

INTEGRATED DEVELOPMENT PLAN 2011/2012



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SECTION 1: SITUATIONAL ANALYSIS

1. INTRODUCTION

The situational analysis in the Integrated Development Plan (IDP) defines the state of the social, economic, institutional and physical state of the uMhlathuze municipal area. The organisation's situational analysis describes the competitive position, financial condition and the general state of internal and external affairs to provide the context and knowledge for planning. The 2011/2012 IDP will review the past five years, which were marred by political transitional changes and a turbulent financial situation. The City had a challenge of maintaining the necessary balance between expenditure, growth and reducing debt within the past two years. The challenge has not been completely overcome but necessary changes were instituted to mitigate the financial situation. The City also took it upon itself that service delivery should be rolled equally in all areas. The Millennium Development Goals (MDGs) have steered the organization for the eradication of existing backlogs. The good working relationship that has been established over the past few years with other government departments has also made it easier for the municipality to roll out our services closer to our communities.

2007/2008 saw an increase in the budgets of Community and Social Services, Sports and Recreation, Waste Management, Road Transport, Water and Electricity following comments received during the public participation process. These increases were largely financed by external loans. Many concerns that were raised by our community included the need for schools and clinics in the rural areas. Electrification of the rural areas, lack of proper roads/maintenance of roads in rural areas, the need for assistance with low-cost housing developments in rural areas as well as the need for water and sanitation services in rural area were also some of the highly requested needs at these meetings.

2008/2009 saw an increase in the number of people that attended our IDP/Budget public participation meetings comparing to the previous years. Comments stemming from these meetings were taken into consideration to identify the relevant projects. The budgets for housing, sports and recreation, waste management, road transport, water and electricity saw an increase for the 08/09 financial year. The income and expenditure budgets increased from R1, 054 billion to R1, 064 billion.

The **2009/2010** financial year was guided by six principles, managing all revenue streams, ensuring proper spending on capital projects, bringing access to basic social services to vulnerable citizens, building capacity and promoting investment, fostering micro business opportunities for job creation, and protecting the poor. The highlight during this financial year was the way Council started managing the way they measure performance. Officials were enlightened in detail that the Service Delivery Budget Implementation Plan (SDBIP) is the tool that should

drive the municipality's departmental projects planning. The ideal would be that carry-over projects are eliminated for good performance for the municipality.

The **2009/2010** financial year was not an easy year due to the global economic crisis and the municipality had to change patterns to accommodate the new conditions in which it found itself. The year saw the official launch of the uMhlathuze Central Sports Complex in June. This provided an opportunity to host the Nigerian Super Eagles to the stadium and the City for the duration of the 2010 World Cup. Most projects targeted for completion during the 2009/2010 financial year were on track, but some were deferred to the next financial year for various reasons. Completed projects included the stadium and the University of Zululand City Campus.

2010/2011 saw the municipality responding to the Department of Cooperative Government and Traditional Affairs (COGTA) implementation of the Turn Around Strategy (TAS). The Municipality developed its own municipal turnaround strategy and identified its own ten priority areas, which will need constant monitoring in terms of implementation. These priority areas are:

- Effective cash flow management and budgeting
- Access to reliable and sustainable basic services
- Infrastructure asset management
- Filling of critical essential and funded positions
- Promote and enhance public participation
- Overhaul of the Human Resources Policy Framework
- Conduct a comprehensive skills audit
- Enhance the City's contribution to job creation and sustainable livelihoods through local economic development and investment attraction
- Strengthen relations and partnerships with key stakeholders
- Effect Operation Clean Audit strategy.

Council has taken the decision to retain the above priorities for this IDP given that they are aligned to the key strategies of the municipality.

The 2011/2012 IDP takes another stance at looking at the 12 outcomes adopted by Cabinet. These outcomes are for all municipalities to consider when reviewing their IDPs and developing their annual budgets for the 2011/2012 Medium Term Expenditure Framework.

The following are the 12 outcomes of government and the role of local government:

Outcome	Role of local government
1) Improve the quality of basic education	<ul style="list-style-type: none"> ○ Facilitate the building of new schools by: <ul style="list-style-type: none"> • Participating in needs assessments • Identifying appropriate land • Facilitating zoning and planning processes ○ Facilitate the eradication of municipal service backlogs in schools by extending appropriate bulk infrastructure and installing connections.
2) Improve health and life expectancy;	<ul style="list-style-type: none"> ○ Many municipalities perform health functions on behalf of provinces ○ Strengthen effectiveness of health services by specifically enhancing TB treatments and expanding HIV and AIDS prevention and treatments. <p>Improve Community Health Services infrastructure by providing clean water, sanitation and waste removal services</p>
3) All people in South Africa protected and feel safe;	<ul style="list-style-type: none"> ○ Facilitate the development of safer communities through better planning and enforcement of municipal by-laws ○ Direct the traffic control function towards policing high risk violations - rather than revenue collection
4) Decent employment through inclusive economic growth;	<ul style="list-style-type: none"> ○ Create an enabling environment for investment by streamlining planning application processes ○ Ensure proper maintenance and rehabilitation of essential services infrastructure ○ Ensure proper implementation of the EPWP at municipal level ○ Design service delivery processes to be labour intensive ○ Improve procurement systems to eliminate corruption and ensure value for money ○ Utilise community structures to provide services
5) A skilled and capable workforce to support inclusive growth;	<ul style="list-style-type: none"> ○ Develop and extend intern and work experience programmes ○ Link municipal procurement to skills development initiatives
6) An efficient, competitive and responsive economic infrastructure network;	<ul style="list-style-type: none"> ○ Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflecting pricing of these services ○ Ensure urban spatial plans provide for commuter rail corridors as well as other modes of public transport ○ Maintain and expand water purification works and waste water treatment works in line with growing demand ○ Cities to prepare to receive the devolved public transport function ○ Improve maintenance of municipal road networks

Outcome	Role of local government
7) Vibrant, equitable and sustainable rural communities and food security;	<ul style="list-style-type: none"> ○ Facilitate the development of local markets for agricultural produce ○ Improve transport links with urban centres so as to ensure better economic integration ○ Promote home production to enhance food security ○ Ensure effective spending of grants for funding extension of access to basic services
8) Sustainable human settlements and improved quality of household life;	<ul style="list-style-type: none"> ○ Cities must prepare to be accredited for the housing function ○ Develop spatial plans to ensure new housing developments are in line with national policy on integrated human settlements ○ Participate in the identification of suitable land for social housing ○ Ensure capital budgets are appropriately prioritised to maintain existing services and extend services
9) A responsive and accountable and effective local government system;	<ul style="list-style-type: none"> ○ Adopt IDP planning processes appropriate to the capacity and sophistication of the municipality ○ Implement the community work programme ○ Ensure ward committees are representative and fully involved in the community consultation processes around the IDP, budget and other strategic service delivery issues ○ Improve municipal financial and administrative capacity by implementing competency norms and standards and acting against incompetence and corruption
10) Protection and enhancement of environmental assets and natural resources;	<ul style="list-style-type: none"> ○ Develop and implement water management plans to reduce water losses ○ Ensure effective maintenance and rehabilitation of infrastructure ○ Run water and electricity saving awareness campaigns ○ Ensure proper management of municipal commonage and urban open spaces ○ Ensure development does not take place on wetlands
11) A better South Africa, a better and safer Africa and world; and	<ul style="list-style-type: none"> ○ Role of local government is fairly limited in this area. ○ Must concentrate on: <ul style="list-style-type: none"> • Ensuring basic infrastructure is in place and properly maintained • Creating an enabling environment for investment
12) A developed-orientated public service and inclusive citizenship.	<ul style="list-style-type: none"> ○ Continue to develop performance monitoring and management systems ○ Comply with legal financial reporting requirements ○ Review municipal expenditures to eliminate wastage ○ Ensure councils behave in ways to restore community trust in local government

Key issues that uMhlathuze will be focussing on in the 2011/2012 financial year:

- Community upliftment and empowerment of rural areas.
- Economic development and attraction of investment.
- Maintenance of development standards in all areas.
- Opportunities for affordable housing.
- Protection of the poor.
- Balancing social and economic progress whilst protecting the integrity of the ecological environment.

The next section will provide contextual information pertaining to the City; consider the demographic, economy, social and community development, infrastructure service provision, planning and environmental management as well as municipal service delivery as a whole.

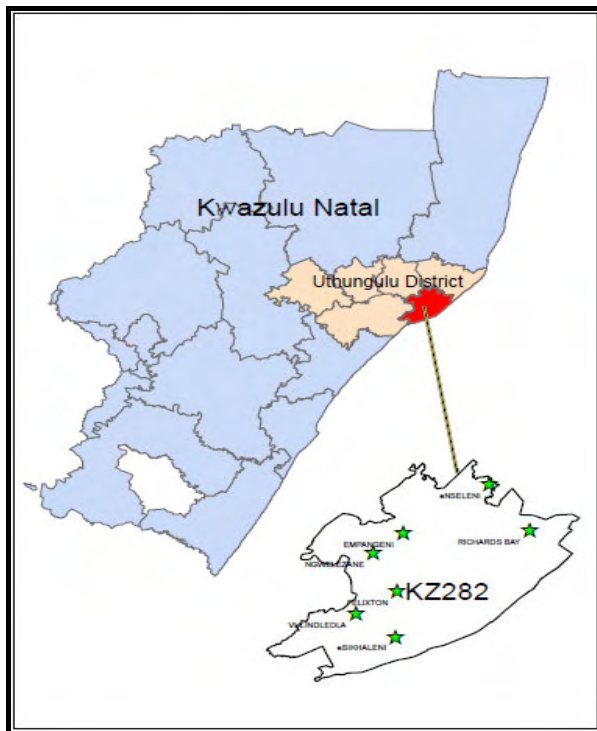
2. UMHLATHUZE'S GEOGRAPHIC CONTEXT

The City of uMhlathuze (KZ 282) is situated on the north-east coast of the province of KwaZulu-Natal, some 180kms north-east of Durban. The city borders a coastline that spans approximately 45 kilometers in length of which nearly 80% of it is in its natural state. The N2 highway traverses uMhlathuze Municipality in a north-east direction towards the Swaziland border and south-west towards Durban. It effectively forms a division between Empangeni and Richards Bay. The R34 Provincial Main Road passes through Empangeni towards Melmoth.

