The IDP challenge and key issues that need to be addressed in the iLembe context revolve around the fact that the communities residing in the rural areas are more severely affected by aspects such as poverty and service backlogs than the urban community. Community upliftment and economic empowerment should involve integrated projects of social infrastructure development, environmental management and local economic development. Empowerment programmes should essentially be focused on the rural areas. The general improvement and growth of the economy of iLembe should focus on economic development, job creation, attraction of investment and maintenance of development standards within the urban areas. The spin-offs would ensure the future sustainability of this area and enable the iLembe community to improve their quality of life.

Strategic Thrust: Accelerating Growth and Development Strategies

- Promote investment within defined nodes.
- Promote investment that contributes to regeneration and renewal.
- Promote investment in industrial hubs and introduce incentives.
- Establish a Shared Services Centre as a seat of capacity building and fast-tracking of delivery.
- Promote investment along existing and new corridors.
- Optimising on the opportunities presented by the Umhlathuze-ILembe-eThekweni Corridor to act as catalyst to accelerate and share growth and development in the district.
- Re-enforcing and strengthening the Stanger hub as main driver of economic growth and development in the District.
- Specific and focused packages and interventions to stimulate the competitive advantage of the dominant agricultural, tourism and manufacturing sectors in the District.

Strategic Thrust: Sharing Growth and Development Strategies

- Eradicate the backlog in the provision of basic services such as water, sanitation, electricity and housing, especially in the rural areas and in the informal settlements.
- Eradicating poverty and addressing specific areas in reducing the number of people below MLL.
- The HIV/AIDS pandemic and its impact on regional demographics.
- Provide sufficient, affordable, reliable infrastructure services.
- Encourage rural settlement along road networks and existing Infrastructure
- Undertake skills development and maintain an updates skills database within the District, incorporating EPWP and AsgiSA principles.
- Establish and promote PPPs.
- Establish cooperatives to maximise economic opportunities in the agricultural sector.
- Regularly maintain and upgrade existing infrastructure.
- Promote cultural and community based tourism.
- Promote integrated tourism development.

Strategic Thrusts: Environmental Sustainability Strategies

- Preserve and protect the natural environment through the application of appropriate conservation management.
- The protection of natural water resources.
- The maintenance and preservation of a pristine environment.

The ILembe District Municipality has achieved some critical developmental and local economic milestones that are related to the strategies and policies put in place. Although much progress has been made in terms of local economic development within the District and the Local Municipalities, impact on job creation and poverty relief is still limited. Continued infrastructural and institutional support with regard to achieving sustainable settlement and development are required at the district and local municipal level, particularly in respect of addressing continued and looming backlogs.

D3. SPATIAL INTERVENTIONIST RESPONSES

In order to refine and spatially identify specific **interventionist responses** extensive use was made of overlaying various GIS layers and queries of information reflected in the status quo and analysis stage. In determining the Intervention Zones the following data sets of information were used.

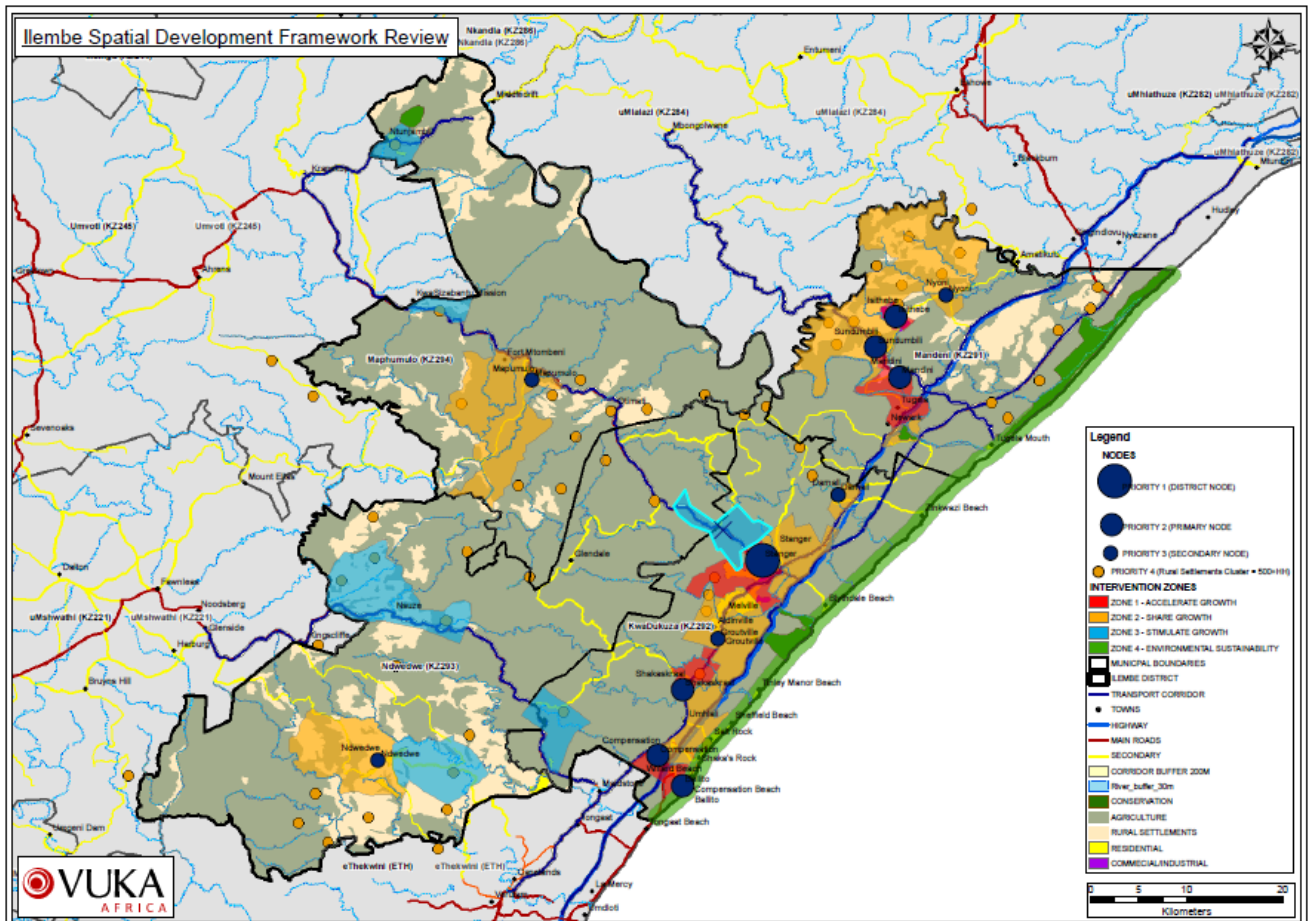
- Areas of economic significance in terms of the hierarchy of nodes
- Minimum level of living combined with accessibility to areas of Economic Significance
- Rural nodes and former Exclusion Areas located within areas of Economic Significance
- Rural nodes and former Exclusion Areas located outside areas of Economic Significance
- GIS layers indicating environmentally sensitive areas and possible conflict zones with regard to future and proposed development.

The outcome of this exercise resulted in key localities for responses outlining appropriate interventions according to the following **zones**”:



- **Intervention Zone One :** Main Economic Growth Areas for prioritised development spending
- **Intervention Zone Two:** Social Inclusion Areas representing areas for investment in people rather than in places
- **Intervention Zone Three:** Stimulating and kick starting New Potential Growth Nodes
- **Intervention Zone Four:** Environmentally Sensitive Zones.

The plan below illustrates the spatial expression of the above mentioned strategies and is further explained within the attached Spatial Development Framework as **Annexure J1**.



Apart from the identified intervention zones, the following key spatial structuring elements should also be considered

Movement, Investment and Development Structure

The major structuring element for determining for the existing and future concentration of development, activity and investment in the Ilembe District consists of an access and movement hierarchy that has been established through the major internal and external national and provincial linkages, including the N2 and the R102.

- Primary Development and Investment Corridors:** Consisting of the existing series of east-west provincial roads linking the N2 in the east and the western parts of the District, as well as the R102 west of the N2. The majority of the roads suggested for the establishment of primary corridors are in place.
- Secondary Development and Investment Corridors:** The major components of the secondary corridors consist of the north-south linkages inland from the R102 and a hinterland north-south linkage connecting Ndwedwe and Maphumulo Villages. The construction of this north-south link road between Main Road 20 (Stanger-Kranskop) in the north and P25 (Tongaat to Wartburg) in the south was identified as an area of intervention in the Presidential Imbizo and has according been included in the District Projects list. These corridors represent an intermediate structuring element, providing location for development and activities primarily at the local level, but at a higher level than strictly community-orientated activities. Again the proposed corridors are substantially located on an existing road network. However, additional inter-linkages between the individual Local Municipalities would be beneficial for the establishment of greater accessibility in and to the western part of the District. Much of this area is considered underdeveloped and improved accessibility, the establishment of additional interceptor points, together with programmes for improved physical and social services and local economic development, is expected to improve development conditions.
- Tertiary Access Corridors:** These are not indicated in the District SDF. They are however expected to be identified in the Local SDFs as they are intended to represent the focus for local area development. The

interceptor points of the tertiary corridors as well as the tertiary with the secondary corridors will be ideal places for secondary, tertiary and local development nodes.

Development and Activity Nodes

Again, the establishment of a hierarchy of nodes is suggested depending on their function, location and existing development in accordance with the following:

- **District Node:** This node is expected to accommodate the central administrative and service functions serving the entire District. Stanger fulfils this function, accommodating one of the largest urban concentrations within the District. It provides location for much of the economic and industrial development of the area forming the most important centre of the District.
- **Primary Nodes:** These nodes function as the main centre within each of the Local Municipalities, providing the central administrative and service functions for the local area. The towns/villages of Mandeni, Maphumulo and Ndwedwe are the primary nodes together with Ballito/Zimbali, located in the KwaDukuzaMunicipality, which represents a special case in terms of significant residential, tourism and economic development without accommodating administrative functions. All nodes consist of existing developments located mostly at the interceptor points of primary and secondary development corridors. Because of their central function within the relevant LocalMunicipality, these primary nodes are expected to attract a series of other developments, including urban residential development, commercial and economic development, etc.

Natural Structuring Systems

The District SDF highlights the importance of **the coast** in terms of a unique maritime environment and its resulting high level of environmental sensitivity. This includes the specific environments of the series of **river mouths, estuaries and lagoons**, each of which should be addressed individually in terms of their environmental uniqueness and opportunities for integration into recreational and tourism activities, as well as the potentially surrounding built environment. The Local SDFs and potential specific beachfront development frameworks should identify the unique opportunities, constraints and threats relating to the environmental issues versus development pressures on the coast.

The second important component of the natural structuring system consists of the numerous **major east-west running river valleys**. These represent major topographic barriers and breaks in any development. Many of these valleys contain significant areas of indigenous vegetation and should be utilised, together with relevant tributaries, as a natural green network structuring the landscape. The width of this system depends on local topographic and environmental. Together with local communities and relevant stakeholders appropriate management and maintenance systems should be established and rehabilitation programmes considered.

This approach would also include the appropriately protection, management and rehabilitation of the natural environment within **existing mountain and hill ranges** as well as other unique natural habitats that have been identified. Where possible the variety of components should be integrated and linked into an overall natural system. Particular attention is required regarding the appropriate protection, management and rehabilitation of natural areas, river valleys, areas of natural beauty, etc. in the western parts of the District. These elements will contribute to establishing recreational and tourism opportunities that link into the more traditional beach-orientated activities.

D4. INTEGRATION AND RECONSTRUCTION

Integration and reconstruction are issues that, while not always related to each other, are of significance in the development of the District. These elements of the SDF can only be represented spatially at the district level to some extent. Appropriate approaches which extend beyond purely physical development need to be established in coordination between District and Local Municipalities.

- **Integration:** This is required to take place at a variety of development levels ranging from provincial to inter-district to local municipal level in terms of land uses and activities, development structuring elements, environmental approaches, etc. At the more detailed level integration is required in terms of settlement development, related development and the wider living environment as well as the design of settlement, nodal development, utilisation and integration of the natural environment, etc.
- **Reconstruction:** The reconstruction of the District and the Local Municipalities is of great significance if the objective is to go beyond visions and intentions. This requires a greater emphasis on providing improved living conditions in the presently underdeveloped areas of the District, including improved physical and social service provision, local economic development, preservation and appropriate usage of natural resources, etc. Guidance also needs to be provided for a better structuring of growth, creating unique and liveable environments in which the communities can develop themselves. This will obviously have to take place in close cooperation with the relevant communities and their structures.

SECTION E: SECTOR ALIGNMENT

The iLembe Development Vision is supported by various objectives and strategies to guide decision-making and the allocation of funds. Delivering on the expectations created through this can, however, only materialise if all efforts are focused on the implementation of those projects that would best serve in attaining the objectives.

E1. DEPARTMENT OF HEALTH

DEPARTMENTAL VISION	To provide the best, comprehensive, accessible, integrated, sustainable, cost-effective and equitable quality service to the people of the iLembe District.
MISSION	To provide a sustainable, integrated and comprehensive health service at all levels; based on the Primary Health Care approach through the District Health System, so as to increase the capacity of individuals to accept responsibility for their own health.
STRATEGIC GOALS	<p>The following departmental strategic goals will focus on improving the health system to permit cost-effective use of limited resources and assure that services are responsive to the needs of the poor.</p> <ul style="list-style-type: none"> • Effective implementation of the comprehensive HIV/ Aids strategy; • Strengthen Primary Health Care and providing caring, responsive and quality health services at all levels; • Promote health, prevent and manage illnesses with emphasis on poverty, lifestyle trauma and violence; • Human resource management for public health; and _ Infrastructure investment in health technology, communication, management information systems and buildings.
DEPARTMENTAL MTEF	The MTEF for the Department of Health as it was presented during various iLembe Intergovernmental Alignment meetings has been incorporated within the Capital Investment Framework.

E2. DEPARTMENT OF HOUSING

DEPARTMENTAL VISION	The vision of the KwaZulu-Natal Department of Housing is: <i>Innovative champions of change in the housing sector to improve the quality of life for all in KwaZulu-Natal.</i>
MISSION	The mission statement of the KwaZulu-Natal Department of Housing is to create an enabling environment for the development of sustainable human settlements in partnership with stakeholders to improve the quality of life for all in KwaZulu-Natal.
STRATEGIC GOALS	<ul style="list-style-type: none"> • Eradication of slums in KZN by 2014; • Strengthening governance and service delivery; • Ensuring job creation through housing delivery; • Accelerating housing delivery in rural areas; • Accelerating the hostel redevelopment and upgrade programme; • Completion of all blocked projects by 2007; • Creating rental/ social housing opportunities; • Building the capacity of Housing stakeholders (especially municipalities); • Promotion of homeownership; • Provision of housing for vulnerable groups including those affected by HIV/ Aids; • Ensuring the provision of incremental housing; and • Implementation of Financial Services Market Programme.
DEPARTMENTAL MTEF	The MTEF for the Department of Housing as it was presented during various iLembe Intergovernmental Alignment meetings has been incorporated within the Capital Investment Framework.