Figure 1: National Context



Figure 2: Provincial Context



uMhlathuze Municipality, which is the third largest economy in KwaZulu-Natal, comprises urban settlements, rural settlements, rural areas, farms and nature reserves. It includes a deep-water harbour, the Richards Bay harbour, connected inland via a railway line. The area has a deep – water port, which is connected by national roads and railway line to the economic heartland of South Africa. Empangeni and Richards Bay are the largest towns forming part of the municipal area and are surrounded by large tracts of tribal authority areas, sugar cane fields, timber plantations, wetlands and fresh water lakes.

UMhlathuze functions as a district node and dominant commercial centre in the uThungulu District. It consists of a variety of clustered and ad hoc settlements that are linked with a well-developed network of roads and rail infrastructure. The key feature of uMhlathuze Municipality is the N2 Development Corridor, eThekweni-Ilembe-uMhlathuze Corridor. The Dube Trade Port, (King Shaka Airport), is approximately 145 kilometres away is also an added advantage to the area in terms of investment attraction. The City has establishments of large new industries, company and port expansions, an industrial development zone (IDZ), and vast agricultural and forestry area. Large industrial concentrations are located in and around uMhlathuze. This has created the City to be an economic heartbeat of northern KwaZulu-Natal (KZN). It contributes 7,6% of the total Gross Geographic Product and 5,5 % of total formal employment in KZN.

The total area within uMhlathuze is 796 km² making it only 9.7% of the uThungulu District. UMhlathuze municipality contains 32% of the district's population and has the majority of economic activity (88%) vested in Richards Bay, Empangeni and Felixton.

The City of uMhlathuze is characterized by highly developed urban areas surrounded by a poor and undeveloped hinterland, with a substantial number of the total population considered rural residents. uMhlathuze Municipality is made up of Richards Bay, Empangeni, Vulindlela, Esikhaleni, Enseleni, Felixton, Ngwelezane and four Traditional Authority Areas. The Traditional Authority Areas, Dube, KwaKhoza, Mkhwanazi North and South, and Zungu-Madlebe cover approximately 27,953 hectares (or 35%) of the uMhlathuze Municipal area.

Table 1: Municipal Land Area

Area	Km ²	%
Richards Bay	289, 9966	36,5
eNseleni	1,3325	0,2
Empangeni	28,9386	3,6
Felixton	2,7835	0,3
eSikhaleni	6,2304	0,8
Vulindlela	0,8464	0,1
Ngwelezane	3,7001	0,5
5 Traditional Authority areas, 21 rural settlements and 61 farms	462,1426	58,0
Total municipal land area	795,9707	100

3. ECONOMIC PROFILE

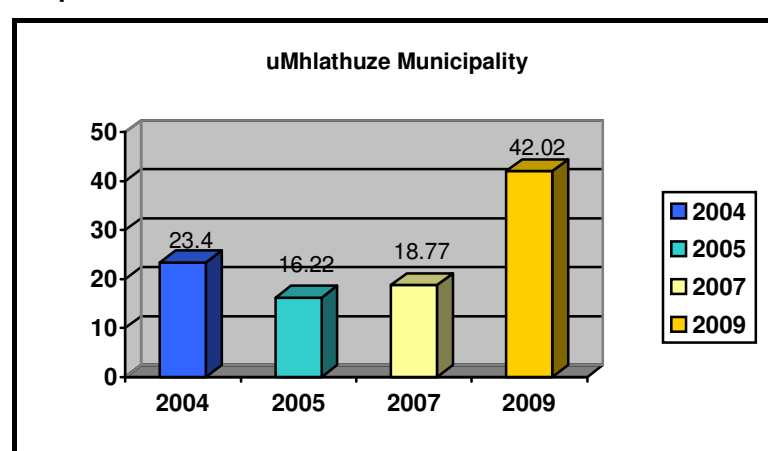
3.1 uMhlathuze's Socio-Economy

The City of uMhlathuze is the third most important primary manufacturing area in KwaZulu Natal in terms of economic production. Several of the world's industrial giants are located in uMhlathuze. The significant industrial concentrations supported by the output and activities of several important development nodes. Most of the industrial and commercial activities are vested in Richards Bay, Empangeni and Felixton (specifically the industrial development nodes of the City of uMhlathuze. The area is the third most important in KwaZulu Natal (KZN) in terms of economic production, contributing 7,6% of the total gross geographic product and 5.5% of total formal employment. Development of the port facilities through the years has initiated and promoted the development of manufacturing activity. The area's port and Industrial Development Zone (IDZ) are important assets that can successfully exploit opportunities to export produce to the vast markets of the world. Policies have been designed to promote industrial growth and to encourage investment, with projects prioritised on the basis on the contribution made to job creation. Strategies and interventions revolve around promotion of primary industrial development while creating an entry level into the market system for emerging businesses, the informal sector and Small Medium and Micro Enterprises (SMMEs).

3.2 Dependency Rate

The uThungulu district undertook its fifth Quality of Life (QOL) Survey during 2009 and a draft was compiled. The following table shows a comparison of the incidence of Pensioner Headed Households (expressed as a %) in the uThungulu district since 2004. It is apparent that there has been a significant increase in the number of pensioner headed households since 2007 from 32.43% to 46.84%. The incidence of pensioner headed households is high and some reasons for this could be, parents working elsewhere, deceased parents, the traditional culture of extended families as well as the effects of migrant labour. UMhlathuze seems to have doubled from 2007 to 2009.

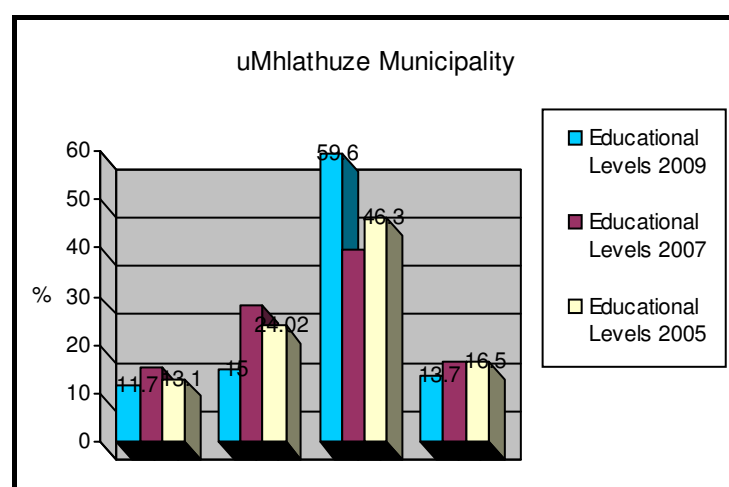
Graph 1: Pensioner Headed Households



Source: Quality of Life Survey, 2009

3.3 Levels of Education

Graph 2: Levels of Education attained by over 20 year olds in uMhlathuze



Source: Source: Quality of Life Survey, 2009

Access to basic education is a right enjoined in the constitution of the country, and it should be a serious concern that there are 11.7% of people who do not have access to even basic education. 15% of the people have at least some primary schooling. It should be noted that access to tertiary education has increased. It should be noted that there are therefore many people with no qualifications within the municipal area with no jobs or people who are in the informal sector.

The Quality of Life Survey (2009) noted that a large portion of unemployed people are involved in informal trading such as fruit and vegetable trading at street corners, or taxi ranks and other public areas. Informal traders also considered themselves as self-employed whilst on the contrary some felt it necessary to be classified as unemployed as they are only working as street vendors due to unemployment.

3.4 Employment Status of the Population

The unemployment level in the area is **37.3%** whilst that of the uThungulu region 45.7%. Manufacturing is the dominant economic sector in the uThungulu District and is centered in the City of uMhlathuze, only 24% of people employed work within this sector as described in table 5.

It is for the above reasons that an appropriate economic development strategy for the municipality is concentrated on Small, Medium and Micro Enterprise (SMME) development as a means of promoting emerging entrepreneurs who will initiate labour intensive job growth. Furthermore, the strategy aims to provide support to the informal sector as it is recognized that it currently provides many households with an income and it is anticipated to play an increasingly more important role in the future.

Even though the economic performance of the local area is good, it must be noted that unemployment remains high as alluded to previously in this report. The results of the 2009 Quality of Life Survey provides the following information pertaining to the number of dependants per person employed.

3.5 Household Income

The comparison between annual household incomes is done according to typical rural, peri-urban and urban areas. Analysis of the overall average annual household income will be misleading as it is directly related to the geographical position and developmental level of a particular area. The annual household income in the eNseleni rural area is the lowest as over 40% of all households have no income. Close to 20% of households in the Ngwelezane, eSikhaleni and eNseleni rural areas earn between R9601 and R19200 per annum. 27% of households in Mzingazi Village and 29% of those in Mandlazini earn no income. A large portion of the households in these areas earn between R4801 and R38400 per annum. On average, the income distribution between households in Mzingazi Village and Mandlazini is between the R4801 and R76800 income brackets.

The comparison of annual household income between typical urban areas reveals that whereas 47% of households in Meerensee and 23% of households in Empangeni earn more than R153 601 per annum, only 2% of households in eNseleni Urban earn this annual income. 23% of households in eNseleni do not earn any income.

Overall, annual household income is the highest in Meerensee, although some 8% of households in this area earn no annual income. Individual monthly income is, on average, higher in Richards Bay than in Empangeni, eNseleni or eSikhaleni. A large number of individuals in eNseleni and eSikhaleni earn less than R400 per month.

3.6 Income Levels

The survey results show that a large number of people are within the R801-R1500 income bracket. At least 34% of the households surveyed have income of between R800 and R1500. As with the Quality of Life Survey 2007, this is the same bracket of old age pension grants. A broader, perhaps more accurate picture is that more than 60% of uThungulu district residents survive on less than R1500 every month to buy basic necessities such as food, clothes and even pay for school fees and or shelter. This trend seems to be prevalent at a local level as well.

Table 3 shows that metals and related products are the biggest industry in the uMhlathuze-manufacturing sector, contributing more than 20% of manufacturing output with high contribution to the gross geographic product (*GGP*). It provides the muscle that makes for the industrial strength of the sub-region. The sector focuses on exports and has few forward and backward linkages with the rest of the district's economy. Concentration in this sector is largely on paper and printing, basic iron and steel, food, beverages and tobacco products.

It is also interesting to note that the dominant economic sector is not the most labour intensive. This sector is vital to contribute to economic development and generation of wealth. However, other labour intensive sectors should also be boosted to redress poverty and provide basic economic needs of the larger community and to have a balance in the economic activity of the area. It is important that the area produces more refined (value-added) products that will place more value on exports and create more job opportunities.

Table 2: Employment Sectors

ECONOMIC SECTOR	(2001) % TOTAL
Manufacturing	24
Community Services/ Social/ Personal	16
Trade	13
Financial/ Real Estate/ Business	10

ECONOMIC SECTOR	(2001) % TOTAL
Agriculture/ Forestry/ Fishing	9
Construction	8
Transport/ Communication	7
Households	6
Mining/Quarrying	5
Other	2
TOTAL	100%

Source: Stats SA, 2001

The local economy forms an integral part of the international and national economies. The presence of a huge number of exporting and importing industries, notably BHP Billiton's aluminium smelters, Richards Bay Minerals, Mondi Kraft, Foskor, Bell Equipment, Exxaro KZN Sands, Richards Bay Coal Terminal, agricultural activity (sugar cane and timber) and the port of Richards Bay, means that the welfare of the region is influenced by international and national market movements. 95% of economic activity is vested in Richards Bay, Empangeni and Felixton.

Formal employment levels are not an indicator of income generation. Although unemployment is high, a significant proportion of the population in uMhlathuze is involved in informal activities. Surplus produce from subsistence farming is rapidly becoming an important source of income in the region.

The uMhlathuze Municipality started an initiative in terms of the Local Economic Development (LED), which is a joint venture between Council, government departments and the public. This initiative seeks to harness and utilize resources to stimulate the economy and create new job opportunities. The central theme of economic development is to extend economic opportunities, particularly jobs, to the broader community. LED involves the following benefits:

- Creating jobs and new employment opportunities;
- Increasing income levels and enabling people to pay for their services;
- Broadening the tax and revenue base of a local authority;
- Concentrating on human resource potential and
- Opportunities for development;
- Building new institutions for sustainable economic development; and
- Promoting linkages between developed and undeveloped areas.

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

- Dependencies are very high due to the prevalence of the HIV/AIDS pandemic;
- Difficulties involved in accessing job opportunities in neighbouring metropolitan, district and local areas;

- Lack of entrepreneurial development opportunities; and
- Involvement of a large percentage of the population in subsistence farming activities.
- Some people lack any substantial economic activity and the rural and traditional areas are the most severely affected by poverty and unemployment.
- Reduction of employment opportunities in specifically the manufacturing and agricultural sectors – even at a national level.

The unemployment level in the area is 36.28% whilst that of the province lies at 47.4%. Manufacturing the dominant economic sector in the uThungulu District and is centered in the City of uMhlathuze, only 24% of people employed work within this sector as described in the figure hereunder:

Even though the economic performance of the local area is good, it must be noted that unemployment remains high as alluded to previously in this report. The results of the 2007 Quality of Life Survey provides the following information pertaining to the number of dependants per person employed.

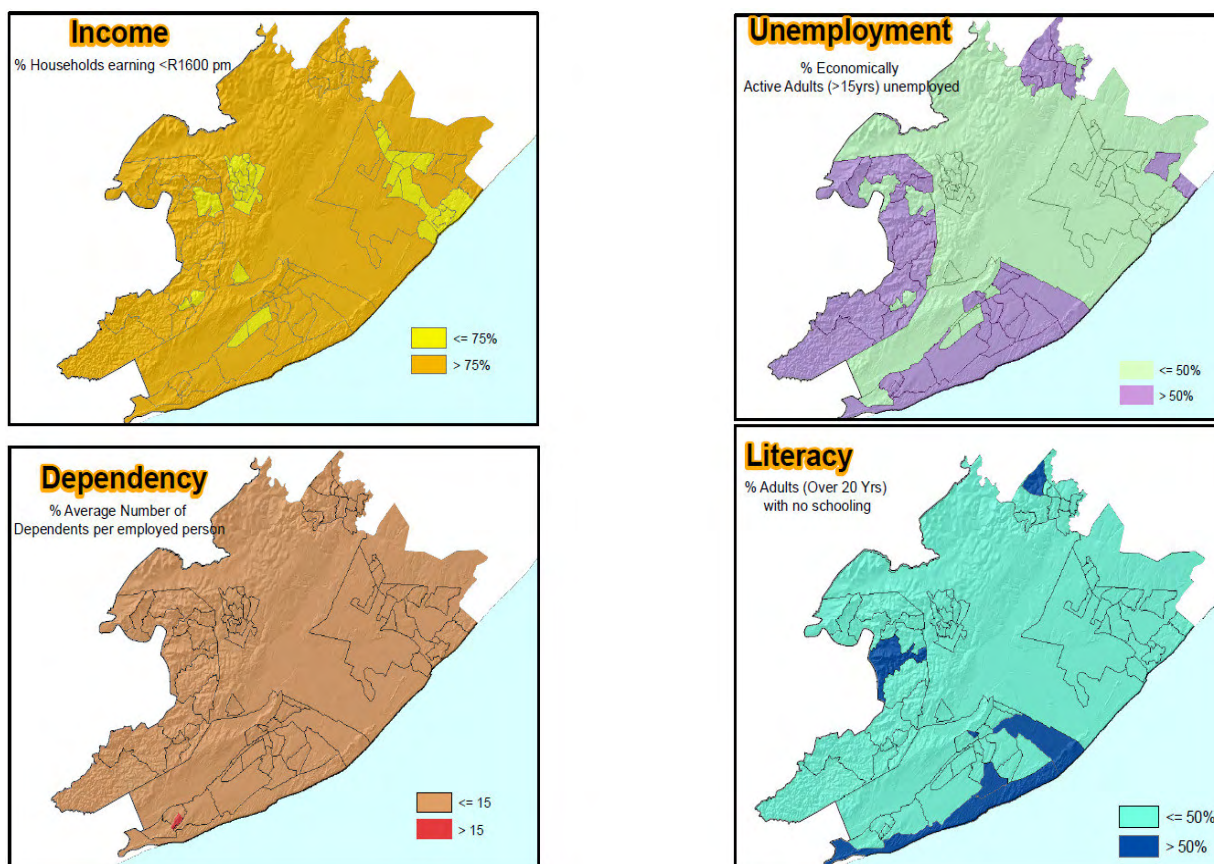
Table 3: Dependants per person employed

Municipality	Dependants per Person Employed
uMhlathuze (Local)	5.9
uThungulu (District)	6.2

Source: uThungulu's Quality of Life Survey (2007)

It is for the above reasons that an appropriate economic development strategy for the municipality is concentrated on Small, Medium and Micro Enterprise (SMME's) development as a means of promoting emerging entrepreneurs who will initiate labour intensive job growth. Furthermore, the strategy aims to provide support to the informal sector as it is recognized that it currently provides many households with an income and it is anticipated to play an increasingly more important role in the future.

Figure 3: Socio-Economic needs



4. OUR ECONOMY

National Treasury has forecast growth of 1.2% for 2009. Exports collapsed mainly due to sharp falls for vehicles and precious metals. The effects of the economic crisis in the uMhlathuze municipal area eventually led to job losses, particularly in the mining and manufacturing industries which also lead to down stream effects.

The development of the Richards Bay Industrial Development Zone (IDZ), which is an initiative by South Africa (SA) to attract new investment into Richards Bay. This is a comparative advantage that uMhlathuze offers for industrial expansion, local economic development focus areas as well as tourism. The IDZ involves several key interlinked projects as well as expansions in specific sectors. The development strategy for the IDZ involves several key interlinked projects as well as expansions in specific sectors. The development strategy for the IDZ thus hinges on the ability of world-scale strategic projects to enable the creation of downstream industries. The aim is not only to attract other heavy industrial operations but also to stimulate value-adding industries that build on the rich stock of raw materials available in uMhlathuze area and then to cluster smaller, downstream manufacturing businesses around the existing major industries already based in the city. These activities will mean that there is growth of a firmer base of secondary manufacturing

concerns into the economy. This will in turn position the area as a vital major export-manufacturing platform into Africa.