E3. DEPARTMENT OF EDUCATION

DEPARTMENTAL VISION	The vision of the Department of Education is: <i>A literate and skilled 21st century society that is able to benefit from participating in all democratic processes, and contribute to the development and growth of the people of KwaZulu- Natal.</i>
MISSION	To provide opportunities for all our people to access quality education this will improve their position in life and contribute to the advancement of a democratic culture in KwaZulu-Natal.
STRATEGIC GOALS	Provide high quality, relevant education to all learners, regardless of age, which will equip them with knowledge, skills, values and attitudes to meet the challenges of the 21st century; <ul style="list-style-type: none"> • Transform the department into a 21st century learning organisation, with the focus on results, high performance, effective communication and quality service delivery; • Transform schools and colleges into self-reliant and effective learning institutions that are also community centres for lifelong learning; • Develop the department's human resource capacity to meet the highest standards of professionalism in line with the requirements of the Employment Equity Act and other transformation targets; • Provide and utilise resources to achieve redress and equity, and to eliminate conditions of physical degradation in institutions; • Eliminate fraud, corruption and mal-administration; and • Deal urgently and purposefully with the impact of the HIV and AIDS pandemic, as part of an integrated provincial response.
DEPARTMENTAL MTEF	The MTEF for the Department of Education as it was presented during various iLembe Intergovernmental Alignment meetings has been incorporated within the Capital Investment Framework.

E4. DEPARTMENT OF WORKS

DEPARTMENTAL VISION	The vision of the Department of Works is: <i>A thriving economy through infrastructure development and property management.</i>
MISSION	The mission of the department is to lead in infrastructure development and property management in KwaZulu-Natal.
STRATEGIC GOALS	The department is committed to the provincial priorities and will strive, in the next three years, to achieve the following key strategic objectives: <ul style="list-style-type: none"> • To provide and facilitate the provision of accommodation and property management services to satisfy client needs; • To achieve optimal utilisation of fixed state assets through effective implementation of the Government-wide Immovable Asset Management System; • To improve integrated service delivery; • To create jobs through the Expanded Public Works Programme (EPWP); • To enhance the following envisaged benefits of departmental programmes for contributing to bridging the gap between the first and second economy and the anti-poverty campaign through: <ul style="list-style-type: none"> ○ skills development in the built environment; ○ employment creation; ○ creation of an enabling environment to attract women, youth and the disabled to the construction industry and property industry; and ○ development of new capacity in the construction industry through active support for emerging contractors and emerging consultants. • To implement the 'National Youth Service' (NYS) programme; • To ensure effective and efficient management of the department's financial resources; and • To have a competent, empowered and motivated workforce.
DEPARTMENTAL MTEF	The MTEF for the Department of Works as it was presented during various iLembe Intergovernmental Alignment meetings has been incorporated within the Capital Investment Framework.

E5. DEPARTMENT OF LOCAL GOVERNMENT & TRADITIONAL AFFAIRS

DEPARTMENTAL VISION	People centred sustainable local governance which focuses on effective service delivery responsive to the needs of the communities
MISSION	The Department will promote people-centred, accountable and viable local governance that accelerates Service delivery and ensures sustainable communities.
STRATEGIC GOALS	<p>The strategic objectives of the department for 2010/11 are aligned to the strategic goals of the five-year local government agenda.</p> <p>The goal: <i>Mainstreaming hands-on support to local governance to improve governance, performance and accountability</i>, will be achieved through the following objectives:</p> <ul style="list-style-type: none"> ○ Management of institutional development; ○ Facilitation of basic service delivery; ○ Promotion of local economic development; ○ Facilitation of good governance and public participation; ○ Oversight of municipal transformation and organisational development; and ○ Facilitation of financial viability and financial management. <p>The goal: <i>Addressing the structure and governance arrangements of the state, in order to better strengthen, support and monitor local governance</i>, has as its objectives:</p> <ul style="list-style-type: none"> ○ Monitoring of inter-governmental relations; and ○ Supporting and monitoring institutional empowerment. ○ The objectives in respect of the goal: <i>Refining and strengthening the policy, regulatory and fiscal environment for local governance and giving greater attention to enforcement measures</i>, are as follows: ○ Review of the two tier system of local government; and ○ Facilitation of legislative amendments. <p>The goal: <i>Client-oriented, economical, efficient and effective management of its resources</i>, will be achieved by the following objectives:</p> <ul style="list-style-type: none"> ○ Provision of an effective and efficient service to the MEC; and ○ Provision of sound corporate services.
DEPARTMENTAL MTEF	The MTEF for the Department of Local Government and Traditional Affairs as it was presented during various iLembe Intergovernmental Alignment meetings has been incorporated within the Capital Investment Framework.

E6. DEPARTMENT AGRICULTURE AND ENVIRONMENTAL AFFAIRS

DEPARTMENTAL VISION	A champion for a prosperous agricultural productive land use, food security and environmentally sustainable livelihoods.
MISSION	<p>The strategic objectives of the department are as follows:</p> <ul style="list-style-type: none"> ○ Improved local, national and international trade access and competitiveness; ○ Provision of food security; ○ Farmer development and support; ○ Integrated sustainable natural environmental management; and ○ Integrated and transformed service delivery.
STRATEGIC GOALS	<p>The department continues to focus on the sustainable growth of agricultural development initiatives, and the sustainable use, conservation and protection of environmental resources for sustainable livelihoods, through the following core functions:</p> <p>Agricultural Development Services</p> <ul style="list-style-type: none"> ○ To promote a transformed and viable agricultural industry through sustainable land use; ○ To provide extension, analytical and specialist advisory services to farmers and other stakeholders; ○ To provide and support the development of infrastructure for sustainable agriculture; ○ To undertake appropriate research and development to advance agriculture; ○ To develop agricultural programmes that support the empowerment of vulnerable groups;

	<ul style="list-style-type: none"> o To develop a master sector plan to provide support to municipalities; and o To develop systems for the effective administration of state land. <p>Environmental Management</p> <ul style="list-style-type: none"> o To ensure integrated sustainable environmental planning; o To mitigate the impact of and manage waste and pollutants; o To empower communities with regard to sustainable resource utilisation; and o To prevent and control the spread of invasive alien species in the province. <p>Veterinary Services</p> <ul style="list-style-type: none"> o To ensure prevention and control of animal diseases; o To enable international trade access for animal products; o To reduce the transfer of zoonotic diseases to humans; <ul style="list-style-type: none"> o To promote safe handling of products of animal origin; and o To provide primary animal health care for the improvement of herd health. <p>Conservation</p> <ul style="list-style-type: none"> o To ensure greater accountability of the public entity EzemveloKZN Wildlife (EKZNW) and ensure greater value for money in terms of achieving government (DAEA) objectives; and o To ensure that EKZNW complies with the following objectives: <ul style="list-style-type: none"> o Integrated sustainable environmental management; o Integrated and dynamic service delivery; o Forming partnerships with communities to value biodiversity and share in the benefits; and o Maximising funding opportunities from commercial operations and other stakeholders.
DEPARTMENTAL MTEF	The MTEF for the Department of Agriculture and Environmental Affairs as it was presented during various iLembe Intergovernmental Alignment meetings has been incorporated within the Capital Investment Framework.

E7. THE DEPARTMENT ARTS, CULTURE AND TOURISM

DEPARTMENTAL VISION	The vision of the department is: <i>A unified citizenry that embraces its cultural diversity and contributes to the social and economic upliftment of all the people of KwaZulu-Natal, through arts, culture and tourism.</i>
MISSION	The mission of the department is to create an environment conducive to the delivery of effective, efficient and sustainable world-class services in the arts, culture, library, archival and tourism fields for the people of KwaZulu-Natal.
STRATEGIC GOALS	The following represent the department's strategic objectives: <ul style="list-style-type: none"> o To provide effective administrative and human resources support to all programmes; o To provide sound financial management; o To develop an effective public entity management framework; o To develop an effective stakeholder management strategy; o To promote respect for cultural diversity and the advancement of artistic disciplines into viable industries; o To promote multi-lingualism, redress past imbalances and develop the previously marginalised languages; o To provide library and information services which are free, equitable and accessible, provide for the information, reading and learning needs of people and promote a culture of reading, library usage and lifelong learning; o To render archival and records management services which will provide for the acquisition, preservation and documentation of public and non-public records of national/provincial significance, proper management of public records; and o To develop and transform the tourism sector and promote the province as a preferred destination.
DEPARTMENTAL MTEF	The MTEF for the Department of Arts, Culture and Tourism as it was presented during various iLembe Intergovernmental Alignment meetings has been incorporated within the Capital Investment Framework.

E8. THE DEPARTMENT SOCIAL DEVELOPMENT

DEPARTMENTAL VISION	The vision of the Department of Social Development is to: <i>Enhance the quality of life through an integrated system of social development services.</i>
MISSION	The department is committed to the promotion of developmental social welfare services and community development to people of KZN in partnership with stakeholders.
STRATEGIC GOALS	The strategic goals of the department are: <ul style="list-style-type: none"> o To provide an effective and efficient institutional leadership, management and support services to ensure optimal service delivery; o To provide transformed, accessible, equitable quality developmental social welfare services; o To create an enabling environment for the employment of the poor, vulnerable and previously marginalised groups, including youth, women and people with disabilities to achieve sustainable livelihood; and o To support and facilitate the implementation of the Population Policy, and monitor and evaluate progress in achieving policy objectives.
DEPARTMENTAL MTEF	The MTEF for the Department of Social Development as it was presented during various iLembe Intergovernmental Alignment meetings has been incorporated within the Capital Investment Framework.

E9. DEPARTMENT ECONOMIC DEVELOPMENT

DEPARTMENTAL VISION	The vision of the Department of Economic Development is: <i>For KwaZulu-Natal, through the expertise and initiatives of the department, to be the leading province in economic development and to develop a globally competitive economy whose benefits are equitably shared by its citizens.</i>
MISSION	The department's mission is to formulate and implement effective economic development strategies that promote sustainable economic development and job creation within the Province of KwaZulu-Natal.
STRATEGIC GOALS	<p>(i) TO REDUCE POVERTY BY 50% BY 2014</p> <ul style="list-style-type: none"> o Creating sustainable jobs o Skills development and capacity building for government and civil society o Facilitating access to asset base for the poor o Promotion of social enterprises (co-operatives, S21, trusts) <p>(ii) GROW THE ECONOMY BY 8% BY 2014</p> <ul style="list-style-type: none"> o Promotion of integrated Economic Development planning o Facilitate improved global competitiveness in industries o Promotion of new SMME's o Facilitate the improvement of infrastructure platform o Promotion of Foreign Direct Investment o Promotion and advancement of Black Economic Empowerment <p>(iii) TO PROMOTE GOOD CORPORATE GOVERNANCE</p> <ul style="list-style-type: none"> o Promotion of compliance with government policies and law o Facilitate strategic stakeholder partnerships in the development of provincial economy <p>(iv) TO AIM TO BE THE CENTRE OF EXCELLENCE</p> <ul style="list-style-type: none"> • Becoming a learning organisation • Promoting a culture of good governance • Lead in R & D & Innovation • Becoming an information hub
DEPARTMENTAL MTEF	The MTEF for the Department of Economic Development as it was presented during various iLembe Intergovernmental Alignment meetings has been incorporated within the Capital Investment Framework.

E10. DEPARTMENT COMMUNITY SAFETY AND LIAISON

DEPARTMENTAL VISION	The department's vision is to see that: <i>The people of KwaZulu-Natal live in a safe and secure environment.</i>
MISSION	The Mission of the Department is to be the lead agency in driving the integration of community safety initiatives, towards a crime free KZN.
STRATEGIC GOALS	The strategic objectives set by the department are to: <ul style="list-style-type: none"> • Evaluate police service delivery and compliance with national policy standards and make recommendations for redress where required; • Assess the effectiveness of visible policing in the province; • Improve South African Police Service (SAPS) efficiency and effectiveness through independent service delivery evaluation and reward; • Improve public confidence and trust in the police; • Address service delivery complaints against the police to support the raising of service standards; • Oversee the establishment and functioning of Community Policing Forums (CPFs) at all police stations in the province; • Enhance the capacity of community police structures to improve co-operation between the police and the community; • Promote community dialogue and participation in support of crime prevention initiatives and activities; • Execute social crime prevention programmes at provincial and local level; • Research and develop social crime prevention responses to community safety priorities; • Consolidate the Community Safety Network structure; • Promote the establishment of a Victim Support Network;
DEPARTMENTAL MTEF	The MTEF for the Department of Community Safety and Liaison as it was presented during various iLembe Intergovernmental Alignment meetings has been incorporated within the Capital Investment Framework.

E11. DEPARTMENT SPORT & RECREATION

DEPARTMENTAL VISION	A winning province through sport and recreation.
MISSION	The department's mission is to maximise opportunities through the promotion and development of sustained Sport and Recreation programmes to improve the quality of life of the citizens of KwaZulu-Natal.
STRATEGIC GOALS	The strategic goals of the department are as follows: <ul style="list-style-type: none"> • To promote, transform and develop sport and recreation to address the issues of nation building and quality of life; • To promote and contribute to economic growth and opportunities through sport and recreation; • To promote and contribute to good governance in sport and recreation; and • To provide an effective and efficient support service.
DEPARTMENTAL MTEF	The MTEF for the Department of Sport and Recreation as it was presented during various iLembe Intergovernmental Alignment meetings has been incorporated within the Capital Investment Framework.

E12. DEPARTMENT TRANSPORT

DEPARTMENTAL VISION	The KwaZulu-Natal Department of Transport's vision is: <i>Prosperity through mobility.</i> This means that all activities of the department and the manner in which the department delivers services to communities should increase the wealth and quality of life of all citizens of the province.
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MISSION	<p>The mission of the department is to provide the public with an integrated and accessible road and public transport infrastructure, to promote road and public transport safety and ensure that, in delivering on its mandate, the department meets the developmental needs of this province.</p> <p>Furthermore, the department strives to promote transparent and accountable government, plan in accordance with the needs of its customers, and ensure effective, efficient and transparent delivery of services through appropriate involvement of the public, and through regular and accurate reporting.</p>
STRATEGIC GOALS	<p>The strategic community outcomes of the department are as follows:</p> <ul style="list-style-type: none"> • An equitable, affordable, safe and well managed transportation system; • An equitable and economically empowered construction and transportation industry; • Improved quality of life; • Good governance; and • Community supported transportation service delivery.
DEPARTMENTAL MTEF	<p>The MTEF for the Department of Transport as it was presented during various iLembe Intergovernmental Alignment meetings has been incorporated within the Capital Investment Framework.</p>

E13. DISTRICT SECTOR PLANS

Detailed Spatial Development Framework

The iLembe SDF, reviewed in April 2007, and as submitted with the 2007 – 2012 iLembe IDP, serves as a tool for the implementation of the IDP and localised spatial plans and policies, including the LUMS. It also serves to facilitate planning at a higher level by informing district and provincial authorities of the spatial development directives of the iLembe LocalMunicipality. Furthermore, the broad purpose of the SDF is to provide strategic guidelines and principles in terms of which development initiatives and land use applications can be evaluated. Attached hereto as **Annexure J1**.

Detailed Disaster Risk Management Framework

iLembe District Municipality has embarked on a detailed Disaster Risk Management Framework **Annexure J2** to develop a disaster management strategy based on a multi-agency, multi-sectoral approach to disaster management, with a risk management focus. This Framework has the following KPAs and Objectives:

KPA	Objective
KPA 1: Integrated institutional capacity for Disaster Risk Management in the iLembe District and matters incidental thereto.	To establish integrated institutional capacity within the District to enable the effective implementation of disaster risk management policy and legislation.
KPAs 2, 3 and 4: Risk assessment, risk reduction, response, recovery and reconstruction.	The NDMF provides the objectives for each of the following KPAs: KPA 2, 3 and 4. This Framework should be read in conjunction with the NDMF for details of such objectives. In summary the overall objective of these KPAs is the establishment of a uniform approach to assessing and monitoring disaster risks, implementation of integrated disaster risk management plans and risk reduction programmes and effective and appropriate disaster response and recovery to inform disaster risk management planning and disaster risk reduction.