The benefits to industries located in the IDZ will include:

- Existing efficient deep-water port
- Suited to export-orientated production
- Customs controlled area
- VAT and import duty exemption
- Same time zone as Europe
- Strategic location to access world markets
- Allowance for 100% foreign ownership
- Established local and service industries
- Down-streaming opportunities with respect to: Aluminium, Heavy Metals, Chemicals, Wood, Paper, Pulp and various agricultural products

Part one of the RBIDZ area covers approximately 372 ha located adjacent to the Port of Richards Bay and borders with Mondi Pulp Mill, the Alton Industrial Area, the BHP Billiton- Hillside and Bayside Smelters, the Gypsum Dump and Medway Road.

The Provincial Spatial Economic Development Strategy has a number of very important statements relevant to the City of uMhlathuze. Richards Bay per se is given an anchor industrial potential classification. Potential in the uMhlathuze area includes beach related, cultural and eco-tourism. Prominent eco-tourism attractions are eNseleni Nature Reserve and Ongoye Forest Nature Reserve. A number of corridors traverse the municipal area, i.e. the eThekwini - uMhlathuze multi-sectoral corridor as well as the uMhlathuze - Ulundi Vryheid Agricultural Activity Corridor. The Durban-Richards Bay Corridor is another one of the major economic corridors in the country. The new King Shaka International Airport has economically strengthened the corridor.

Table 4: Sectoral contribution to the GGP during 2005

Economic Activity	% Contribution
Manufacturing	55
Community Services	10
Transport	9
Trade	9
Finance	7
Construction	3
Agriculture	3
Mining	3

Economic Activity	% Contribution
Electricity	1
TOTAL	100%

Source: Impact: Economic Strengths of Zululand (2005/2006)

5. DEMOGRAPHICS

The City of uMhlathuze has an estimated 345 776 total population and about 81 008 households. This makes the average household size 4.4 persons per household. Females account for 51% of the total population. The estimated population growth rate is 1,18% for males and 0,94% for females. Life expectancy at birth is estimated at 53,3 years for males and 55,2 years for females. Infant mortality is estimated at 46,9 per 1 000 live births. It is suggested that the above figures be kept in mind when considering expansion areas and potential for the City of uMhlathuze. More than 40% of the residents in the municipal area reside in the non-urban (Rural and Traditional Authority) areas outside Empangeni and Richards Bay, which is indicative of a densely populated rural area. More people reside in Richards Bay than Empangeni, although Richards Bay is a younger town, indicating that this town grew at a faster rate than Empangeni.

Table 5: Population density

Suburb/Area	Persons per km ²
Felixton, farmland and forestry areas	2 - 525
Empangeni, Richards Bay (excluding Aquaene and	526 - 1192
Vulindlela, Brackenham and Aquadene	1193-2084
Ngwelezane	2085-3989
ENseleni urban, eNseleni rural & eSikhaleni urban	3899-6421
Total average for entire municipal area	3899-6421

Source: Quality of Life Survey, 2007

The constant availability of labour is an essential element in economic growth, which is considered as being important development opportunity for establishing a more balance urban area and local economic base. The uMhlathuze youth segment of the population has a large base, and total number of people under the age of 15 years accounts for 31.8% of the total population, and the percentage of the population that is 34 years or younger comprises 74.2% of the total population. The age group 65+ represents only 3% of the total population. It is interesting to note that the male component in the age group 65+ comprises a very small percentage of the total population, i.e. only 1%.

Table 6: Population by gender and age group

Age	Female	Male	Population (N)	Population (%)
0 – 4 years	18028	18028	36056	10,43
5 – 14 years	37392	36724	74116	21,43
15 – 34 years	76192	70167	146359	42,33
35 – 64 years	40739	39042	79781	23,07
Over 65 years	6084	3380	9464	2,73
Total (N)	178435	167341	345776	100

5.1 HIV/Aids

It is difficult to estimate what the population due to the HIV/AIDS pandemic. The City of uMhlathuze is one of the major provincial nodes and attracts people to employment opportunities. The update of land is also dependent on the rather uncertain impact of the HIV/Aids pandemic on the municipal population growth rate.

It is a known fact that there is a lack of clear and reliable data regarding HIV at a local municipal level. However, it is nonetheless clear that it is a very serious issue and should be incorporated into whatever strategies or developments are undertaken in the study area. Typical impacts of AIDS include decreased productivity of workers, increased absenteeism and additional costs of training of new workers. It also represents a greater demand and pressure on health facilities and as the statistics gathered from antenatal clinics indicate a very real problem of AIDS orphans and child (minor) headed households. These factors must be taken cognizance of when devising local economic development strategies.

The concerns about the impact of HIV on uMhlathuze need to be reiterated as KwaZulu-Natal has the highest HIV prevalence rate of all the provinces. The uMhlathuze municipal clinic sets aside approximately R35 000 for provision for HIV and AIDS. The City of uMhlathuze's Clinic Services launched an HIV testing campaign as part of President Jacob Zuma's mass HIV testing campaign, which aimed to test 15 million people between April 2010 and June 2011. uMhlathuze Clinic Services encourages all people in the community to know their HIV status. The objective of the ministerial initiative was to expand access to HIV counselling, testing (HCT) and treatment. Other Government objectives of the campaign are to:

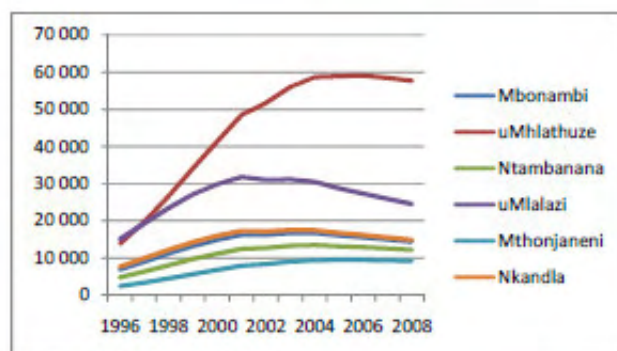
- Increase safe sex behaviours, through education and testing,
- Reduce new HIV infections
- Reduce illness and death from TB and AIDS through timeous diagnosis and treatment of HIV, TB and AIDS
- Increase capacity of health services to address AIDS through "mainstreaming" AIDS care into the health services.

Table 7: HIV/Aids related statistics for KZN

Year	Total Population	Growth Rate (%)	Total HIV +	Cumulative Aids deaths	Total Aids sick
1990	7 784 964	2.4	15 495	162	130
1991	7 976 808	2.4	32 905	409	320
1992	8 164 488	2.3	65 246	959	732
1993	8 348 520	2.2	120 431	2 112	1 571
1994	8 528 077	2	208 070	4 380	3 173
1995	8 696 220	1.8	334 621	8 580	6 027
1996	8 845 549	1.7	497 692	15 882	10 807
1997	9 002 528	1.7	680 909	27 838	18 576
1998	9 146 331	1.5	862 305	46 752	29 885
1999	9 275 055	1.3	1 028 663	74 690	45 407
2000	9 387 453	1.1	1 170 848	113 828	65 382
2001	9 484 797	1	1 288 002	165 996	88 885
2002	9 572 574	0.8	1 380 107	232 411	114 958
2003	9 645 417	0.7	1 447 112	313 306	141 539
2004	9 703 594	0.5	1 491 837	407 862	167 515
2005	9 750 935	0.5	1 521 149	511 974	181 694
2006	9 791 815	0.4	1 540 183	621 291	193 028
2007	9 827 879	0.4	1 552 390	734 372	200 628
2008	9 861 135	0.3	1 560 573	849 481	204 976
2009	9 893 513	0.3	1 567 048	964 964	206 294
2010	9 925 414	0.3	1 572 457	1 080 680	209 638
2011	9 956 255	0.3	1 576 698	1 197 399	212 962
2012	9 986 310	0.3	1 580 360	1 314 975	215 535
2013	10 015 990	0.3	1 584 077	1 433 017	217 260
2014	10 045 556	0.3	1 588 258	1 551 178	218 324
2015	10 075 055	0.3	1 593 022	1 669 254	218 987

Information has been extracted from the uThungulu District Municipality Global Insight (2008) database in respect of the incidence of HIV/Aids in the uThungulu District and its Local Municipalities.

Graph 3: HIV/Aids related statistics in the uThungulu area



Source: Global Insight (2008)

Table 8: uMhlathuze's Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> -Skilled human resources -Stable governance -Good infrastructure -Sustainable services -Water Services Authority -Availability of raw materials & extensive natural resources 	<ul style="list-style-type: none"> -Inadequate or lack of relevant skills to tap into economic opportunities -No innovation & creativity -No access to finance -Weak & poor quality basic services infrastructure in rural areas discourages investors -Lack of Customer Care -Role Conflict -Weak financial situation -High levels of poverty, particularly in rural areas -Weak communication with provincial departments -Lack of sport & recreational; facilities in rural areas and the R293
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> -Competitively Geographical Located -Potential to be a well sort after tourist destination -Economic/ Industrial location -Regional hub of Northern KZN -Organised Agricultural & Business sector -Good working relationship with traditional leaders -Large pool of undeveloped potential workforce -Access to generally good education & tertiary institutions -Development of Thusong SC would offer a wide range of exposure -IDZ, tourism projects and LED will stimulate other economic opportunities 	<ul style="list-style-type: none"> -Lack of investments -Threat to the infrastructure capacity in residential areas by increasing density -Political instability -Unemployment -Employment -Emigration & limiting (rural urban) -Health -Environmental issues -Competitive edge -Invasion of land -Negative publicity -Diseases & environment problems posed by water & sanitation backlogs -Land claims & long time frame in setting these issues

5.2 Financial Stability

The 2009/10 financial year was an eventful year for the country and the Municipality given the prevailing market condition, which took a heavy toll on many businesses. Given the financial challenges that the Municipality is faced with, it remained relatively resilient and came through the financial year better than anticipated. It must also be noted though that the Municipality is not out of the financial dilemma yet, but with strict financial controls it is expected to recover soon. The following highlights were achieved for the financial year 2009/10, unqualified audit opinion received from Auditor General, 108% of City's capital budget spent, 101% of City's operating budget spent and 118% of City's revenue collected.