Further detail is also provided in the following aspects of disaster and risk management within the context of the iLembeDistrictMunicipality's responsibilities:

- **Disaster Management Framework and Implementation Strategy:** The iLembe District DMF is essential to ensure an efficient and effective disaster risk management effort in the district. The DMF must also ensure that all role players in the iLembe District's disaster risk management arena (including government, semi-

government and non-government bodies, traditional entities and the private sector) work together in a coherent and coordinated manner to prevent and/or mitigate the occurrence of disasters.

- **Municipal Disaster Management Centre:** The focal point of all efforts in disaster risk management lies in the DMC. It must provide direction for implementation of disaster risk management policy and legislation and the integration and coordination of municipal disaster risk management activities and priorities. This is to ensure that national and provincial objectives are achieved. The centre is required to fulfil numerous important disaster risk management functions, namely planning, resource management, reporting, etc. The DMC must ensure that the necessary expertise in the field of disaster risk management, as envisaged by the Disaster Management Act, 57 of 2002, is gained or utilised throughout the disaster risk management implementation process.
- **Disaster Management Forums:** The purpose of these forums is to consult and co-ordinate actions pertaining to matters relating to disaster risk management in the District.
- **Capacity Building:** The iLembe District Municipality currently has limited capacity in its Local Municipalities to fulfil all functions, specifically regarding more specialised functions such as detailed risk assessments as required by the Disaster Management Act. Capacity, in the form of skills and knowledge transfer, must be built in the District.
- **A Memorandum of Understanding:** It is essential that the Municipality establishes a Memorandum of Understanding on disaster risk management planning and implementation for all role players in the Municipal area.

The DMPs must also ensure that the following principles and components are addressed:

- Hazard identification, risk assessment and prioritisation.
- Contingency planning.
- Mitigation, response, recovery and rehabilitation planning, including detailed Standard Operating Procedures and Field Operation Guides for identified hazard.
- A detailed identification and listing of all role players and stakeholders relevant to the iLembe District disaster risk management effort specific to the roles and responsibilities of each of them relevant to each hazard.
- Communication and cooperation mechanisms between role-players and stakeholders.
- Incorporation of this document's approach, policy statements and KPIs.

Land Use Management Framework

The iLembe District LUMF forms part of the iLembe SDF and is based on the concept of a Framework Plan was first described in the Land Use Management Systems Manual produced by the then Town and Regional Planning Commission in 2001 and then subsequently reassessed as 'linking elements' in the KZN Provincial Planning and Development Guidelines Document of 2004. It addresses the following aspects:

- Specifies a developmental approach and set of principles.
- Presents the reviewed strategic vision of the District in plan format.
- Provides a framework for integrated development planning.
- Aligns and integrates Local Framework Plans.
- Addresses local development imperatives through generic policy guidelines.
- Determines procedures for consultation between the District and Local Municipalities.
- Provides assistance with the review process of Local IDPs, SDFs and, by inference, Local Framework Plans.

The iLembe LUMF refers to broad land use categories not zones, which are only evident in the land use schemes and detailed management plans. This aspect is a main difference that sets the LUMF and LUMS, containing the Land Use Schemes, apart.

The iLembe LUMF does, however, not address the following issues:

- Detailed planning and development matters addressed by the Land Use Scheme.
- Detailed Statements of Intent for Zones.
- Procedural matters related to individual development applications.
- Specific site related management controls.

It should be cautioned that the iLembe LUMF cannot be expected to address issues of detailed management and implementation because it is by nature a strategic, policy based plan.

Currently, the Local Municipalities in the iLembe District are preparing their individual LUMSs and Land Use Schemes in terms of the requirements of Municipal Systems Act, 2000. It is not possible to translate the broad strategic intentions of the SDF directly into a Land Use Scheme and the Local Municipalities need first undertake additional work either as part of an SDF review or in its own right to produce a Local LUMF for their

areas of jurisdiction. They will then prepare a pilot Land Use Scheme for a small portion of the Municipality e.g. pressure point or node where there is the need for land use management intervention to occur.

With integrated planning projects being carried out at both the District and Local Municipal level, it is necessary to highlight the role of the District Council in terms of the SDF Review and District LUMF.

- **Coordination** – where the District sets up appropriate institutional and communication mechanisms to disseminate information to the Local Municipal Councils regarding evolving planning models and best practice for the implementation of the Land Use Management Model.
- **Advisory** – with the preparation of policy guidelines to assist the Local Municipalities with development issues that are common across jurisdictional boundaries.
- **Facilitation** – by providing venues and forums for national and provincial departmental input into the integrated planning process. This is particularly important given that most departments have institutional capacity shortages and do not have time or resources to give their input at the local level.
- **Technical Support** – by providing planning assistance and advice where necessary.
- **Information Technology** – by the provision of appropriate GIS and mapping capability on behalf of the Local Municipalities until they are able to undertake this function for themselves.

Land Use Management System

This is not a responsibility of the iLembe District Municipality, but all the Local Municipalities need to formulate LUMSs within the context of their own area of jurisdiction and with due cognisance of the district-wide SDF and LUMF.

Coastal Zone Management Plan

Coastal management is of particular importance in the iLembe District. The coast is an integral part of the economy of the District and the future development of the District is dependent on sustainable management of the iLembe coastal resource. The Coastal Management Plan has been identified as a key project in the IDP and IEP.

A Coastal Zone Management Plan, specific to the KwaDukuza coastline, has been drafted in February 2008 and is not attached in this IDP Review. The KwaDukuza Municipal area is noted as a unique residential location and a tourism hub as a result of a number of significant social and physical factors. One of the key physical factors is the exceptional recreational opportunities and lifestyle associated with the coastal zone that extends between Zimbali in the south and Zinkwazi in the north – some 60 kilometres of diverse coastline that has created some of the most sought after real estate in South Africa.

As such, the coastline of KwaDukuza can be judged to be the mainstay of the tourism and construction industries in the Municipal area, providing jobs for thousands of the Municipality's citizens and powering the economic growth that the Municipality has enjoyed over the last decade.

The National Government, since 1998 has recognised the importance of an integrated approach to managing the coastline of the country and tackling the challenges of coastal management at various tiers of government. Local government has been identified as a key administrative element in the future management of its coastal resources, primarily because of the importance of local government in driving meaningful, "hands on" development at grass roots level. The Coastal Management Bill, expected to be promulgated in 2008 focuses municipalities' attention to the development of coastal management plans. Such management plans will serve to highlight the problems experienced along the coastline of each coastal Municipality and deliver solutions to such challenges.

The current Coastal Zone Management Plan serves to highlight the approach of KwaDukuza to coastal management and the compilation of a coastal management plan for the area.

Key considerations and action for 2008/2009 within the context of this Coastal Zone Management Plan include the following:

- | | |
|--------------------------|---|
| Administration | <ul style="list-style-type: none">• Strengthen Coastal Management Committee.• Consideration of establishment of "coastal manager position" at senior level to interact on all aspects of coastal management and implement Municipality's obligations in terms of Coastal Management Act.• Review pollution response initiatives with consideration of further training of staff. |
| Planning & Investigation | <ul style="list-style-type: none">• Identify and establish coastal erosion line for KwaDukuza coastline – urban areas (Zimbali – Tinley Manor, Blythedale Beach, and Zinkwazi).• Undertake research initiative into the economic impact of the March 2007 storm and coastal erosion event.• Compile Coastal Management Plan incorporating<ul style="list-style-type: none">○ Shoreline management plan.○ Coastal pollution response strategy.○ Bio diversity maintenance proposals.○ Recreational management plan (update of 2003 document).○ Policy and Approach to Managing |

- Projects
- the Impact of Climate Change.
 - BlueFlagBeach establishment – establishment of one blue flag beach in KwaDukuza.
 - Re-vegetated shoreline protection initiative x 1.
 - Promotion of Marine Protected Area in Umvoti District.
 - Educate ratepayers and public on coastal management issues.
 - Establish monitoring programme for water quality and other indicators in Municipal area.

The preparation of an Integrated Environmental management Framework has been budgeted for in the 2009/10 financial year and will incorporate an overall Coastal Zone Management Plan, etc.

Waste Management Plan

DEAT and DWAF developed the National Waste Management Strategy in accordance with the elements of the internationally acclaimed Waste Management Hierarchy which encourages waste prevention and minimisation. The NWMS is based on the principles of sustainability and requires that local authorities develop Integrated Waste Management Plans in accordance with national guidelines for submission to provincial authorities for approval. These plans will subsequently be incorporated into the Provincial Waste Management Plans. In terms of the Municipal Structures Act, 1998, solid waste management is the responsibility of the DistrictMunicipality. The iLembeDistrictMunicipality has therefore undertaken the responsibility of developing a Waste Management Strategy for its area of jurisdiction.

Within this context the iLembeDistrictMunicipality adopted the following principles in the development of the iLembe Waste Management Strategy:

- **Waste Management Systems:** A basic waste management system provides a cleansing function and comprises waste storage, collection, transportation and disposal.
- **Waste Management Hierarchy:** This approach adopts the "cradle to grave" principle, which aims to reduce the impacts of waste through the reduction of waste generation at source by using cleaner production, waste stream through recycling options and hazards associated with waste disposal through appropriate treatment.
- **Best Practicable Environmental Option:** Entails a systematic consultative decision-making procedure where different alternatives are assessed to identify the best options for both the long and short-term in terms of the most benefit, the least damage to the environment and acceptable costs.
- **Proximity and Regional Self Sufficiency:** This principle is focused on both the financial and environmental costs of transportation and disposal of waste.

The goal of the iLembe Waste Management Strategy is to provide a framework for integrated and sustainable waste management practices in the area following the internationally recognised basic elements of waste management and the Waste Management Hierarchy as stipulated in the NWMS. This goal is supported by the following objectives:

- To reduce the waste streams by encouraging prevention and minimisation initiatives such as re-use and recycling.
- To reduce adverse environmental impacts of the waste produced.
- To improve the living environments and the livelihoods of the community through:
 - environmental education and awareness.
 - capacity building and development of entrepreneurship skills.
 - cash generation for the poor through the establishment of buy-back centres.

The iLembe Waste Management Strategy is based on the principles of re-use and recycling as advocated for by the NWMS and includes:

- The establishment of buy-back centres.
- The establishment and encouragement of shallow trench gardening.
- The re-use of other waste types.

The implementation process of this Strategy includes the following key process:

- Capacity building and training is critical to the successful implementation of a recycling system. This is an ongoing process which requires regular review and **capacity building programmes** to change people's perceptions on waste and behaviour in such a way that they can take responsibility for their waste.
- **Roles, responsibilities and communication channels** have to be clearly defined to ensure proper coordination of the Plan within the Municipality.
- Drafting of **policies and waste by-laws** to support the implementation of this Strategy.
- The **provision of the required infrastructure** and resources including selecting, negotiating and securing sites for the buy-back centres, securing funding and drafting tenders documents for the construction of buy-back centres.
- The iLembe Waste Management Strategy will be **piloted** in selected areas. This will be coupled with a monitoring process to identify any shortfalls in the Strategy that can be improved on and successful aspects that can be strengthened.

This Waste Management Plan was adopted in 2007 and to be reviewed. The preparation of an Integrated Waste Management Plan has been budgeted for and set to be completed as part of the 2009/10 financial year.

Water Services Master Plan

The iLembe District Municipality required the compilation of a Bulk Water Services Master Plan to aid in providing a meaningful implementation plan for bulk water and sanitation infrastructure in its area of jurisdiction. Jeffares & Green Consulting Engineers were appointed by the Department of Water Affairs and Forestry to undertake the study and provide scenarios for, and optimal solutions to the water services supply in the area. This study was completed in August 2007.

The study was based on the population figures obtained from the backlog study undertaken by UWP Consulting Engineers. Population growth figures were obtained from Statistics South Africa records which indicated a 1.82% annual growth rate in population. Levels of service of rural, urban and other were defined and unit per capita consumption figures were assigned to these classes of demand. Appropriate water loss factors were assigned to these supply systems as well and the annual water demand was projected for the 30 year period from 2006 to 2036. From these calculations, the estimated 2036 water demand is 308Ml/d for the entire District population.

The project area was divided into eight supply zones based on natural topography and areas of similar characteristics. Each zone was then reviewed for a means of bulk water supply by means of proximity to existing infrastructure, water resources and linkage to other schemes. In this way a total of eight water supply options were derived and reviewed in detail with preliminary design and costing of infrastructure and operations and maintenance costs. A similar exercise was undertaken for the sanitation infrastructure to be provided.

Water Supply Options

The study identified several possible water sources for the area and these were reviewed with the DWAF water resources unit. The outcome of the study identified several water sources as being restricted in their capacity to provide adequate supply in comparison with the demands. However, all of these options were reviewed in completeness.

The study considered each option in terms of the resource availability, the possible location of the abstraction works and treatment facilities as well as the projected operations and maintenance costs for each scheme. Some options were too expensive and would require a large amount of capital and operation and maintenance costs for electricity where high pumping heads and high flows were required.

Consideration was also given to the utilisation of the existing bulk infrastructure in place. This infrastructure would require upgrading to meet the growing demands of the area, but could serve as valuable short term facilities.

Review of Other Proposals for Water Supply

Proposals for the MSW Ngcebo Scheme, Umgeni Water Bulk supply and from Mhlathuze Water were also reviewed as part of the study. It was found that the proposal from Mhlathuze Water was very confined in its area of service and was not ideal in its movement of water from the Tugela River to the Mvoti River area of supply. The Umgeni Water proposal was a more acceptable approach which assisted in the supply to the higher regions in the DM area which then eliminated the need for high pumping costs, as well as by providing

bulk infrastructure to the coastal zones where the Mvoti River was very limited in its resource availability. The MSW Ngcebo Scheme is an ideal short-term project for implementation in the north-western part of the DM which can later be linked to other schemes being planned for implementation by Umgeni Water.

Analysis of Options for Water Supply

A matrix of the various options for bulk water supply was devised which took into account the availability of water from the various sources, the capital costs, the O&M costs as well as the unit reference values for each option. Each option was reviewed in terms of the above and ranked in order of highest score to lowest, with the highest scoring option being considered the most favourable.

Recommendation for Bulk Water Supply

The matrix showed that Option 6 as identified in the study was the optimal solution in consideration of the above mentioned factors.

Option 6 utilises the existing Sundumbili water treatment works for the supply to Zones 1 and 2, the existing Mvoti works to supply the Stanger and immediate surrounds of Zone 3, with the Umgeni Water North Coast Pipeline supplying the coastal portions of Zone 3, extending to the Blythedale region; Zone 4 being supplied by a combination of the Umgeni Water Ndwedwe pipeline and the future Wartburg scheme; Zones 5, 6, 7 and 8 being supplied from the Ngcebo Scheme in the short-term but ultimately being supplied by the Umgeni Water extended Wartburg Scheme. Once the Wartburg scheme extension is in place, the connection into the Ngcebo Scheme will enable the de-commissioning of the Ngcebo abstraction and water treatment works, as well as the high lift pump stations that will be initially required which in turn will reduce the operation and maintenance costs.

This option is thus recommended for implementation for the bulk water supply.

Sanitation Review

In review of the sanitation needs for the project area, consideration was given to the development corridors in the DM area. Growth along these corridors will require waterborne sanitation systems and have been planned as such. All other out-lying areas where sparse population densities make it unfeasible to provide waterborne sanitation services, are deemed to be served by ventilated pit latrines initially, and depending on factors such as affordability and ground conditions, these systems can be upgraded to septic tank systems. Cost estimates were derived for the implementation of the basic sanitation services as well as for the possible operation and maintenance of these schemes. The Water Services Master Plan was submitted with the 2007 – 2012 iLembe IDP.