5.4 Opportunities offered by uMhlathuze Municipality

Various important factors in the sub-region and in the uMhlathuze area in particular make for an agreeable working and living environment. Numerous positive factors may thus be listed as having attributed to the phenomenal growth of the area under review.

- A strategic position provides extremely convenient access to domestic markets (such as industrial and commercial core of Gauteng), as well as most international markets in Europe, the Americas and the east. UMhlathuze is a long-term location of choice for export-orientated industries
- Proximity to South Africa's largest and busiest deepwater port, the Port of Richards Bay which possesses substantial bulk-handling capacity, excellent rail/port connections, transshipment facilities, and increasing capabilities in container handling
- Transport network links the N2 business corridor and industrial heartland effectively. The links the two major ports and also connects KZN province to Maputo in Mozambique. Airport facilities link with the country's airport network. The development possibilities of primary and secondary corridors are receiving concentrated attention, with road and rail links to cover several centers.
- Easy availability of raw materials sees a unique and extensive natural resource endowment that includes precious heavy minerals, timber and sugar – the wealth of mineral resources sets this area apart, adding to its industrial strengths.
- The Industrial Development Zone (IDZ) programme will be a support mechanism to encourage international competitiveness of the manufacturing sector.
- Serviced prime industrial land is available at competitive prices both immediately adjacent to the port and further inland.
- Advanced communications, information technology and financial institutions are in place
- Area suitable for diverse and lucrative agricultural production.
- Modern educational institutions ensure the highest level of education and skills, with a large labour force available in any high-tech industry and excellent productivity capacity
- Residential accommodation available with medical facilities of exceptional quality.

5.5. Tourism

Richards Bay is a vibrant and fast becoming the north coast holiday destination, offering spectacular scenery and unspoilt beaches. It is one of the closest sea destinations from Gauteng and enjoys a summer climate all year round. Besides rapid industrial expansion, the tourism industry of this region is flourishing. The commercial and industrial development of Richards Bay has been a bonus for the sophisticated tourist and holidaymaker. The bustling business centre has every modern facility and the town boasts excellent recreational facilities for residents and visitors alike. The town boasts the country's largest harbour and some of its most magnificent wetland scenery. "Industrial Tourism" is actively promoted and groups are able to visit industrial plants, mines and other operations. The town also offers the visitor entrance to Zululand, which is characterised by diversity. The coastline stretches some three hundred and fifty kilometers from the mouth of the mighty Tugela River in the south to the Mozambique border in the north. The coastal plains include endless unspoilt beaches and coastal conservation areas and incorporate the largest estuarine system in Southern Africa.

During 2009, the uMhlathuze Municipality's consultants Blueprint developed a Tourism Strategy. The main aim of formulating a strategy was to provide a framework for managing tourism in the City of uMhlathuze by clearly defining the role and responsibilities of the municipality in the tourism service value chain as well as the roles of other stakeholders. The Tourism Strategy does not identify specific locations for tourism opportunities. In an effort to indicate these opportunities a plan was developed to identify areas for tourism opportunity, as well as areas of natural beauty that may present an opportunity for tourism or other types of development.

Areas of natural beauty do, however, present a problem, in that these areas are often environmentally sensitive. The City therefore provided for development principles that would guide development applications in these areas. The most important development principles that should be noted include:

- Future development should avoid, as far as possible, areas of environmental significance (refer to Environmental Services Management Plan Level 1 and 2 areas), significant economic resources (such as agriculture or mining), potential environmental or community hazard/risk, high landscape or cultural heritage value, or potential increased risk associated with impacts of climate change. Should development be proposed within these areas, clear mitigation or offset measures should be applied.
- Future development adjoining land with the above values should incorporate buffers as necessary to help protect those values and to avoid future land use conflict. In terms of environmental significance, these buffers have been identified in Council's Environmental Services Management Plan Level 3 areas.
- Future development outside agreed growth areas, but which aims to provide opportunities to enjoy and enhance areas of natural beauty, must be supported by a detailed need and desirability investigation, be located outside the Environmental Services Management

Plan Level 1 and 2 areas, prove infrastructure efficiency and address any other requirements that Council may have.

- Future development and planning should boost those economic sectors/activities that have the potential to grow and create employment and income. In this regard future tourism development and growth in tourism should not occur at the expense of local environmental, economic and social values and efficient provision of engineering infrastructure. It should provide for a wide range of experience opportunities from the low cost family type tourism developments, such as in caravan parks and camping grounds, to large single destination development. It should aim to maintain public access.

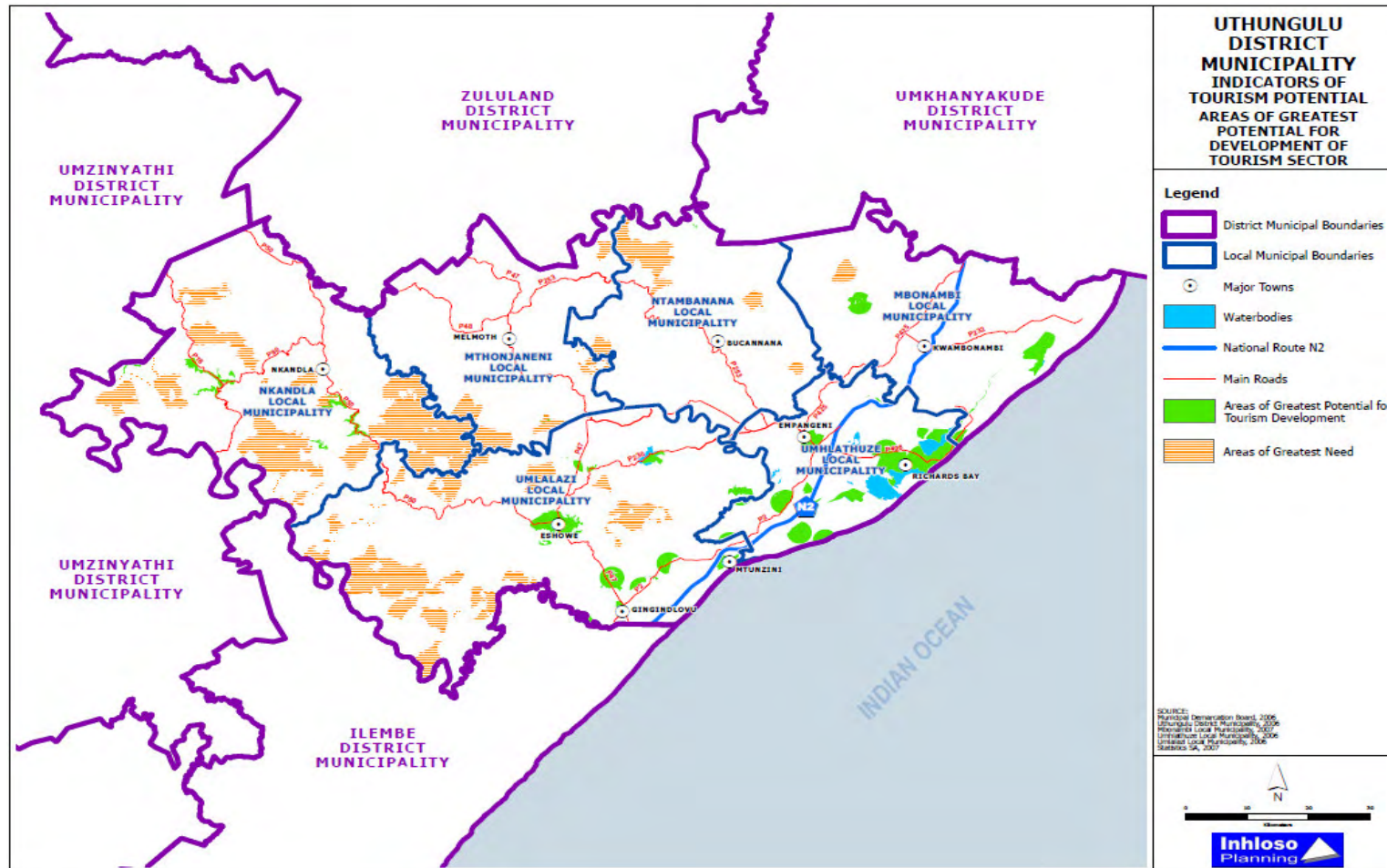
The following recommendations were made in regards to opportunities for tourism development:

- That opportunities pertaining to areas of natural beauty and tourism be investigated in more detail in future in order to provide more detailed planning guidelines.
- In accordance with Council Resolution 3945 of 01/08/2006, the following be investigated and included into the relevant District Coastal Management Plan:
 - the option to construct a tidal pool in the vicinity of Voorbrand/Port Durnford Lighthouse, if viable from an access and recreation point of view; and
 - the possibility of establishing a recreational beach at the uMlalazi Estuary.

Figure 4: Areas of Natural Beauty and Tourism Potential



Figure 5 - Opportunity for Tourism Development (uThungulu SDF)



5.6 Agriculture

The agricultural sector is a dual economy, consisting of commercial agriculture on one hand and traditional agriculture on the other. Agricultural activity is more concentrated in the former Lower Umfolozi magisterial. The commercial agriculture is based on two main monocrops, namely sugar cane and forestry. The cane and forestry sectors have been at the forefront of assisting emerging farmers. Traditional agriculture is practiced on most of the Traditional Council lands in the district. The development of this sector is hindered by a low skills base and a lack of organised bodies to provide financial assistance; access to markets and market channels.

An Agricultural Development Plan has been prepared for the UDM. There was constant communication with uMhlathuze when this plan was developed. The objective of the Agricultural Development Plan was to identify specific programmes and projects to address rural poverty. The main component of the report was the compilation of a concept model for agricultural development relating it to (a) the Local Economic Development Desk, (b) the establishment of Cooperatives and (c) the establishment of Community Farms.

UMhlathuze has an implementation plan for years 2008-2011. The plan has aimed at creating an enabling environment for agriculture. To this end, the first stages of the plan would entail the review of the following:

Table 9: LED Implementation Plan for Agriculture

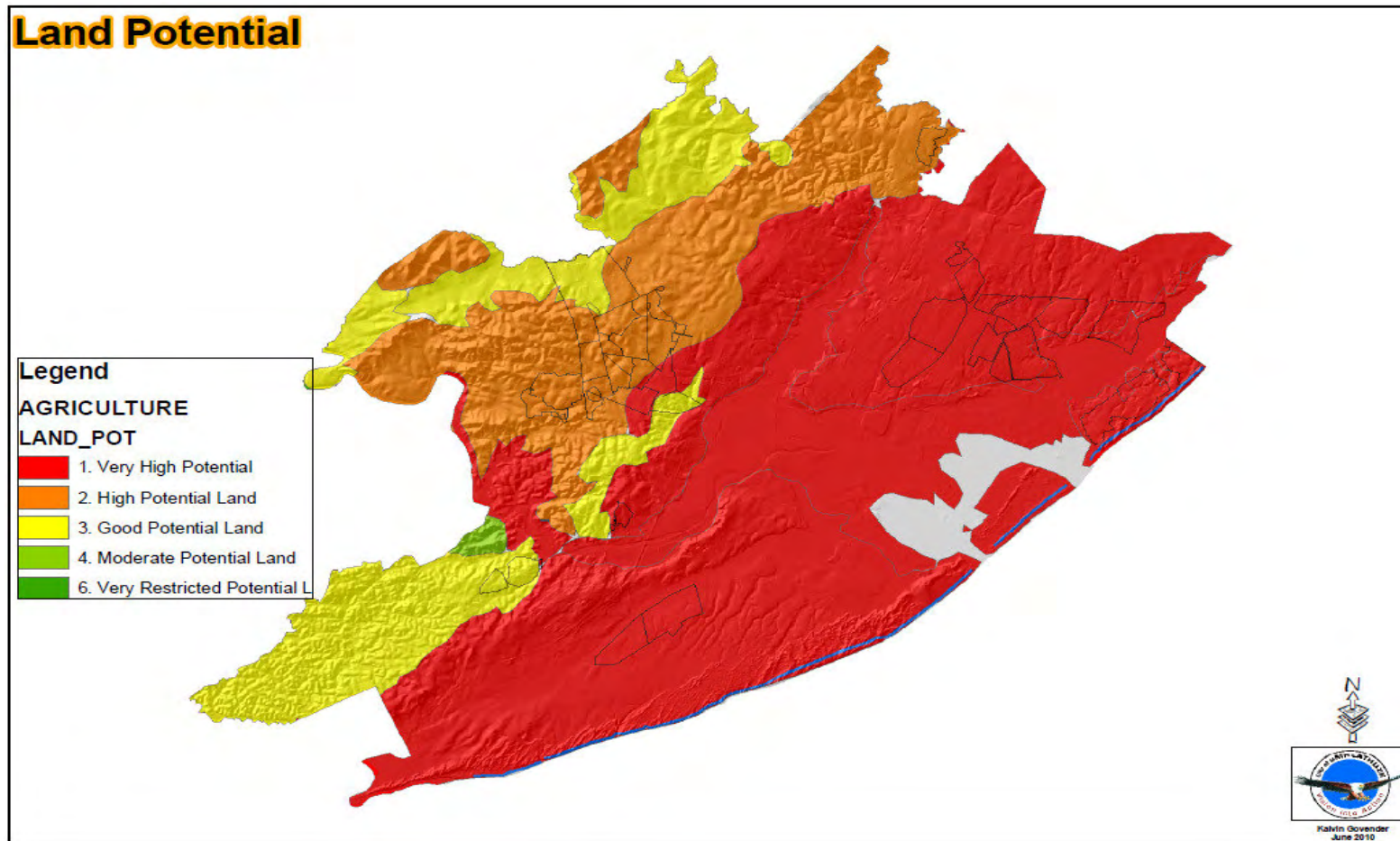
LED FOCUS AREAS	LED ACTIVITIES	MEASUREMENT	KEY ROLE PLAYERS	TARGET DATES	COUNCIL BUDGET
CREATING JOBS THROUGH AGRICULTURE	Establish a stakeholder partnership with the capacity to facilitate the implementation of the agricultural support plan	Sector specific stakeholder forum was formalised on the 7th September 2007	UMhlathuze Municipality (DP&SD)	Complete	
	Promote and support small scale farmers in the production of robust higher value cash crops	Support through: Supply of Equipment and Materials Agricultural / Business Training Annual Market Days Agricultural Information and Exhibition Day Coordinate support required from the Department of Agriculture	UMhlathuze Municipality (DP&SD), DoA, RBM, UniZulu	2008-2009	R 600,000

The Agricultural implementation plan is expected to address the needs of all parties with an interest in agricultural development including subsistence, small, medium and large scale commercial farmers, rural women and youth interested in farming, agricultural cooperatives,

traditional and municipal government leaders and other decision makers, etc. The Local Economic Development (LED) initiatives have also led to job creation and entrepreneurship opportunities for our people, while partnerships have also been formed.

When analyzing Figure 6 below, it is evident that uMhlathuze area is effectively sterilized for future development. The Municipality should engage with the Departments of Agriculture and Minerals & Energy in an effort to agree upon areas to be conserved for mining, agriculture and future development.

Figure 6: Agricultural Land Potential (Department Of Agriculture)



6. GOOD GOVERNANCE (Participatory Mechanisms)

6.1 Communication Strategy

Participatory mechanisms that take place throughout the IDP process help the project to ensure that the process, plans, goals, and implementation of the planned intervention is inclusive, and importantly address the needs of marginalized groups and minorities to ensure non discrimination and equality. Participation has built up ownership and partnerships which have made the projecys that have been implemented withing the community more sustainable. During the IDP process participation is implemented during assessment and planning phase to help gather relevant data to define development challenges and to identify vulnerable groups, map out root causes, and set priorities

The integrated development planning process has to provide a forum for identifying, discussing and resolving the issues specifically aimed at upliftment and improvement of conditions in the under-developed parts of the municipality area. In order to ensure certain minimum quality standards of the IDP, and a proper coordination between and within spheres of government, the preparation of the Process Plan has been regulated in the Municipal Systems Act (2000).

Municipal Departments participated throughout the process by contributing relevant aspects of their sections. Some Provincial line function departments co-operated fully in the review process through their participation in the IDP Representative Forum and during alignment meetings.

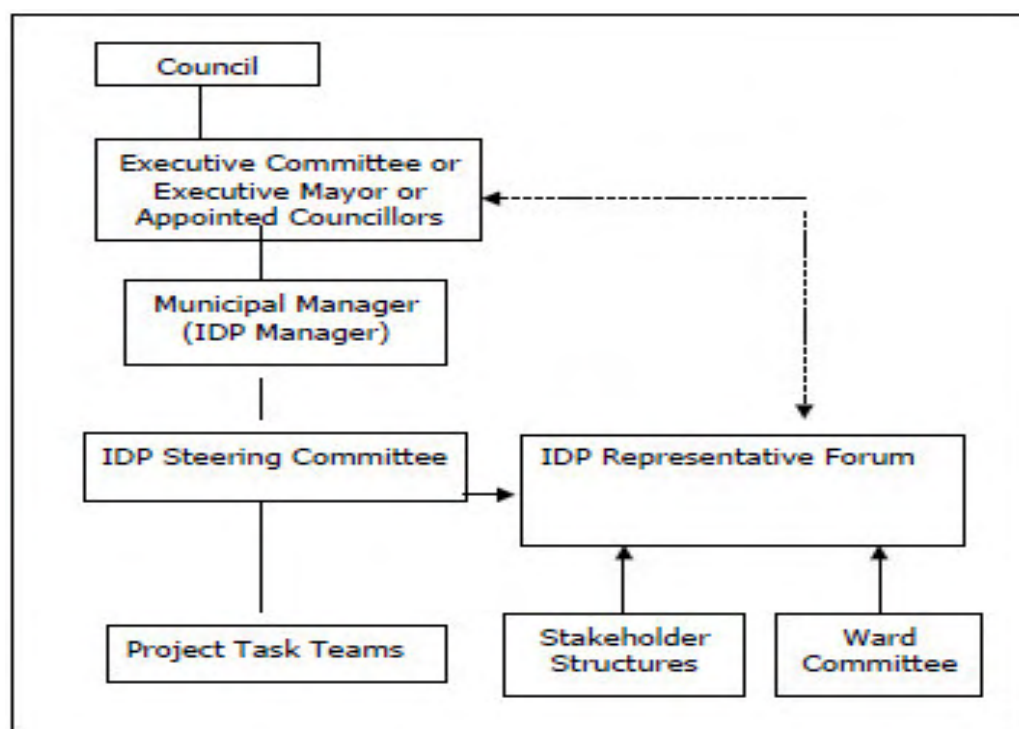
The objective of the IDP process is to facilitate deliberations resulting in decisions being made on the strategic development direction of the municipality and includes issues such as municipal budgets, land management, promotion of local economic development and institutional transformation in a consultative, systematic and strategic manner. The IDP, however, will not only inform municipal management; it is intended to guide the activities of any agency from other spheres of government, corporate service providers, NGOs and the private sector within uThungulu district. The organizational arrangements in terms of functions and responsibilities in driving the planning process for the uThungulu IDP are illustrated in the figure herewith and discussed briefly thereafter. The following organogram identifies role players that were involved in the IDP Process 2011/2012.