Public Transport Plan

As a Planning Authority the iLembe District Municipality is responsible for the formulation of a Public Transport Plan as required by the National Land and Transport Transition Act, 2000. This PTP is a mechanism for the planning, development, management integration and promotion of public transport. Consultation is a key component in the formulation of the Public Transport Plan and in iLembe this is facilitated through the formation of the iLembe District Municipality Passenger Transport Forum where all stakeholders can participate, contribute and give consideration to the progress made in respect of all elements of the iLembe Public Transport Plan.

The vision of the KZN Department of Transport is "Prosperity Through Mobility". This is encapsulated in all aspects of the iLembe Public Transport Plan where the key components are:

Key Issue Identified	Description
Liaison with the Operating Licence Board	For communication between the Operating Licence Board and the respective District Municipality it is essential that the respective Local Municipalities follow a communication structure set out in the PTP, illustrating the steps to be taken during the application and issuing of operating licences. Where an operator applies for an operating licence from one district to another, the support of both district taxi councils should be obtained to avoid conflict.
Liaison with neighbouring Planning Authorities	Liaison with neighbouring Planning Authorities is necessary as there are services across the District's borders to neighbouring areas in Limpopo and long-distance services to other provinces.

Key Issue Identified	Description
	iLembe must interact with neighbouring PAs to dispose of applications for licences where services are operated across borders.
Implementation of the Current Public Transport Record recommendations	<ul style="list-style-type: none"> As the results of a general oversupply of taxis, no permits should be considered before the compilation and approval of an Operating Licence Strategy. Information on the District's Current Public Transport Record database is used to develop an Operating Licensing Strategy to guide the Operating Licence Board in issuing new permits. This information is also used for developing the PTP which guides the implementation of public transport projects and strategies and provide input into an Integrated Transport Plan.

The iLembe PTP provided for the following action plan towards its implementation:

- **Preparation of Operating Licence Strategy:** This will enable the iLembe District Municipality to provide structured and informed responses to the applications for operating licences referred to it by the KZN Operating Licence Board and to achieve a balance between the effective and efficient supply and utilisation of public transport. Research indicated that all existing public transport routes are oversupplied. The iLembe PTP recommends that no additional licences should be awarded in near future unless there is clear evidence that the operating circumstances on these routes have significantly changed.
- **Preparation of a Rationalisation Plan:** With the presence of subsidised public transport services, the District Municipality is obligated to prepare a Rationalisation Plan for its entire area of jurisdiction. This will not prevent an agreement that the Local Municipalities will assist with such preparations, provided that the agreement is permissible in terms of applicable local government legislation.

In all the PTP projects identified the following must be taken into consideration:

- Traffic and safety issues.
- Support for the recapitalisation project for taxis.
- All public transport facilities developed must be user-friendly to disabled persons.
- Promoting subsidised transport in areas that do not currently receive public transport subsidies.
- Creating an atmosphere conducive to the implementation of the National Government Recapitalisation project.

The following table provides a summary of costs in terms of the IDM for the first year as well as for the next four year term:

Item	Estimated Cost
Operating Licence Strategy	R 28 151 153
Rationalisation Strategy:	
a) Workers' routes	R 696 743
b) Casual trips (Health and pensioners)	R 550 000
Public Transport Plan	R 35 530 000
Total	R 64 927 896

The PTP will have to be refined and expanded over time, to eventually satisfy both legislative and practical requirements. This will form part of the iLembe Integrated Transport Plan still to be undertaken and as referred to Section K6A previously.

This Public Transport Plan was submitted with the 2007 – 2012 iLembe IDP and is therefore not attached to this IDP Review document.

Housing Plan

There is no Housing Plan for the iLembe District. There are also no dedicated Housing Units within Mandeni, Ndwedwe and Maphumulo. None of the Local Municipalities are accredited in terms of the Housing Act. KwaDukuza Municipality has established a fully-fledged Human Settlement Sub-Directorate whose function involves:

- The creation of an enabling environment for the delivery of housing opportunities.
- Involve the facilitation of development finance.
- Development of housing institutions where necessary.
- Community empowerment programmes and facilitation of social compact agreement.

Although these functions have not yet been achieved, this sub-directorate is continuously attempting to move away from the traditional function of merely providing houses to an integrated human settlement strategy. Both Mandeni and KwaDukuza Municipalities have Integrated Human Settlement Plans in place and are implementing projects successfully.

The iLembe IDP highlights specific strategies towards housing delivery and sustainable settlements which need to be taken forward in the Municipal Housing Sector Plans. The objective of developing these Housing Sector Plans are to improve the spatial structure and definition of urban functions within the entire iLembe area, as well as to provide access to the opportunities in the urban core and surrounding rural areas as a vehicle to sustainable settlement.

As far as land reform is concerned the following issues need to be addressed within the context of a Housing Action Plan:

- Align to the District's SDF to the PGDS and NSDP.
- Accelerate the provincial rural housing programme to address housing backlogs.
- Develop a protocol between key stakeholders on the release of land for provision of basic services and housing.
- Address housing transfer challenges, e.g. title deeds.

Within this context and in support of the land reform process an Area Based Land Reform Plan at District Level is currently being prepared.

There are numerous facets to a Housing Sector Plan and following on from the foundations that were established by the iLembe SDF as well as the SDFs of the individual Local Municipalities, a Housing Sector Plan should delve into the implementation steps that are required to address the demand and at the same time achieve the vision and strategic objectives that focus on the provision of sustainable and viable human settlements throughout the iLembe area. In this regard an 8 step process can be followed in the Housing Delivery Process:

The role of the iLembe District Municipality in this regard would specifically focus on the facilitation and coordination of housing projects within the context of the delivery of bulk and link infrastructure to service such developments.

The Local Municipalities to submit their respective Housing Sector Plans individually in accordance to the prescribed format as provided by the KwaZulu-Natal Department of Housing Manual.

iLembe Energy Master Plan

iLembe District Municipality have appointed NETGroup South Africa (Pty) Ltd to develop an Energy Master Plan to address the energy needs of the District. The overall objectives set for this Plan are:

- Prepare for anticipated growth in demand for energy due to regional economic development.
- Clear backlog on domestic electricity services.

The specific objectives identified to achieve the overall objectives stated above are:

- Data and information gathering.
- Assessment and analysis of electricity/energy services and backlogs.
- Preparation of electricity/energy needs based on development.
- Alignment of plans.
- Identification of electrical/energy services options.
- Recommendations to iLembe District Municipality.
- Finalisation of the Energy Master Plan.

This integrated study is the first of its kind for the iLembe region and its associated Local Municipalities and will establish the basis for future development of the energy sector to support the IDP.

The scope of this on focuses on clearing electrification backlogs and forecasting the end state bulk electrical infrastructure to provide an optimal, sustainable bulk supply for anticipated development. It also gives a view on servitudes to be secured at the earliest opportunity for future bulk infrastructure.

It does not take a view on upstream transmission networks or generation capacity. It also does not focus on a lower reticulation level as it assumes short-term detailed reticulation planning will follow as and when required by electrification and developer projects within the proposed substation zones.

The iLembe Energy Master Plan focuses on network expansion and network refurbishment in particular, with reference to the following:

The Network Expansion Plan

The Network Expansion Plan identifies the following projects:

- Phasing of the projects, specifically those related to KwaDukuza and Mandeni Municipalities that were done in consultation with technical representatives from these areas. All existing Eskom projects have been phased based on feedback from Network Planning.
- The sub transmission network expansion projects raised were phased based on load requirements for that timeframe.
- The costing of capital projects was done by using standard equipment cost. These costs were escalated for projects with long lead time before inception.
- The Municipalities and Eskom have given estimated costs for projects already planned.

Network Refurbishment Plan

The Network Refurbishment Plan focuses on the following aspects:

- The substations and networks in the KwaDukuza area are old and due to resource constraints have not been maintained well. The old equipment in use is evident of the ageing network.
- At all the substations, gang links have proved to be problematic due to coastal and industrial pollution.
- Due to the location of Sappi S/S pollution has caused degradation of support and equipment steelwork.
- Hilltop, Collisheen and Shakaskraal S/S have outdoor switchboards. These boards are showing signs of severe corrosion.
- Most substations have vegetation growing in the yards and the stone cover is poor.
- The substation and networks in the Mandeni area are relatively smaller. Only routine maintenance has been carried out on equipment, although a refurbishment plan has been drafted by the Electrical Department for input into this Master Plan.
- The Eskom substations and networks have been well maintained. The refurbishment plans drafted by Eskom have been used as inputs to this Master Plan.

It is estimated that R112.5 million will need to be spent on electrification, expansion and refurbishment projects in the iLembe District. The phasing of these projects, specifically those related to KwaDukuza and Mandeni Municipalities must be done in consultation within technical representatives from these areas drawing on their knowledge of the networks and priorities.

This Energy Master Plan was submitted with the 2008/9 iLembe IDP and is therefore not attached to this IDP Review document.

Local Economic Development Strategy

The purpose of the 2008 iLembe LED Strategy is to utilise the outcome of the GDS report to formulate and implement a LED Strategy for the next 5 years, to achieve economic growth and development. It aims to bring about higher levels of economic activity in iLembe by placing a great emphasis on the role of the District Municipality in making this possible and in so doing, address those issues addressed by the GDS. The 2008 iLembe LED strategy is also formulated within the context of the relevant national and provincial economically related policies and programmes, the LEDs of the four Local Municipalities as well as the sector specific strategies that have been formulated for this purpose. These are:

- Accelerated and Shared Growth Initiative for South Africa (AsgiSA).
- Regional Industrial Development Strategy (RIDS).
- National Framework for Local Economic Development in South Africa Provincial Growth and Development Strategy (PGDS).
- Provincial Spatial Economic Development Strategy (PSEDS).
- The DPLGs Toolkit for Economic Development.

The process of formulating the 2008 LED Strategy reflects the bottom up approach adopted where the District LED is to build on the Local Municipal LED Strategy. The following Local LED Strategies were consulted:

- KwaDukuza LED
- Maphumulo LED
- Mandeni LED
- Ndwedwe LED

Specific strategies were developed for sectors that constitute the economic pillars of iLembe's economy. The following sector reports also geographically integrate the local LED strategies.

- Agriculture** This sector is characterised by two distinct types:
- Commercial agriculture such as sugar cane farming, along the coastal strip.
 - Subsistence agriculture in the rural hinterland and inland areas.
- Manufacturing** This sector is characterised by the following types of industries:
- Primary sector comprises of heavy industries such as sugar and paper mill production in the Isithebe Industrial Estate near Mandeni.
 - Secondary sector activities include light industries.
- Tourism** This sector has consistently grown in iLembe, which offers various varieties of tourism that can be categorised as follows:
- Cultural and heritage tourism.
 - Beach tourism.
 - Nature-based tourism.
- Services** This sector includes the following sub sectors:
- The informal sector.
 - Wholesale and retail trade.
 - Transport and storage.
 - Communication.
 - Financial and insurance.
 - Real estate.
 - Business, community, social and personal services.
 - Government services.

To address the key challenges and development thrusts identified through an in-depth analysis of iLembe District and its four Local Municipal areas, the following Vision is proposed for LED in iLembe:

“Building a Partnership for Sustainable Growth and Development.”

Specific strategies have been developed within the context of achieving this Vision and for nearly all the core thrusts identified in this LED Strategy. Sector strategies have been developed for Agriculture, Manufacturing, Tourism, and Services. Specific strategies have also been developed for key cross-cutting LED issues in iLembe, i.e. Investment Promotion and Poverty Eradication. The following visions, goals and objectives have been identified in these respective strategies:

AGRICULTURE	
Vision: Increase the Productivity of the agricultural sector and enable it to make use of opportunities that exists in the climate as well as proximity to urban markets and Dube Trade Port.	
GOALS	OBJECTIVES
Goal 1: Coordinate role-players around common focus areas	<ul style="list-style-type: none"> • Improve communication between role-players to prevent duplication and ensure complementarities. • Define the production focus (primary production and agro-processing) – and ensure that it is aligned with other LED initiatives such as the proposed Bio-diesel plant and the Dube Trade Port.
Goal 2: Create an	<ul style="list-style-type: none"> • Strengthen support provided to farmers and contractors.

enabling environment for agricultural development	<ul style="list-style-type: none"> • Improve access to markets for agricultural products and value added products. • Address crime that is affecting agricultural development. • Improve access to finance. • Support the existing commercial sector.
Goal 3: Improve access to resources	<ul style="list-style-type: none"> • Improve access to infrastructure (including irrigation). • Improve access to machinery and equipment. • Improve access to inputs.
Goal 4: Improve sustainable access to land and water for agriculture	<ul style="list-style-type: none"> • Improve tenure security for farmer operating on IngonyamaTrustLand. • Facilitate access to freehold land for emerging commercial farmers. • Identify and facilitate access to agricultural land within traditional council areas. • Secure high potential land for agricultural purposes. • Increase environmental awareness and implement best practice examples of sustainable land and water use.
Goal 5: Improve human capacity in the sector	<ul style="list-style-type: none"> • Influence perceptions about the role that agriculture as a business opportunity, focusing on the youth. • Improve the skills base in the sector. • Establish and strengthen institutions / structures. • Take steps to mitigate the effects of HIV/AIDS in the sector.

MANUFACTURING

Vision: Establish iLembe as the Engine Room of the KZN Industrial Economy

GOALS	OBJECTIVES
Goal 1: Make the Manufacturing Sector a District Priority	<ul style="list-style-type: none"> • Feature manufacturing sector prominently in IDP Review. • Establish dedicated industry sector capacity in the District.
Goal 2: Attract Industries and Developers to iLembe	<ul style="list-style-type: none"> • Market the Industrial Capacity/Potential of iLembe. • Develop and Market the iLembe Lifestyle.
Goal 3: Make iLembe the new "engine room" of the KZN industrial economy	<ul style="list-style-type: none"> • Develop and implement a detailed industrial development strategy / land release strategy. • Establish a world class industrial estate (i.t.o. SP 9 of National Industrial Development Framework). • Guide industrial / service park development.
Goal 4: Upgrade/Extend Existing Industrial Areas	<ul style="list-style-type: none"> • Using new national policy to develop and implement upgrade support programme. • Facilitate improvement in facilities and working conditions.
Goal 5: Establish Industrial Development Support Programme	<ul style="list-style-type: none"> • Establish SEDA capacity in District. • Establish representative industry forum.

TOURISM

Vision: Develop the iLembe NorthCoast into a preferred tourism destination by meeting the demands of both international and domestic tourists through a co-ordinated approach to tourism management, marketing and product development, by building on the District's rich cultural heritage, natural resources, excellent weather, and relaxation favourable lifestyle.

GOALS	OBJECTIVES
Goal 1: To improve the management of tourism in iLembe.	<ul style="list-style-type: none"> • To develop an iLembe North Coast Tourism office to co-ordinate and facilitate the management, marketing and product development of tourism within the District. • To ensure close co-operation and partnerships amongst key stakeholders of the tourism sector to ensure co-ordinated planning and marketing of the sector. • Assist in the fight against HIV/AIDS in the tourism sector. • Ensure that the tourism industry in iLembe can be benchmarked to assess growth and trends in the sector and that supply is geared towards meeting demand. • Raise awareness of the current and potential impacts of tourism, both economic and social and ensure all services in iLembe are geared towards service excellence.