uMhlathuze Municipality's communication strategy entails that:

- Ward Committee members and Councillors are part of the preparation of ward meetings.
- IDP community sessions are held in venues closest to the community;

- Release of print media press when required to local and provincial newspapers are in Zulu and English;
- SMS's, flyers and loud hailing are also used as a strategy to sensitise the community to attend the IDP meetings;
- Monthly internal and external newsletters are used to publish IDP/Budget news; and
- Council provides transport for community members to respective venues.

Figure 7: 2011/2012 IDP Role players involved during the communication processes



Source: 2011/2012 uMhlathuze IDP Process Plan

6.2 Roles and Responsibilities (IDP Representative Forum)

In order to coincide with the guidelines of the Municipal Systems Act, 2000, notification is given to the existing stakeholders list and/or an advertisement is placed to call all organised groupings/stakeholders to register onto a database for the IDP. Broader participation is as important as is smaller, purpose-made vehicle for more intensive public participation. This has implications for constituting an IDP Representative Forum comprising of the following members:

- Nominated Councillors
- Nominated members of the Executive;
- Traditional leaders
- Ward Committee chairpersons as well as one member of the committee;
- Heads of Departments/nominated officials from departments;

- Nominated community Representatives
- Other interested/ affected parties
- Other interested and affected parties
- Representatives from organised stakeholder groups;
 - Implementation Agents/Parastatals/Service providers;
 - Organised Business;
 - Tourism;
 - SMME's;
 - Agriculture; and
 - NGO's

The IDP Representative Forum represents the interests of the community. It provides a vehicle for discussion and communication between all stakeholders. This Forum will be intensively involved in the identification of needs, formulation of objectives and strategies, identification of projects and formulation of the Spatial Development Framework. The Forum is also responsible for monitoring the implantation of the IDP.

6.3 IDP Steering Committee

All departments are involved in the processes of the IDP. This ensures that cooperation and coordination within the uMhlathuze Municipality is adhered to. The IDP addresses the full spectrum of local government services and institutional matters. This grouping enables involvement of all Departments in the formulation and implementation of the IDP. This Committee also ensures the integration of all developmental aspects in strategies and projects forthcoming from the IDP. It also enables the alignment of the municipality's budget to the IDP.

Technical and financial input into the analysis; needs assessment, determination of priority issues and proposed projects. Terms of reference for specific planning and project activities, forthcoming from the IDP, consideration of comments and recommendations from the IDP Representative Forum, provincial departments, district council, service providers and consultants is provided. This Committee takes responsibility for implementing the IDP as well as monitoring and evaluating the outcomes of the IDP process to ensure that the implementation targets are reached.

6.4 Broad Public

The significance of public participation is emphasised in the Municipal Systems Act, 2000 as the foundation for the IDP Process. It is the responsibility of the uMhlathuze Municipality through ward councillors, ward committees and the Chief Control Officer for the IDP process to ensure that communities are invited to the public sessions. These sessions focus on creating an understanding of the IDP Process. The public should also participate in the formulation of the "Vision"; the overall needs assessment; objectives and strategies; Spatial Development Framework (SDF) and Implementation Plan. The community is clustered accordingly so that all areas are reached.

6.5 Special Groups

As men tend to have more opportunities to participate in local decision-making processes, they are more familiar with government institutions and regulations and know the language of government', it is an important component of the strategy to mainstream gender in local governance. This mechanism then is able to focus on building the capacity of women to participate in formal and informal local political processes. Similarly, measures to build the capacity of particular groups (e.g. the disabled, those belonging to minorities, Youth, children, physically challenged, aged etc.) who are underrepresented in uMhlathuze for particular reasons is undertaken as well. The municipality has promoted gender-aware participatory methods of consultation and development planning, and has put in place measures to promote the representation of women and vulnerable groups in the IDP process.

6.6 Public Participation Meetings

Table 10: Meeting dates for the 2011/2012 IDP Review Process

CLUSTER	WARDS	VENUE	DATES
	Amakhosi	R/Bay Civic Centre (Council Chambers)	4 August 2010 (Wed)
1	Ward Committees	Empangeni Town Hall	5 August 201 (Thurs)
5	1,2,3 & 4	R/Bay Civic Centre	11 August 2010 (Wed)
4	10,11 & 30	Vulindlela Com Hall	15 August 2010 (Sun)
8	15,16,17,21 & 22	ESikhaleni College Hall	22 August 2010 (Sunday)
6	9,23 & 26	Empangeni Town Hall	26 August 2010 (Thurs)
2 & 3	5,6,7 & 8	eNseleni Community Hall	29 August 2010 (Sun)
7	12,13 & 14	Madlankala Com Hall	12 September 2010 (Sun)
10 & 11	9,24,25,27,28 & 29	Ngwelezana Com Hall	19 September 2010 (Sun)
9	18,19 & 20	Kwa-Hlanganani ComHall	10 October 2010 (Sun)
10	IDP Representative Forum Meeting	R/Bay Civic Centre	28 ctober 2010 (Thursday)

6.7 2011/2012 Community Needs

Integrated Development Planning (IDP) is the key tool for local government to cope with its new role and function in terms of the SA Constitution, Act 108 of 1996. In contrast, to the role planning has played in the past, integrated development planning is now a function of municipal management, as part of an integrated system of planning and delivery. The IDP process is meant to arrive at decisions on issues such as municipal budgets, land management, social and economic development and institutional transformation in a consultative, systematic and strategic manner.

The integrated development planning process has to provide a forum for identifying, discussing and resolving the issues specifically aimed at upliftment and improvement of conditions in the under-developed parts of the municipality area. In order to ensure certain minimum quality standards of the IDP, and a proper coordination between and within spheres of government, the preparation of the Process Plan has been regulated in the Municipal Systems Act (2000). Municipal Departments participated throughout the process by contributing relevant aspects of their sections. Most Provincial line function departments co-operated fully in the review process through their participation in the IDP Representative Forum and during alignment meetings.

Table 11: Broad Community Needs

WARDS	SUMMARY OF NEEDS
1,2,3,4	Library, recreational facilities & amenities, clinic, electricity, water, sanitation, road upgrades, street lights, housing development, cemetery, commercial centres, public transport
5,6,7,8	Recreational facilities & amenities, library extension, electricity, street lights, sanitation, road upgrades, speed humps, bus shelters, pedestrian pathways, support for community gardens, housing development, promotion of SMME's
10,11,30	Community halls, library, post office, recreational facilities & amenities, road upgrades, sanitation, water, electricity, speed humps, pedestrian bridges, storm water drainage, bus shelters, housing development, rural housing, commercial development, police station
12,13,14,	Clinic, recreational facilities & amenities, community halls, extension of library, water, sanitation, electricity, access roads, speed humps, bus shelters, street lights, upgrade of taxi ranks, rural housing, housing development, primary & high schools, church site, support of garden projects, improve public transport, old age facility
15,16,17,21,22	Community halls, clinic, road upgrades, water connections, electricity, stormwater drainage, speed humps, access roads, street lights, housing development, public transport, informal trade stalls, support for SMME's & garden projects, recreational facilities
9,23,26	Crematorium, community hall, recreation facilities & amenities, sanitation, road upgrade, pedestrian bridges, speed humps, bus shelters & laybys, street lights, church site, primary school, old age facility
18,19,20	Recreational facilities & amenities, library, electricity, sanitation, water, roads upgrades, pedestrian bridges, street lights, speed humps bus shelters, church site, primary school, housing development, support for garden projects, informal trade stalls, old age facility, crematorium
24,25,27,28,29	Pedestrian bridges, road upgrades, electricity, street lights, speed humps, bus shelters, commercial centres, support for garden projects, primary school, sewer transfer station

Table 12: Key Projects for the Next Financial Year

Table 14: 2011/2012 Projects
Central Industrial Area
Marina Development
Mandlazini Agri-Village
Mzingazi Village
Esikhaleni Refurbish Hostels
Esk Fire Station - Plan & Construct
Upgrade Of Waste Management Depot And Offices In Empangeni
Enseleni - Taxi Rank
Transfer Station - Esikhaleni
Richards Bay New Library
Rural Community Centres/Halls - Plans
Hlanganani Hall - Parking
Central Sports Grounds - High Mast Lighting
Aquadene Recreation Facilities
Replacement Ride-On Mowers
Replacement Slasher Lawnmowers
Extension To Carports Electrical Workshop
Attainment Of International Status - Richards Bay Airport
Desktop, Server & Network Management Software
Data Centre Enhancements & Upgrades
New & Replacement Of It Related Equipment
GIS Database Enhancements & Capturing
GIS - City Electrical Engineer
Mobile GIS
Sundry Replacement
Sundry Alterations
Second Floor - Stores
Upgrade Ablution Facilities - Mech Workshop
Bus Shelters & Laybys - All Areas
Rural Roads
Upgrading And Widening Main Road Through Empangeni