	<ul style="list-style-type: none"> To ensure that tourists can be assured of their time in the District being safe and free of crime.
Goal 2: Developing an effective, targeted and comprehensive strategy for the marketing of tourism products in iLembe	<ul style="list-style-type: none"> Ensure that the tourism products if iLembe are marketed in a professional targeted manner through the co-ordination role of iLembe District. To ensure alignment of local, district and provincial marketing strategies. To ensure that all potential tourists have easy access to information on tourism offerings within the District To ensure that all tourism signage in iLembe is relevant, directive, and markets the District's tourism. To expand the marketing strategy to target and include new emerging tourism market, in particular, the black middle class.
Goal 3: Ensure that the tourism products on offer in iLembe reflect the diversity of the cultural, historical, natural and beach attractions in the area.	<ul style="list-style-type: none"> Facilitate and co-ordinate the development of new tourism products in the hinterland areas. Ensure that tourism products are of a sufficient standard to create a legacy after visiting the area with specific focus on unique selling point of the "home of Shaka". Increase product offering in iLembe to remove narrow focus on the beach Develop iLembe beaches to high quality levels that meet international tourist demands. Facilitate the participation of local communities in tourism sector.
SERVICES	
Vision: A Services sector that is able to fully support and promote the Agricultural, Manufacturing and Tourism sectors of iLembe's economy	
GOALS	OBJECTIVES
Goal 1: To promote fixed investment in urban and rural development of iLembe -To increase the effective economic development impact of the utilities and construction sector. -To ensure land planning that allows for efficient and effective land development	<ul style="list-style-type: none"> To develop a spatially efficient economic and social facility provision. To provide for a full spectrum of housing types. To ensure that current conflicts that exists between agriculture, tourism and urban development are removed. To increase coordination between the municipality and developers in order to eliminate constraints in the current practice. Capacity building of SMMEs in the construction and service delivery component. Ensure local employment and procurement in service delivery and construction.
Goal 2: To develop and grow the commercial sector	<ul style="list-style-type: none"> To promote and stimulate commercial SMME development.
Goal 3: To develop efficient transportation system in support of effective economic development	<ul style="list-style-type: none"> Develop an efficient passenger and goods transportation system with a focus in rural areas.
Goal 4: To adequately meet the Community and social needs of iLembe	<ul style="list-style-type: none"> To ensure that government and municipal services are well represented and distributed in iLembe.
Goal 5: To develop and grow the ICT sector in the District	<ul style="list-style-type: none"> Position iLembe as a leading district in the provision of Information Communication Technology. To create a conducive environment for ICT development.

The iLembe LED Strategy also identified a number of key anchor projects, both multi-sectoral and sectoral specific.

The funding requirements for these projects have been detailed in the iLembe LED Strategy and provisions made for the implementation of priority projects in the 2009/2010 budget.

This LED Strategy was submitted with the 2008/9 iLembe IDP and is therefore not attached to this IDP Review document.

Infrastructure Investment Plan (EPWP Compliant)

The details associated with this Infrastructure Investment Plan was submitted with the 2008/9 iLembe IDP and is therefore not attached to this IDP Review document.

Refer to the iLembe Capital Investment Programme and Framework, attached hereto as **Appendix K2** for details in respect of the Infrastructure Investment Plan.

Area Based Land Reform Plan

Overall, the Area Based Plan is seen as critical to the Department of Land Affairs in achieving its land reform targets in an integrated, proactive and sustainable manner within districts and national targets. The Area Based Plan is an integral part of the IDP, and serves as a catalyst for land related development. The intention is that the Areas Based Plan is a primary tool to guide programme and project conceptualisation and implementation within key strategic focus areas.

The direct aims of the proposed Area Based Land Reform Plan for iLembe are:

- To speed up the pace of land reform in the District in order to contribute to and achieve national land reform targets.
- To contribute to enhanced economic development thereby contributing to the targets as set out in AsgiSA.
- To integrate land reform into provincial and municipal development frameworks, i.e. IDPs and SDFs.
- To improve the sustainability of the land reform projects.
- To promote sector alignment within agriculture, LED, integrated sustainable human settlements, tenure security/upgrade linked to the provision of basic services.
- To promote the objectives of intergovernmental relations with municipalities and sector departments.
- To empower communities to participate actively in project formulation and implementation of land reform projects.

Organisational PMS

The Organisations PMS provides the most up to date Municipal and Departmental Scorecards is a reflection that PMS at iLembe District Municipality is now taking its rightful place as a tool that provides early warning of under performance as well as objective recognition for performance above and beyond the call of duty.

The OPMS now needs to be reviewed within the context of the 2007 – 2012 iLembe IDP and its review to ensure proper and appropriate integration and to insure its relevance in addressing the challenges of the iLembe District.

IDP Process Plan/ IDP Framework Plan

The 2007 – 2012 iLembe IDP has set the scene for a new 5-year cycle of developmental planning and budgeting. Specific goals were set with supporting objectives, strategies and projects/programmes. This forms the basis for financial investment and spending over the next 5 years.

The 2008/2009 iLembe IDP Review will focus on the achievements of the IDM in accomplishing what it has set out to do within the first year of this new planning cycle. It is necessary to measure achievement in terms of backlog eradication and the effective spending of allocated funds. For the IDP to remain relevant a Municipality must assess its performance and the achievement of its targets and strategic objectives. The IDP therefore has to be reviewed annually in order to:

- Ensure its relevance as the Municipality's Strategic Plan.
- Inform other components of the Municipal business process including performance management and institutional and financial planning and budgeting.
- Inform the cyclical inter-governmental planning and budgeting cycle.

In the light of this development process, the IDP will reflect the impact of successes as well as corrective measures to address challenges. The IDP process will address internal and external circumstances that impact on the priority issues, objectives, strategies, projects and programmes of integrated planning.

The IDP, as the iLembe Municipality's Strategic Plan, informs Municipal decision-making as well as all the business processes of the Municipality. The IDP must inform the Municipality's financial and institutional planning and most importantly, the drafting of the annual budget.

Although the IDP process, Budget process and OPMS Process are three distinct processes, they are integrally linked processes which must be coordinated to ensure that the IDP, the Budget and the OPMS with their related policies are tabled as mutually consistent and credible.

The iLembe Framework/Process Plan was approved by Council in August 2008 and set the process of this 2009/10 IDP Review officially in motion.

District Health Plan

The burden of diseases experienced by the Province as a result of the socio-economic conditions is also prevalent in the iLembe District. The prevalence of HIV/AIDS and TB is seen mostly in the overcrowded semi-urban and urban parts of the District while the diseases of poverty dominate the rural areas. The majority of diseases in this District are preventable and can be addressed through the introduction of aggressive prevention and promotion campaigns and by promoting healthy lifestyle behaviours.

The priority programmes of this District Health Plan are:

- Children's Health
- Maternal and Women's Health
- Comprehensive Management of HIV/AIDS
- Tuberculosis
- Quality Assurance
- District Hospital Services
- EMRS
- PHC Management and Supervision
- Personal Health Services
- Environmental Health

This District Health Plan was submitted with the 2008/9 iLembe IDP and is therefore not attached to this IDP Review document.

Social Cohesion

This section of the IDP looks at the notion of Social Cohesion within the context of building a caring society in solidarity with the poor. A point needs to be made that, the notion of Social Cohesion has not been fully examined in South Africa as a policy imperative for the construction of a new society.

In 2004, The Presidency Policy Coordination and Advisory Services, Social Cluster, released a document, A Nation in the Making, a discussion document on Macro-Social Trends in South Africa. The document provides some detail analysis in terms of social trends but it is not a Government Policy statement on Social Cohesion.

The Department of Arts and Culture also commissioned Human Science Research Council in 2005 to prepare a report on Social Cohesion and Social Justice in South Africa on behalf of the Social Cluster of Cabinet.

Social Cohesion has been defined in the HSRC Report for Department of Arts and Culture. It refers to the extent to which a society is coherent, united and functional, providing an environment within which its citizens can flourish. A normative term, Social Justice refers to the extension of principles, enshrined in our constitution, of human dignity, equality, and freedom to participate in all of the political, socio-economic and cultural spheres of society.

Whilst the limitation of the use of Social Cohesion in terms of policy pronouncements, it is widely acknowledged that there are indicators of social processes that are useful in giving an account of the extent of Social Cohesion in society as a whole.

The participation of the people both in national and local government elections, Izimbizo, campaigns, Masakhane, IDP and Budget meetings, social networks and partnerships can be observed and measured in formal agreements such as District Growth and Development Summits.

However, the question of race, class, gender, age and identity remains critical factors in shaping a society united in shaping its own destiny. The case in point is the extent to which minority groups participate in the IDP

and Budget process as well as Izimbizo and other social functions that are cultural in nature like King Shaka Celebrations, Diwali, etc.

One key glaring area of concern in terms of participation of minority groups in deepening Social Cohesion is in Sports and Recreation activities like SALGA Games with all its imperfections.

The failure of the minority groups to participate in the IDP and Budget process creates a serious dilemma in terms of pronouncing municipality's IDP credible when in fact certain sections of the population has nothing to say about it. The question of participation of all sections of society in the crafting of the IDP does not only address the issue of deepening democracy, but it also seeks to translate the principle of people's driven-centred development into its logical conclusion in that members of the community irrespective of their political affiliation or religious believes to participate in shaping the developmental agenda of the municipality.

The failure of other groups to input in the IDP process deprives the municipalities an opportunity to understand the varying and competing needs of the community, which needs to be addressed within the context of limited resources available to our fiscal.

This is where the cultural diversity should be seen to be appreciated and practiced. In order to give meaning to the IDP, it is critical to strengthen Social Cohesion in order to achieve a range of policy objectives, including meeting service delivery needs.

The success of social cohesion depends on the variety of indicators, among these the family, the school, social movements and organized organizations or formations of civil society.

The role that is played by the family, the school and organisations relates to the norms and values that a society expects a responsible person to behave, in a responsible manner.

The question that arises under what conditions does Social Cohesion occur? Social Cohesion would take place in an environment where the community shares a common feeling of solidarity for those members of the community who are incapacitated to enjoy their constitutional rights due to economic circumstances that are supported by those who are better off.

In other words, members of the community would celebrate the indignity of not having access to constitutionally guarantee rights of their fellow compatriots on the basis that they do not have the means, which other members could make a meaningful contribution towards the realization of those rights.

Necessarily, Social Cohesion would not be pursued on the basis of cultural or language preferences but rather on the commitment and adherence to the ethical principles and values enshrined in our constitution.

People's commitment to the principles of diversity, equality and social justice are the key conditions for Social Cohesion.

Integrated Environmental Programme

The IDP process requires the generation of an Integrated Environmental Programme the Integration Phase of the IDP. All municipalities are required to formulate an IEP to ensure that environmental considerations are integrated with the final outputs of the IDP. The purpose of the IEP is to provide the municipality with a decision support tool to evaluate its outcomes in terms of its environmental implications. The IEP should contribute to a healthy environment by ensuring that strategic environmental issues are identified, as well as potential environmental requirements for future projects are taken into account during decision making.

iLembe District Municipality entered into a partnership with the Department of Agriculture and Environmental Affairs in the preparation of an IEP. The project was initiated in August 2004 and is now in final draft format. Once it has been circulated for comment and updated it will be submitted to Council for adoption.

The full IEP has detail on the following aspects:

- Main environmental and social informants of the iLembe District Municipality. The important elements, key impacts and key management priorities are identified for water resources, vegetation, coastal resources, fauna, sites of conservation value, cultural resources, municipal capacity and interaction, waste disposal and health.
- Strategic legal and policy guidelines that must be acknowledged or taken into account by the Municipality.
- Environmental issues analysis which was based on a desktop study of documents including the iLembe IDP, iLembe Environmental Management Plan, Local Municipality IDPs and the iLembe Coastal

Management Plan. Information on interviews with provincial departments as well as departments both within and outside of the DistrictMunicipality, questionnaires to stakeholders, workshops, presentations and field visits is also included.

- Issues were drawn up with a focus on general environmental management, coastal management and institutional issues as identified within the District and Local IDPs. These issues are categorised into specific themes to allow for the determination of a manageable amount of corresponding strategies. Themes include legislation, biodiversity, health, cultural and historical assets, socio-economic and coastal management.
- Themes are listed in a framework against the four key components of a Municipality's activities, products and services, i.e. governance, internal activities, services and assisting in the identification and carrying out of environmental protection and conservation responsibilities.
- Environmental health services with a particular focus on:
 - Assessment and monitoring of all food manufacturing.
 - Processing and food handling premises which includes licensing, sampling of foods in terms of the foodstuffs, cosmetics and disinfectants Act.
 - Environmental pollution control (air, noise and water).
 - Public health nuisances.
 - Investigation of communicable diseases.
 - Preventative health education.
 - Tobacco and vector control.
- Strategies for the themes are then identified and their priority noted.
- Finally, projects are identified under each strategy. This includes reference to project performance, whether an EIA is required, project responsibility and the way forward.

The District has also commissioned an assessment on the risks posed by toxic chemicals and substance emitted by industries within the area. The assessment will focus on air pollution, marine, rivers and estuaries and the natural environment. The main output of the assessment will be a list of toxic substances and chemicals to be sampled as well as recommended intervals. The next step would be the appointment of an independent monitor to perform checks and tests at set intervals and report to the DistrictMunicipality.

This Integrated Environmental Programme was submitted with the 2007 – 2012 iLembe IDP and is therefore not attached to this IDP Review document.

Cemeteries Plan

This Cemeteries Plan was submitted with the 2007 – 2012 iLembe IDP and is therefore not attached to this IDP Review document.

Gender Equity Plan

The iLembe District Municipality has formulated and adopted a Gender Equity Programme. It envisaged that the policy framework will promote local municipalities where women and men have equitable access to opportunities and resources to address and meet socio-economic needs, and improve the quality life of the community.

The principles guiding gender policy are derived from national, regional and international instruments including the Women's Charter for effective Equality (1994), Reconstruction and Development Programme, RDP, (1994), Batho Pele: White Paper on Transforming Public Service Delivery, and South Africa's National Policy Framework for Women's Empowerment and Gender Equality(2002). Enshrined in the South African constitution is the principle of equality. Everyone is equal before the law and may not be discriminated against on the basis of gender, sex, age, disabilities or marital status. It is espouses substantive equality for women and men in social political and economic life.

Mainstreaming has been used extensively in addressing issues of diversity. It refers to the systematic incorporation of considerations into policy, programmes and practices so before decisions are taken an analysis is made of circumstances and effects on women and men.

In iLembe District a Gender Forum was established where all Local Municipalities are represented. This will assist the District to increase the participation of marginalised or target groups.

Gender IDP projects for iLembe for the period 2008 to 2010 are:

- Priority 1: Provide training and awareness in respect of the role that women can play in politics and decision making.
- Priority 2: Educate women about a possible career in politics.
- Priority 3: Encourage accelerated development programmes for women in the public and private sector.
- Priority 4: Investigate scope of the imbalance between men and women.
- Priority 5: Engage pressure groups, e.g. unions to be involved in lobbying and monitoring.
- Priority 6: Constantly advocate, lobby and monitor government for equitable representation

ILembe DistrictMunicipality has programmes and plans in place to achieve gender equity at the workplace. One such important instrument to achieve this is the Employment Equity Plan that looks at the advancement of the historically disadvantaged groups as well as the workplace Skills Plan that looks after the training programmes for each of the race and gender groups. The IDP mentions the reviewing of the Human Resources Development Plan, the revision and update of the Employment Equity Plan as well as the Skills Development Plan implementation. These documents will form an important tool for planning, implementing gender equity programmes and monitoring and evaluating progress on the gender equity or and women advancement within the iLembeDistrictMunicipality. In order to fulfil the aims and objectives of this plan, the following needs to be undertaken:

- In reviewing the existing human resources plan as envisaged in the IDP, an audit of gender sensitivity of the plan needs to be undertaken to ensure that the reviewed plan is gender sensitive and does not inhibit women advancement.
- Progress achieved in implementing the Employment Equity Plan and the Skills Development Plan should be reported upon and monitored on a regular basis.
- Avenues should be explored on how to increase women representation at council level.
- All policies and procedures of the District should be reviewed to ensure that they are gender sensitive.

Poverty Alleviation Programme

The iLembeMunicipality recognises the importance of addressing poverty alleviation through the implementation of a Poverty Relief/Alleviation Programme. In this regard, iLembe relies heavily on the National Department of Public Works' Community Based Public Works Programme to fund social infrastructure investment in the District. The types of projects range from upgrading sanitation facilities at schools to community farms and market stalls.

The relationship between Poverty alleviation, Pro-Poor LED strategies and sustainable economic development needs to be defined clearly. Currently there is no clear distinction between the District's LED Strategy and poverty alleviation strategies and programmes. Certain aspects of the two strategies may overlap, e.g. job creation, income generation, capacity building, investment in productive assets etc., but poverty alleviation programmes may include other socio-economic aspects which fall outside of the ambit of LED, e.g. provision of, social security grants, welfare grants, primary health care and aftercare, food security, HIV-AIDS, clean and green, schools programmes etc. It is suggested that the LED Strategy should seek to alleviate or eradicate poverty and inequality as one of its objectives.

As far as poverty alleviation is concerned, LED initiatives primarily focus on the establishing a job-creating economic growth path, embarking upon sustainable rural economic development and urban renewal, bringing the poor and the disadvantaged to the centre of development with economic market forces playing a crucial role. The commercial viability of projects is critical to the ultimate success of the LED Strategy and the role of government. In this case the iLembeDistrictMunicipality must create an environment conducive to thriving business activities.

With the implementation of the District's LED Strategy, its poverty alleviation programme will be expanded. The ILembe District Poverty Alleviation Programme will be more clearly defined in terms of coordination and implementation of national and provincial departmental functions, where localised strategic guidelines for poverty alleviation refer to the following:

- Specific local poverty situations and problems that should be addressed.
- Specific population groups to be taken care of by strategies and programmes.
- Appropriate ways and means of involving disadvantaged groups in the process.

In the process of process of addressing this issue of poverty alleviation specific mention is required of the following programmes and the contribution they would make in this regard:

- **AsgiSA:** This involves government funding selected programmes that are intended to act as catalysts for economic development. The initial spending framework of AgsiSA includes 6 broad categories of

government interventions primarily aimed at promoting the country's capacity to meet its development objectives as set in its Millennium Development Goals, i.e. halving poverty and unemployment by 2014. This is not a new economic policy, but rather an initiative comprising strategic interventions to counter the main constraints on economic growth. These government interventions are to take place in a number of selected social and economic areas. From a social point of view, the interventions are expected to bring real opportunities to transform the structures of production, income and ownership in favour of the poorest and most vulnerable social groups. AsgiSA is expected to drive the economy at a higher rate of growth (4.5% from 2006 to 2009, and 6% from 2010 to 2014) while expanding its redistributive benefits towards the majority of South Africans, who are trapped in the second economy. Like many other developmental initiatives, AsgiSA does, however, raise problems related to co-ordination, implementation and monitoring. To maximise the efficiency of this initiative these problems need to be addressed within the context of the IDP process.

- **EPWP:** This is one of South African government's short to medium-term programmes aimed at the provision of additional work opportunities coupled with training. It is a national programme covering all spheres of government and state-owned enterprises. The EPWP is underpinned by 2 fundamental strategies to reduce unemployment. (a) To increase economic growth so that the number of net new jobs being created starts to exceed the number of new entrants into the labour market and (b) to improve the education system such that the workforce is able to take up the largely skilled work opportunities which economic growth will generate.

To ensure the formulation of a relevant and appropriate iLembe IDP the implementation of these initiatives are now called for. The Poverty Alleviation Programme for iLembe needs to take these matters forward in an integrated way, ultimately aimed at the sustainability and growth of the area.

iLembe HIV/AIDS Strategic Plan

HIV and AIDS is one of the main challenges facing our society and is one of the main causes of death in the country. The rate of infection is increasing at a high rate, even though statistics released by the Minister of Health for 2006/2007 indicated a slight decline.

More and more people are getting sick and die due to HIV and AIDS related illnesses. The number of orphans and child headed families is on the increase and is a great cause of concern. Individuals, families and communities are adversely affected by the pandemic as the brunt of the burden of caring for and supporting the infected falls on the families and children of those who are sick. In many instances they have already lost the family breadwinner and therefore have to survive on meagre resources.

The National Strategic Plan has been used as a guide to develop the iLembe HIV/Strategic Plan. Within this context the iLembe District Municipality is one of the key institutions that have a critical role to play in the realisation of the National Strategic Plan objectives.

This iLembe HIV/AIDS Strategic Plan is a product of the engagement with all stakeholders and it seeks to provide a coherent and coordinated response to the challenges posed by the HIV/AIDS pandemic. This Strategic Plan is guided by a set of principles derived from the National Strategic Plan which are:

- Provision of supportive leadership.
- Ensuring effective communication.
- Ensuring effective partnerships, including meaningful involvement of people living with HIV and AIDS.
- Promotion of social change and cohesion.
- Ensuring sustainable programmes and funding.

The HIV/AIDS challenge is one of the social problems which the IDP seeks to address. The iLembe District Municipality has through its procurement policy ensured that women, youth and the disabled are given first preference in tenders and job opportunities presented by the implementation of the IDP projects. In implementing these projects, iLembe will ensure the following:

- That women and youth are fully represented in the District HIV/AIDS Forum and are encouraged to take an active role.
- That women are given first preference in job opportunities presented by the municipalities' Local Economic Development programmes and other IDP projects such as the planned Osindisweni Aids Orphan Centre in Mayville.
- That the HIV/AIDS policy is gender sensitive and is responsive to challenges facing vulnerable groups such as women.

SECTION F: IMPLEMENTATION PLAN

Finance in general, and the availability of funding, both capital and operating, is viewed as the primary constraint for the District and Local Municipalities in achieving their developmental mandate. The iLembe District Municipality is acutely aware of the financial pressures on it and has instituted an entirely new approach to its budgeting, monitoring and financial control procedures. Its position in terms of increasing debt, creditors and unspent grant is considered a critical issue in the future cash management of the Municipality.

The Municipality is aiming for cash backed operating reserves equivalent to 2 months operating expenditure. The Municipality has formulated a number of strategies to facilitate the actual implementation of this IDP and these include:

- The Municipality will, as part of its ongoing budget process, produce a three-year medium-term strategy and review and amend it as necessary on an annual basis.
- The Municipality will continue to develop a budgetary system that projects at least three years in advance from the forthcoming year. This is in line with the recommendations of the MFMA.
- The Municipality will introduce key performance indicators relating to cash and cash management.
- The Municipality will develop budgetary systems that increase ownership of the budgetary process by departmental heads.
- The Municipality will encourage maximum interest earnings and minimum interest outgoings. It will achieve this by appropriate cash flow forecasting as part of its prudential financial control principles.
- The Municipality will develop an income maximisation strategy.
- The Municipality will produce an Asset Management Plan as part of its annual budgetary processes.
- The Municipality will endeavour to achieve at least two months operating budget in the form of a general reserve backed by cash by 2010. In the interim the Municipality will build accounting and cash balances during a period of low short-term interest rates.
- The Municipality will ensure national, provincial and district priorities are included in the decision framework.
- The Municipality will leverage increased grants from organisations such as the DBSA, the National Lottery and others for major initiatives.
- The Municipality will increase tariffs subject to inflation rate.

The purpose of the Medium-term Expenditure Framework is to set out a three year framework for money planned for capital investment programmes required to achieve the IDP objectives. This is directly linked to the strategic objectives of the iLembe Municipality, thereby linking IDP objectives to an approved Municipal Budget.

Up to December 2008 R62.1 million (47%) of the original 2008/09 capital budget has been spent on capital projects. R109,6 million has been received from MIG for 2009/10 for additional water reticulation projects that will be undertaken. The bulk of the capital budget will be financed from the MIG grant and DBSA loan. MIG funding forms a large portion of the external sources of funds granted to the iLembe District Municipality as capital funding. The 2009/2010 MIG and Grants cash flow projections are:

Project Title	Financed From	Amount (R)
Sanitation		
KwaDeda Household Sanitation	MIG	4,997,760
Ndwedwe Ward 16 Sanitation	MIG	3,500,000
Magumbi Household Sanitation (Maphumulo)	MIG	5,000,000
San Sauci Extension (Bulwer Farm)	MIG	7,500,000
Maurice Perry Sewer Pump Station	MIG	500,000
Lindelani Water Born Sewerage	MIG	10,000,000
Mandeni Ward 16 HH Sanitation	MIG	5,050,000
Water & Sanitation to Schools & Clinics	MIG	2,007,000
Water		
OzwathiniMlamula Water	MIG	6,500,000
OzwathiniGcwensaNodwe Water	MIG	8,000,000
Hlimbithwa Water	MIG	7,000,000
Masomonco Water	MIG	100,000
NgceboKwaDukuza Water	MIG	16,050,000
Luthuli Water	MIG	3,500,000
Ndlinde Water	MIG	20,896,240

Project Title	Financed From	Amount (R)
Macambini Water Supply Phase 2	Grant	8,000,000
Ngcebo/KwaDuluza Water	Grant	13,500,000
Other		
Expanded Public Works programme	Grant	5,646,000
TOTAL CAPITAL		R130,747,000

Capital expenditure is mainly focused on water and sanitation and to a lesser extent on community and social services and are all funded from external sources, i.e. grants and subsidies. The iLembe District Municipality cannot sustain the extension and improvement of infrastructure using loan funds. It is imperative that central and provincial government allocate grant funding for infrastructure and also for the maintenance of existing and new infrastructure to sustain service delivery to the iLembe communities.

SECTION G: IDP PROJECTS

Various programmes and projects have been identified at a district and local level and by the iLembe Municipality itself to meet the challenges and to improve the quality of life for all resident communities. Detailed information on these programmes and project are included in the Schedule of Projects in **Appendix K1**. These programmes and projects also have financial implications and need to be budgeted for. Moreover, they need to be aligned to the allocation of governmental and provincial funds as well as to the allocation of funds by other external and non-governmental funding agencies.

It is, however, a reality that the needs of the iLembe area and the requirements in terms of delivery of infrastructure, facilities and services far outweigh the availability of internal financial resources. ILembe District Municipality and the four Local Municipalities would therefore have to rely on external funding; more so the Ndwedwe and Maphumulo Municipalities. It is therefore critical that projects be prioritised. The following principles need to guide such a prioritisation process:

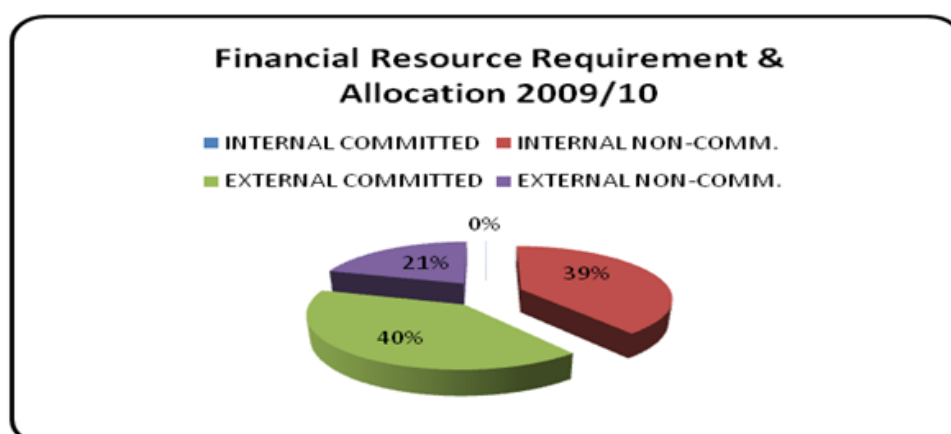
- Carry over expenditure from committed projects, critical projects (e.g. implementing projects and actions identified by previous IDPs).
- Legal requirements (e.g. the IDP and Sector Plans).
- Importance versus urgency, i.e. focus on projects that are important rather than urgent (e.g. addressing service backlogs).
- Effective allocation of funds supporting the concept of nodality in service and infrastructure provision.
- Desirability versus sustainability, i.e. focus on projects that are sustainable rather than desirable.
- Investment versus benefit, i.e. greatest impact per Rand spent.
- Community request/need.

This prioritisation needs to be undertaken as a prerequisite for the iLembe Financial Plan and the Capital Investment Programme and Framework. In the assessment of essential and necessary items, the following distinction was made to decide whether an item should be included in the first, second or third year:

- Consequence of doing nothing: e.g. the consequence of not providing water and sanitation to minimum standards in the short-term is deemed more severe than the consequence of not providing sport and recreational facilities.
- Importance and urgency: although the provision of social services and engineering infrastructure is rated as urgent, attention to important aspects, such as environmental management cannot be overseen.

Financial resources need to be allocated on an equitable basis and co-ordinate all sectoral input. It is also necessary that a participative process be followed in the prioritisation of projects to ensure transparency and general "buy-in" into the results of such a process. Finally, prioritisation and the allocation of resources must always be guided by the Objectives and Strategies of this IDP in striving to realise the vision of the iLembe community.

A Capital Investment Framework was developed as part of the Financial Plan demonstrating the relationship between what resources are required to meet the challenges as per mandate and the actual budget implications, incorporating the respective MTEF's of the Provincial Sector Departments in an attempt to set the framework for capital investment. It is clear that the need by far over exceed the resource allocation, as well as the ability of the iLembe District Municipality to fulfill its mandate through the allocation of own resources, hence its dependency on external grant funding to deliver services. The diagram below depicts the relationship between the different levels of funding (committed versus non-committed) for the financial year 2009/10 within the context of the Capital Investment Framework.

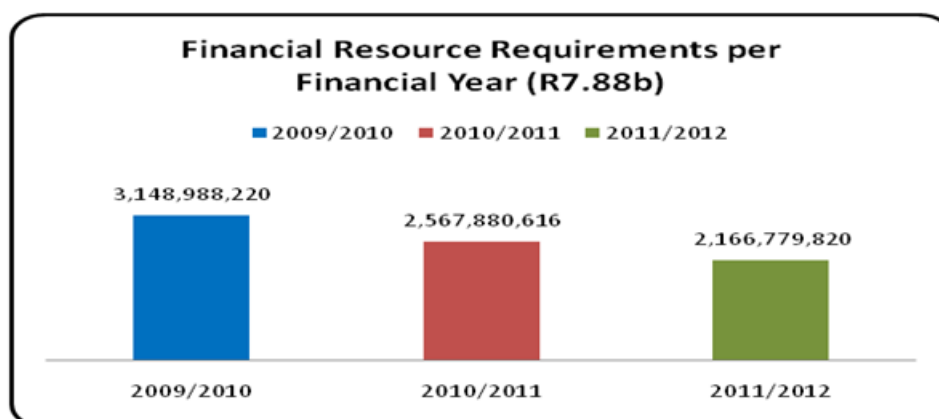


The table below depicts the Capital Budget per Functional Sector (Strategic Development Role) for the principle 2009/10 iLembe IDP. It can be noted that water and sanitation was regarded as priority and to which most of the iLembe resources are to be allocated.

Functional Sector (Strategic Role)	Total Budget 2009/10	%
Agriculture	21,300,000	0.27
Cemetery & Crematoriums	500,000	0.01
Community Centres	19,300,000	0.24
Disaster Management	2,850,000	0.04
Economic Development	13,150,000	0.17
Education	696,902,646	8.84
Electricity Provision	1,727,405,786	21.91
Environmental Management	750,000	0.01
Finance & IT	16,900,000	0.21
Governance	900,000	0.01
Health	223,200,000	2.83
Housing Development	918,995,978	11.66
Institutional Development	73,250,000	0.93
Manufacturing	-	0.00
Roads & Storm Water & Transportation	259,513,486	3.29
Sanitation Infrastructure	1,370,747,760	17.39
Social Development (Welfare)	-	0.00
Spatial & Land Use Management	135,050,000	1.71
Special Projects	85,830,000	1.09
Sport & Recreation Facilities	40,000,000	0.51
Tourism Development	2,100,000	0.03
Waste Management	900,000	0.01
Water Infrastructure	2,274,553,000	28.85
TOTAL	7,884,098,656	100%

This clearly indicates an alignment of capital investment with key areas of intervention, i.e. the provision of basic services which in the case of iLembe is focussed on water and sanitation as it should be in terms of national and provincial guidelines. A critical factor remains the capacity of the respective service providers to deliver on these requirements.

The graph below outlines the financial resources required per financial period to meet the millennium goals / targets (address backlogs) within the context of the Capital Investment Framework.



Some of the projects that have been identified for implementation within the context of this IDP include the following:

- Develop an Agri-processing hub
- Prepare an Integrated Waste Management Plan
- Prepare an Integrated Environmental Management Framework
- Facilitate and align Municipal Housing Sector Plans

- Review the iLembe District Water Services Provider Plan
- Review Cemeteries and Crematoria Plan
- Establish a PMU as a Shared Service
- Develop an Integrated Business Development Centre
- Develop a Financial Recovery Plan linked to adopted Strategy
- Develop a multi-purpose sport village in conjunction with the 2010 FIFA Soccer World Cup
- Finalise Transportation Master Plan
- Address finding of the Client/Customer Satisfaction Survey

SECTION H: FINANCIAL MANAGEMENT

One of the biggest challenges of the Financial Plan is matching increased service demands with a relatively stagnant revenue basis. This is further aggravated by the challenges of joblessness and HIV-ravaged households where the latter, more than often, are child-headed households. The restructuring of electricity supply also had a severely negative impact on Municipal revenue generation. This process resulted in the loss of revenue and fiscal surpluses that the Municipality was relying on.

These challenges make the need for realistic and timeous financial planning even more critical. The Financial Plan is necessarily informed by available resources and therefore also victim of resource limits. This contradicts strongly with the demands of the Strategic Plan which is visionary and goal oriented, striving to achieve an improved quality of life for all the residents and communities in the iLembeMunicipality. However, a Strategic Plan without the support of a disciplined Financial Plan is ultimately doomed as unattainable and "pie in the sky". The Financial Plan provides the framework within which human challenges can be addressed in a realistic and often incremental manner based on the available resources. It steers away from creating unrealistic expectations, frustrations and anger.

iLembeMunicipality is faced with the awesome task of eradicating its massive backlogs in service provision. This would require massive resources to address. It is now paramount to concentrate on the financial planning part of this IDP to determine how and when these backlogs can be addressed on a sustainable basis and within the context of available resources.

The iLembe budget is MFMA compliant with principles of the MFMA now fully introduced and entrenched in the Municipality's financial affairs. Yet, the District needs to address its financial challenges on the following basis:

- Further improving the Municipality's image by using the new procedures to enhance service delivery.
- Ensuring that the systems introduced continuously improve during the year.
- Preserving the Municipality's cash flow position.
- Introducing efficiency measures to provide resources to ensure value for money for taxpayers in line with developed 'golden rules'.
- Further enhancing public participation in the next budget cycle.
- Continuing to improve on information provided to decision makers.
- Ensuring that growth in services is more closely aligned with citizen's expectations.
- Adjusting the organisation in line with information produced from the performance management system.

H1. OPERATING REVENUE AND EXPENDITURE FRAMEWORK

The Table that follow indicate the expected operating revenue and expenditure for the iLembeMunicipality. It includes revenue that would actually flow into the Municipality as well as allowances for billed, but not collected income. The "bottom line" is the disposable operating revenue, i.e. the amount that the Municipality would have to allocate in terms of this Financial Plan.

A summary of the 2009/10 budget and draft 2010/2011 budget are as follows:

	Operating Budget (R)	Capital Budget (R)
Original 2009/10 Budget	258,589,224.00	144,747,000.00
Adjusted 2009/10 Budget	297,592,291.00	205,740,092.00
Draft 2010/10 Budget	321,666,901.00	436,591,200.00

The reason for the increase in the adjusted capital budget towards the capital budget of approximately R61 000 relates to the improved expenditure patters on the MIG grants for water and sanitation projects.

Below is a summary of expenditure and income by Department in respect of the Operating Budget:

Department	Original Budget 2009/2010	Adjusted Budget 2009/2010	Draft Budget 2010/2011
Corporate Services	31 547 836.00	33 161 951.00	1 227 751 292.00
Council General	7 290 951.00	6 957 334.00	-
Finance	21 168 107.00	20 145 036.00	650 098 314.00

Municipal Manager	6 788 686.00	6 560 717.00	538 303 109.00
LED and Planning	15 118 424.00	15 323 098.00	817 859 332.00
Technical Services Overheads	156 826 078.00	184 849 883.00	192 644 429.00
Corporate Governance	7 370 705.00	17 543 900.00	31 478 698.00
Information Technology	7 150 793.00	6 191 223.00	-
Support Services	1 753 945.00	1 608 649.00	-
Marketing and Communication	108 000.00	200 000.00	-
Disaster Management	305 000.00	540 000.00	-
Tourism	700 000.00	700 000.00	-
Sports / Recreation	20 000 000.00	3 537 000.00	-
Health	460 700.00	278 500.00	-
TOTAL EXPENDITURE	R 276 589 225.00	R 297 597 291.00	R 3 458 135 174.00

Below is a summary of expenditure and income per category in respect of the operating budget:

Category	Original Budget 2009/2010	Adjusted Budget 2009/2010	Draft Budget 2010/2011
Salaries	46,647,417.00	44,214,826.00	53,968,184.00
General Expenses	46,394,880.00	62,014,510.00	66,295,511.00
Repairs and Maintenance	7,153,560.00	4,482,521.00	3,830,000.00
Contributions to Provisions	2,353,200.00	2,981,200.00	2,090,000.00
Loan Charges	1,919,000.00	1,819,000.00	223,919.00
Contributions to Fixed Assets	3,599,700.00	3,534,960.00	-
Management Contract	3,824,696.00	4,691,626.00	3,950,000.00
TOTAL EXPENDITURE	R 111,892,453.00	R 123,738,643.00	R 130,357,614.00

Provincial grants have been provided for as per the schedule provided by the KwaZulu-Natal Provincial Treasury and are as follows:

Category	Original Budget 2009/2010	Adjusted Budget 2009/2010	Draft Budget 2010/2011
Salaries	46,647,417.00	44,214,826.00	53,968,184.00
General Expenses	46,394,880.00	62,014,510.00	66,295,511.00
Repairs and Maintenance	7,153,560.00	4,482,521.00	3,830,000.00
Contributions to Provisions	2,353,200.00	2,981,200.00	2,090,000.00
Loan Charges	1,919,000.00	1,819,000.00	223,919.00
Contributions to Fixed Assets	3,599,700.00	3,534,960.00	-
Management Contract	3,824,696.00	4,691,626.00	3,950,000.00
TOTAL EXPENDITURE	R 111,892,453.00	R 123,738,643.00	R 130,357,614.00

The most significant source of internal income is the income from the water and sanitation services. The collection rate for the water and sanitation services income still requires a lot of improvement to ensure the achievement of the service delivery targets. The iLembe District Municipality is implementing the credit control policy to ensure that this is achieved and that all outstanding debts are collected. During the 2009/2010 financial year the total Municipal debt stood at R199.2 million and a R25 million provision exists for bad debt in the 2010/2011 financial year. The collection of these outstanding debtors is a priority of the District Municipality and is receiving the most urgent attention. The Municipality has initiated two interventions to address revenue collection challenges, namely Data Cleansing Exercise, changing faulty meters and implementing disconnections of services where applicable, Rand for Rand Incentive Scheme. The former intervention addresses challenges around the billing system including accuracies thereof whilst the latter endeavours to use the arrears of the past to encourage and reward payment of the current account. The results of these interventions would only be known in the new financial year.

H2. CAPITAL INVESTMENT PROGRAMME AND FRAMEWORK

The Capital Investment Programme and Framework (**Appendix K2**) focus on addressing backlogs and specifically the financial implications thereof. It provides a sense of both issues and costs. This allows the iLembe Municipality and other spheres of government to come to grips with what needs to be done to address the backlogs in the area – in urgency and in financial terms.

The draft capital budget for 2010/11 totals R437 million and is financed from the Municipal Infrastructure Grant (MIG) R123 million and Grants of R277 million. No internal funds are allocated. The table below depicts a summary of the Draft Capital Budget for 2010/11: -

#	CODE	PRIORITY	PROGRAMME & PROJECT DISCRPTION	TOTAL
Water Infrastructure				2,375,788,000
1	TECH	High	Review Water Services Backlog Study linked to WSDP	250,000
2	TECH	High	Macambini Water Phase 2 (Mandeni)	73,000,000
3	TECH	High	Masomonco Water Supply (Mandeni)	100,000
4	TECH	High	SanSauci Water (Bulwer Farm - KwaDukuza)	7,500,000
5	TECH	High	OzwothiniMathulini Water Supply (Ndwedwe)	750,000
6	TECH	Low	Luthuli Water Supply Phase 2 (Ndwedwe)	3,500,000
7	TECH	High	OzwothiniGcwensa / Mlamula Water Supply (Ndwedwe)	6,500,000
8	TECH	Low	OzwothiniGcwensa / Nodwengu Water Supply (Ndwedwe)	24,000,000
9	TECH	High	Ngcebo Phase 1 Water Supply (Maphumulo)	6,000,000
10	TECH	High	Hlimbithwa 2 Water Supply (Maphumulo)	3,500,000
11	TECH	High	Hlimbithwa 1 Water Supply (Maphumulo)	3,500,000
12	TECH	High	Ilembe Water Services Development Plan	500,000
13	TECH	High	Refurbishment of Sundumbili Water Reticulation (Mandeni)	-
14	TECH	Low	Refurbishment of Existing Pumps & Pipelines (Mandeni)	12,000,000
15	TECH	Low	Water Supply To Mathonsi, Ndulinde&Ethembeni (Mandeni)	90,000,000
16	TECH	Low	Water Supply to Macambini / Tugela Mouth (Mandeni)	76,000,000
17	TECH	Low	Upgrade to Sundumbili Water Treatment Plant (Mandeni)	56,000,000
18	TECH	Low	Umvoti Water Works Upgrade (KwaDukuza)	12,000,000
19	TECH	High	Nyathikasi Extension Of Water Mains (KwaDukuza)	4,400,000
20	TECH	High	BlythedaleBeach Bulk Water Pipeline (KwaDukuza)	4,100,000
21	TECH	High	Refurbishment Of Pumps & Pipelines (KwaDukuza)	12,000,000
22	TECH	High	Ozwothini Regional Water Supply (Ndwedwe)	42,000,000
23	TECH	High	Refurbishment Of Pumps & Pipelines (Ndwedwe)	8,000,000
24	TECH	High	Ngcebo Phase 2 Water Supply (Maphumulo)	169,000,000
25	TECH	High	Refurbishment Of Masibambisane Water Scheme (Maphumulo)	8,100,000
26	TECH	Low	Refurbishment Of Mambulu / Mpise Water Scheme (Maphumulo)	1,800,000
27	TECH	Low	Refurbishment Of Existing Pumps & Pipelines (Maphumulo)	

				6,000,000
28	TECH	Low	Pre-Paid Communal Standpipes	2,000,000
29	TECH	High	Electronic Flow Limiters For Non-Payment	-
30	TECH	High	Water Conservation Demand Management Study	-
31	TECH	High	Telemetry System	1,050,000
32	TECH	Low	Specialised Equipment	1,400,000
33	TECH	Low	Water & Sanitation Backlogs @ Schools & Clinic's	6,507,000
34	TECH	Low	Section 78 Assessment	300,000
35	TECH	Low	Telemetry System	3,400,000
36	TECH	Low	NkobongoVIP Toilets	1,220,000
37	TECH	High	Replace Stanger Manor Rising Main	2,500,000
38	TECH	High	Replace Warrenton Rising Main	400,000
39	TECH	High	Replace Saddle Ridge Rising Main	2,200,000
40	TECH	High	Replace Lot 16 Gravity Mains	280,000
41	TECH	High	Upgrade Ndwedwe Water Infrastructure (Sonkombo)	3,550,000
42	TECH	High	Water Purification Plants	2,100,000
43	TECH	High	Ngcebo / KwaDukuza Bulk Water Supply	88,500,000
44	TECH	High	Expanded Public Works Programme	5,646,000
45	TECH	High	Other Capital Projects (Bulk)	840,000,000
46	TECH	High	Other Capital Projects (Internal Reticulation)	750,000,000
47	SIZA	High	Construction of New 2,2MG Reservoir & Link Main	7,420,000
48	SIZA	High	Construction of New 2,2MG Reservoir & Link Main	6,270,000
49	SIZA	High	Upgrade of Shakashead Reservoir from 1.5MG to 4MG	4,780,000
50	SIZA	Medium	Upgrade of Tinley Manor Reservoir from 0.5MG to 1.MG	1,345,000
51	SIZA	Medium	Construction of a New 2.5MG Reservoir & Link Main	7,570,000
52	SIZA	Medium	Upgrade of Existing Networks & Other	1,950,000
New	TECH	High	Mthombisa Water Supply	4,900,000
Sanitation Infrastructure				1,400,827,760
1	TECH	High	Hygiene & Sanitation Awareness Programme (Cholera prevention)	200,000
2	TECH	Medium	Refurbish Maurice Perry Sewer Pump Station (KwaDukuza)	500,000
3	TECH	High	Nkwambase Household Sanitation (Ndwedwe)	2,000,000
4	TECH	High	KwaDeda Household Sanitation (Ndwedwe)	4,997,760
5	TECH	High	Maqumbi Household Sanitation (Maphumulo)	5,000,000
6	TECH	Low	Backlog Eradication Of Household Sanitation (Mandeni Ward 16)	14,050,000
7	TECH	Low	Upgrade of Existing VIPs (Mandeni)	21,000,000
8	TECH	High	Lindelani Water-Borne Sewerage System (KwaDukuza)	20,000,000

9	TECH	High	Refurbishment of Wastewater Works	37,000,000
10	TECH	High	Driefontein Package Sewerage Treatment Plant (KwaDukuza)	4,000,000
11	TECH	High	Backlog Household Sanitation (Ndwedwe)	17,000,000
12	TECH	High	Backlog Household Sanitation (Maphumulo)	14,000,000
New	TECH	High	Backlog Household Sanitation (Mandeni)	-
13	TECH	High	Other Capital Projects (Bulk)	720,000,000
14	TECH	High	Other Capital Projects (Internal Reticulation)	480,000,000
15	TECH	High	Providing Sanitation to Proposed Developments	12,000,000
16	TECH	High	Mdlebeni Bulk Sanitation	4,000,000
17	TECH	High	Mandeni Ward 16 Household Sanitation	5,050,000
18	TECH	High	Ndwedwe Ward 16 Household Sanitation	9,000,000
19	SIZA	Low	Construction of 6MG Sewer Treatment Works & Main	3,830,000
20	SIZA	Medium	Construction of New Sewer Pumpstation	1,740,000
21	SIZA	Medium	Construction of New Sewer Pumpstation	1,495,000
22	SIZA	High	Upgrade of Hugh Dent Sewer Pumpstation	8,580,000
23	SIZA	High	Refurbishment of Sewer Pumpstations	6,000,000
24	SIZA	Low	Installation of WWTW Trunk Sewer	2,445,000
25	SIZA	Medium	Redesign & Construction of Shakaskraal WWTW	5,340,000
26	SIZA	Low	Upgrade & Install of Gravity Sewer mains & Other	1,600,000

It should, however, be noted that the backlogs have not been spread over a 3 – 5 year timeframe as in the case of the MTEF. This is mainly due to the reluctance of both national and provincial government departments to participate in the IDP process or provide the necessary information. The iLembe Municipality finds neither prudence nor diligence in creating false expectations. It should further be noted that the proposed project budgets are largely dependant on external sources of funding and the ability of the District to achieve its backlogs as well as maintain its future capital infrastructure is reliant on the budging processes of national and provincial and donor funder.

One of the most critical issues related to achieving what has been set out in this IDP and particularly in respect of its Capital Investment Programme and Framework is the availability of resources – financial and human resources. Financial and human resource constraints are of national significance and the iLembe District Municipality is equally challenged by these constraints. The District continues to source external funding to co-fund projects and has made significant strides in addressing the human resource elements. The Capital Investment Programme and Framework, assists the District in mapping out an implementation programme that is time base as well as driven by availability of resources. The District's Institutional Plan is being reviewed to particularly investigate the skills and capacity of staff to determine where shortfalls exist and to address these through on-site training sessions.

H3. IDP PROJECTS WITHIN SPATIAL CONTEXT

The nodes and corridors within iLembe have been identified as priority investment areas within the District and this is one on the most critical thrusts of this IDP. The IDP projects are spatially represented on the map that follows. It is, however, clear that in many instances public investment is directed to areas outside these identified nodes and corridors.

Spatially it is inevitable that some identified and committed projects fall outside the extent of the IDP corridors and nodes that have been set as the primary strategic thrust areas for investment and development. The fact that iLembe communities are entitled to basic service provision is acknowledged. However, in the long-term it is critical to rectify this investment pattern and to focus on balancing the iLembe space-economy. This would

ultimately result in the optimisation of investment and infrastructure to the long-term benefit and sustainability of the iLembe area.

At this point it is critical to take this matter forward, not by calling a halt to all such projects, but to caution on the potential danger of continuing on this basis and the potential damage this could cause in achieving a credible IDP for iLembe District. This matter must be taken forward and addressed fully in the annual reviews of this IDP to monitor developmental impact and change course, should it be necessary.

H4. SOCIAL INVESTMENT

Not all investment into the iLembe District is of a capital nature. Vast amounts are allocated to the iLembe District as social investment, with particular reference to the following:

Non Capital Contribution within iLembeDistrictMunicipality for period 2010/11		
Sector Department	Programme	Contribution (2010/11)
Department of Health	Unknown (information outstanding)	-
	Sub-total	-
Social Development	FAMSA	-
	Childline	-
	Mental Health Society	-
	SANCA	-
	Mzamo Child Guidance Clinic	-
	Sub-total	-
Department of Arts, Culture & Tourism	Unknown (information outstanding)	-
	Sub-total	-
Department of Social Development	Old Age	32 679 560
	Disable	27 913 370
	War Vets	1 030
	FCG	3 663 160
	CDG	2 272 500
	COMB	-
	GIA	280 560
	CSG	19 430 640
	Sub-total	86 240 820
Department Local Government & Traditional Affairs	Unknown (information outstanding)	-
	Sub-total	-
	Total (Non- Capital Expenditure)	86 240 820

SECTION I: ORGANISATIONAL PERFORMANCE

11. ORGANISATIONAL PERFORMANCE FRAMEWORK

The iLembe District Municipality's Organisational Performance Framework is formulated on the following basis:

National KPA	Status	Strategic Objectives	Municipal Action	Baseline	KPI	Type of KPI	Target/ Time Frame	Budget Implication	Responsibility		
Basic Service Delivery	Core	To address services backlogs and future growth requirements in the Municipality and to maintain and upgrade existing infrastructure	Roll-out municipal service delivery to all communities within the iLembe District in the most efficient, effective, affordable and sustainable manner								
			Determine and agree on the functions performed by the various municipalities and service providers								
		To improve spatial structure and definition of urban functions within the iLembe Municipality and to improve access to opportunities in the urban core as well as rural areas	Ensure human settlements that serve people in a way that is different from simply providing housing	■ ■ ■ ▶	To be completed as part of the PMS and SDBIP						
			Ensure sustainable land use planning and management								
		To coordinate and facilitate the effective provision of Social Services within the iLembe District	Formulate a Land Use Management System								
			Provide accessible social facilities and associated amenities								
Local Economic Development	Core	To stimulate local economic development to reverse the current trends of decline and lack in diversity of the economy, thereby enhancing economic growth	Develop and diversify the District's economy on a sustainable manner to increase the overall competitive advantage thereof in the three sectors agriculture, manufacturing and tourism								
			Act on the development opportunities originating from the various corridors running through the area, as well as the business zone developments associated with the DubeTradePort	■ ■ ■ ▶	To be completed as part of the PMS and SDBIP						
		Stimulate the development of iLembe as a prime tourist destination									
		Take the necessary steps to ensure that poverty alleviation, empowerment of women and socio-economic upliftment projects are implemented linked to EPWP									

National KPA	Status	Strategic Objectives	Municipal Action	Baseline	KPI	Type of KPI	Target/ Time Frame	Budget Implication	Responsibility
		To invest in the management of a sustainable environment to deliver on the quality of life	&AsgiSA principles Create a safe and secure environment that facilitates investment and visitor (business & leisure tourists) confidence						
			Develop strategic tools to guide decision-making for environmental management and sustainable development	■ ■ ■	▶	To be completed as part of the PMS and SDBIP			
			Establish an integrated environmental management system						
			Conserve areas of environmental, conservation and tourist significance						
Governance and Public Participation	Core	To provide systems and mechanisms for accountability and public participation in the affairs of the Municipality	Establish institutional structures which are fully representative, participative and empowered to champion social and economic change through transparent and co-operative governance						
			Ensure transparency, equity and integrity and build a culture of good governance	■ ■ ■	▶	To be completed as part of the PMS and SDBIP			
			Implement a Performance Management System for the District linked to KPAs as per the IDP						
Municipal Transformation and Organisational Development	Core	To promote institutional structures which are fully representative, participative and empowered to champion social and economic change through and improve the institutional capabilities of the Municipality for service delivery	Enhance institutional capacity through Skill Training & Empowerment to improve staff performance						
			Provide innovative leadership in the District	■ ■ ■	▶	To be completed as part of the PMS and SDBIP			
			Build capacity through the Sharing of Services						
Municipal Financial Viability and Management †	Core	To manage the Municipality's resources to ensure financial sustainability and affordability	Provide an Incentive Scheme to encourage development initiatives which are in support of stimulating the local economy i.e. labour intensive						
			Promote Performance Based Budget Plan i.e. accurate and realistic						
			Consider and promote the establishment of partnership arrangements	■ ■ ■	▶	To be completed as part of the PMS and SDBIP			
			Stimulate investment interest and confidence through sound financial principles and discipline						
TOTAL									

12. ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

The process of developing an organisational performance management system for the iLembe District Municipality was completed in July 2004, followed by the development of the individual performance management system. The completion of the two phases marked the beginning of the consultation and the preparation for implementation of the system. Two organisational performance reviews have already been conducted in line with the measures set, the results of which have been used in identifying areas requiring attention as well as in informing the 2006/07 IDP Review. This PMS is being applied and a monitoring, evaluation and review needs to be undertaken to establish the levels of performance and extent to which KPIs are met.

The components of the iLembe PMS are as follow:

- **Plan** – The Municipal Manager and Executive Committee share the responsibility for developing the project related and individual performance standards. All performance standards consist of outcomes (products or accomplishments) and expectations (measurement of outcomes in terms of cost, quality, quantity, time, etc.).
- **Monitor** – The Municipal Manager and Council observe the performance of the Executive Directors and provide feedback throughout the year, not just at the end of the performance cycle. Executive Directors can provide feedback on how well the Municipal Manager and the Council carry out their performance management responsibilities.
- **Develop** – The Municipal Manger has an open discussion with the Executive Directors to identify their training and other needs for improving his or her job performance.
- **Performance Summary** – A narrative description of the Executive Directors' performance, prepared by the Municipal Manager with input from the Executive Directors, is given to each Executive Director in a face-to-face meeting. A performance summary should include: an assessment of the Executive Director's effectiveness in meeting his or her goals and objectives, any recognition received and areas of suggested improvement.
- **Recognition** – The Municipal Manager and Council are encouraged to reward Executive Directors throughout the year for doing their jobs well. Recognition may occur in a number of ways, i.e. verbal praise, cash awards, and time-off awards.

The iLembe IDP forms the basis of the PMS and provides the institutional analysis and assessment of the Municipality's capacity, ability, resources, systems and procedures in developing and implementing a PMS. Essentially developing the iLembe PMS implies that a framework is developed that describes and represents how the Municipality's cycle and performance planning, monitoring, measurement, review and reporting will happen, be organised and be managed, whilst determining the roles of different role player. The following flow diagram shows a step-by-step approach to setting the performance measures of the iLembe Organisational PMS.

The iLembe PMS does the following:

- Demonstrates how it will operate and be managed from the planning stage up to the stages of performance review and reporting.
- Defines the roles and responsibilities of each role-player, including the local community, in the functioning of the system.
- Clarifies the process of implementing the system within the framework of the IDP process.
- Determines the frequency of reporting and the lines of accountability for performance.
- Links the organisational performance to employee performance.
- Provides for the procedure by which the system is linked with the municipality's IDP processes.
- Show how any general key performance indicators contained in the Municipal Planning and Performance Management Regulations, 2001, will be incorporated into the municipality's planning and monitoring processes.

The key outputs identified for the iLembe PMS are:

- Assessed reality in terms of existing systems and models.
- Gaps analysed between IDP and PMS requirements.
- Development of a PMS Framework.
- Communication with internal stakeholders and Local Municipalities, i.e. one-on-one input sessions, internal and external workshops with various stakeholders.
- Development of the Municipality and Departmental Scorecard Templates.
- Development of Guidelines for using the Municipality and departmental scorecards.
- Stakeholder input to the draft scorecards.
- Finalised scorecards for Council approval as a performance planning and measurement tool.
- Coaching of iLembe PMS team on completion of scorecards, including workshops with internal stakeholders.

13. THE ILEMBE SCORECARD AND SDBIP

The SDBIP marries the Performance Management System (as required under the Municipal Systems Act) with the budget and the IDP. Thus the strategic direction mapped out in the IDP is matched with financial resources and delivery of services as specified in the PMS. The requirement for an SDBIP is stated in the MFMA, Section 69.3(a) and is the responsibility of the Accounting Officer or the Municipal Manager. It can of course be delegated under Section 79.

Put simply the SDBIP allows the budget to be implemented fully as it identifies:

- The Strategic Imperative – Through links with the IDP.
- The Financial Imperative – Through links with the budget.
- The Performance Imperative – Through links to the PMS.

The National Treasury Circular 13 describes in detail the approach to SDBIPs. Basically there is a high level SDBIP for the purposes of high level monitoring by stakeholders, backed by full detail all the way to the individual employee. Starting from the top (the MM), all staff operate under KPIs within the identified KPAs. In effect the SDBIP becomes the implementation tool for the budget and the basis for non-financial monitoring.

At the highest level every vote could be aligned to an IDP strategy and some KPIs. These then form the basis of future monthly and in year reporting. The state of play at iLembe is that the budget is already married to the IDP all that is required is that performance indicators are developed for each vote or capital project. Simple, fast and effective. The major challenge is obtaining buy in and enthusiasm from staff and labour representatives. In a normal budget process the timelines for the IDP, budget and PMS processes would be integrated.

CONCLUSION

This 2009 iLembe IDP Review builds on the foundation of the 2007 – 2012 principal IDP. It reiterates the development rationale with supporting objectives and strategies to guide the development of the iLembeMunicipality area. These are ultimately aimed at achieving the development wish for the iLembe area and all its inhabitants, i.e.:

- Creating economic growth and jobs.
- Eradicating backlogs in service delivery
- Providing for housing and socio-economic development (including the impact of HIV/AIDS).
- Positioning the iLembe area as a prime tourist destination.
- Making the area of iLembe a safe and vibrant meeting place of rural, traditional and urban life-styles.
- Integrating the first and second economies to benefit from investment.
- Achieving a sustainable settlement pattern where people could meet all their needs to provide for a better quality of life and maintain sustainable livelihoods.
- Creating functional and institutional harmony with upstream and downstream spheres of government.

A large portion of this IDP Review is dedicated to the financial implications and challenges facing the Municipality in meeting its mandate as caretakers, managers and developers of their judicial area. The demands far outweigh the resources and it is critical that the Municipality:

- Prioritise projects and programmes for implementation in addressing the needs.
- Do proper financial planning which is also based on sound financial and business principles.
- Source appropriate external funds to supplement their own resources.
- Improve and sustain the Municipal income generation.
- Stimulate and grow the economic base of the iLembe area.
- Enter into partnerships to facilitate effective implementation.

This IDP Review also provides feedback on many of the issues that were highlighted as shortcomings in the principal IDP, including progress made in respect of the iLembeLand Use Management Framework, Strategic Environmental Assessment and various Sector Plans that support the IDP.

The necessary actions and projects to achieve the objectives and implement strategies are deliberated with financial implications and requirements set out in detail. The culmination of this entire process is the development of a Spatial Development Framework which is supported by the projects, programmes and a Financial Plan for implementation and guiding the development and future growth of the iLembe area in the strive to improve the quality of life, providing a higher standard of services to the entire community ensuring that this area become as a prime economic generator for tourist development, farming, mining and timber and a service centre for its rural and urban communities.

Ultimately the iLembeDistrictMunicipality needs to integrate and align all its efforts with those of its four constituent LocalMunicipalities as well as national and provincial stakeholders. The effort made in this IDP to align the council budget with those of line function departments goes a long way to addressing the weaknesses of previous development plans. Even though the implementation process may take a number of years and at times seem difficult, the advantages of this process are numerous. Policy makers (councillors) gain clear information about the impact of spending, aiding them in making informed choices.

The results of policy decisions become evident as performance is measured and resource usage is directly related to services produced. Programme managers will work within well-defined expectations and have the flexibility to reform processes and increase efficiency as long as goals are met. The iLembe communities also benefit by being able to determine a clear connection between money spent and services provided.

In conclusion, the iLembe District Municipality IDP is aligned with and incorporates the Millennium Goals as well as the National and Provincial Development Perspectives and Targets. In an attempt to meet these goals and deliver on the set targets as part of addressing the backlogs and future growth within iLembe District, the Capital Investment Framework puts forward a consolidated financial framework that spans over a five year period differentiating between committed and non-committed funds per year. A total of R7,88 billion is required and will be invested over the next three years. It is important to note that only some Provincial Sector Departments participated in the Sector Alignment Session's which influenced the said budget allocation.

Of note is that most of the Provincial Sector Department's Medium Term Expenditure Frameworks with reference to Programmes, Projects and Priorities are as yet non-aligned to any of the IDPs Key Areas of Intervention (Strategic Objectives) within iLembe District. It is our understanding that the Provincial MTEF should deliver on quantifiable Service Delivery Plans. This raises a question whether the Provincial Sector Departments do have a "Plan"?

Financial and human resource constraints are of national significance and the question remains that, even if the iLembe District Municipality has access to sufficient financial resources to fund its Capital Investment Programme and Framework – attached hereto as **Appendix K2**, does it have the skilled human resource capacity to give effect thereto?