Table 14: 2011/2012 Projects

East Central Arterial - John Ross To Saligna
Nca:Premium Promenade To Brackenham
Nca From Premium Promenade To Brackenham
Esikhaleni Mall Road Safety
Empangeni "A" Taxi Rank
Canalisation Of Esikhaleni Stormwater
Umhlathuze Village - Bus Route
Richards Bay Taxi City - Additional Bus Parking & General Improvement To Surrounding Areas
Physical Markers In Floodline Areas
Civil Services - B1030 Ngwelezane
Civil Services - Infill Areas (J2 & H2 Area Esikhaleni)
Street Rehabilitation - Tanner Road
Traffic Calming
Rural Sanitation (Counter Funding)
Replacement Of Pipes
Renewal Of Esikhaleni Rising Main
Mzingazi Village Sewer Project (Counter Funding)
Mandlazini Village Sanitation
Emergency Pipeline To Lake Qubu
Rural Sanitation
Rural Sanitation - Mzingazi Village Sewer
Upgrading Macerator Stations
Refurbishment Pumpstation - Electrical
Ms 2 Pumpstation Total Upgrade (M/See)
Upgrading Of Telemetry
Water Meters - Rural Areas
Rural Areas - Dube Tribal Area North Bulk Water Supply Line (Counter Funding)
Rural Areas - Mkhwanazi North Phase 5 Water Supply (Counter Funding)
Rural Areas - Dube Tribal Area North Bulk Water Supply Line
Rural Areas - Mkhwanazi North Phase 5 Water

Table 14: 2011/2012 Projects

Supply
Uthungulu/ Umhlathuze Seperation Enseleni Reservoir Site
Reservoirs - Structure Repairs
Upgrading Of Telemetry (Reservoirs)
Richards Bay - Water Network Improvements
R293 Towns Water Network Improvements
Empangeni - Water Network Improvements
Replace Old Water Meters
Bulk Water Main Improvements - All Areas
Domestic Meter Replacements
Urban - Commercial/Industrial
Urban - Commercial/Industrial
Online Meters Effluent Quality Monitoring Meters
Laboratory Equipment
Remote Water Loss Control Systems (Counter Funding)
Remote Water Loss Control Systems (Counter Funding)
Bulk Water Master Plan
Water Loss Intervention
General Improvement
Rural Areas
Empangeni - Replacement Of Streetlights
Replacement Of Streetlights And Rusted Brackets At Brackenham
Empangeni - Main Road Intersections
Richards Bay Taxi City Lighting
Quality Of Supply
Esikhaleni - Replace Xlpe Medium Voltage Cable With Paper Insulated Cable
Refurbishment Of Substation Building Hydra & Polaris
Refurbishment Of Scorpio - Hercules Line
Upgrade Aquila, Aquarius & Altair Substations
Mini-sub Load Monitoring

Table 14: 2011/2012 Projects
Installation Risi Locking Mechanisms 200 Miniature Substation Primary And Secondary Doors
Replace Lv 185mm Ring Cable Bottle Brush Bend Veldenvlei
Rebuild Ngwelezane Substation - Building And Switchgear
Pantograph Replacement At Scorpio And Hercules Substations
New Incomers & Bus Coupler For Hydra Substation
Replacement Of Meters
132kv Supply To Cygnus Substation
Umhlathuze Village Electrification
Idt Area - Ngwelezane
Alton North
Idz Phase 1d - 132kv Leo Substation (Council Contribution)
Phoenix Supply To Alton Phase 1
General Installations
Electricity System Reinforcements
Electricity System Reinforcements
Idz Phase 1d - 132kv Leo Substation (Pulp)
Madida Phase Iii Electrification
New Connection From Eskom Felixton Substation (RBM Contribution)
New Supply To Rbm South Dunes (RBM) Contribution)
Domestic
Urban - Commercial/Industrial
Various
Cable Drum Trailer - Replace Scrapped Unit
Replace Plant
V0934, V0936 & V 0946 - 3 X Material Trailers
V1510 - 4 X 4 Tractor Loader Backhoe (CE)
V0760 & V0761 - 2 X Lawn Mower Trailer (CE & Dpsr)

Table 14: 2011/2012 Projects
Mech Lift 220 Mechanism (V0483)
20 M3 Rotopress
V0063 - 1 Ton Lwb Ldv Canopy Towbar Roof Rack (Cee)
V1005 - 1 Ton Lwb Ldv Canopy Towbar Roof Rack (Cee)
V0097 - 2 Ton Double Cab 4x4 (Cee)
V0456 - Personnel Carrier Truck (Dcsh)
V0464 - 20m3 Rotopress Refuse Compactor Truck
V0214 - 20m3 Rotopress Refuse Compactor Truck
V0395 - 10000l Water Tanker Truck
V0369 - 13000l Water Tanker Truck
V0817 - 6x4 Truck Fitted With Sewer Jet Machine
V0390 - 3 Ton Highside Tipper Truck (Dpsr)

7. 2011/12 IDP DEVELOPMENT PROCESS

The process to develop UMhlathuze 2011/12 started in July 2010, immediately after the submission of the 2009/10 IDP to COGTA. The process started with drafting of the IDP/Budget Process Plan. The Municipality has taken “full” ownership of the IDP Process. UMhlathuze Municipality does its IDP in-house. The preparation of the IDP has been undertaken in a phased manner, the focus of each phase being indicated below:

Table 13: Overview of process & Output

PHASE	OUTPUTS
Preparation Phase	Preparation of Process Plan The Process Plan is in essence the IDP Review Process set in writing, and requires adoption by Council. It includes a programme specifying the timeframes for different planning steps, and appropriate mechanisms, processes and procedures for consultation with various role players.
Review Analysis	Assessment of changes in existing level of development. Changes in priority issues and information on courses of priority issues. Changes in information on available resources. Updated information based of estimations.
Review Strategies	Review of relevance of the vision, objectives, strategies, and especially the identified projects. Detailed review of implementation of previous IDP and identification of challenges and areas on intervention. Definition of critical success factors.
Review Projects	Performance indicators, project outputs, targets, location, revised project time schedule, revised budget estimates
Review integration	Update of the Budget, Spatial Development Framework, Integrated sectoral programmes (LED, HIV, Cemeteries and Crematoria, Public Transport Plan etc.) and alignment with sector plans and budgets, Institutional plan
Approval	Approved IDP Review for the municipality by Council and the MEC

7.1 Sector Plans

The purpose of this section is to provide information on sector plans and to report on and ensure that the international, national and provincial policy guidelines related to the cross cutting dimensions are adequately considered in the implementation of the strategic programmes. It is important to bear in mind that the vision of the municipality directs the actions embarked on by the municipality to guide development and foster growth.

UMhlathuze Municipality has compiled (or are in the process of reviewing) sector plans for their core functions. In such instances, service providers and affected local municipalities have been members of the respective sector plan Steering Committees thereby ensuring their specific inputs into the plan formulation and implementation. Below is a list of available Sector Plans:

Table 14: Sector Plans.

PLAN	Available
TRANSPORT	
Road Framework Plan	√
Rail Framework Plan	√
Public Transport Framework Plan	
Public Transport Amenities	√
Airport Master Plan	√
Port Development Framework	√
Freight Framework Plan	
INFRASTRUCTURE	
Electricity Framework Plan: - existing and planned networks (Eskom vs. Municipal Infrastructure) - services backlogs - services capacity and constraints (2030 and 2099) - key infrastructure investments (5 year and thereafter)	√ (refinement necessary)
Water Services Framework Plan - existing and planned networks (water, sewer and wastewater) - services backlogs - services capacity and constraints (2030 and 2099) - key infrastructure investments (5 year and thereafter)	√ (refinement necessary)
Waste Management Framework Plan - existing and planned facilities (landfill sites, transfer stations, routes) - services backlogs - services capacity and constraints (2030 and 2099)	√ (refinement necessary)

2099) - key infrastructure investments (5 year and thereafter)	
Cemeteries Framework Plan - existing and planned facilities - services capacity and constraints (2030 and 2099) - key infrastructure investments (5 year and thereafter)	√ (refinement necessary)
SOCIAL	
Housing Framework Plan	√ (refinement necessary)
Community Facilities Plan - existing facilities - areas with lack of access	√ (refinement necessary)
ENVIRONMENT	
Environmental Services Management Plan	√
Vegetation Mapping	√
Environmental Management Framework	√
Geotechnical Constraints	√
Geohydrological Constraints	√
Floodlines	√
Air Quality Constraints	√
LOCAL ECONOMIC DEVELOPMENT	
Land Use Framework	√
Mining Potential	√
Agricultural Potential	Discussions
Port/Industrial/Commercial Investment Plan	Discussions
Job Creation Framework	Discussions
Urban Edge Determination	Discussions

8. INTERNATIONAL, NATIONAL AND PROVINCIAL PERSPECTIVES ON DEVELOPMENTAL PLANNING ISSUES

8.1 The Millennium Development Goals

uMhlathuze's integrated planning process is based and influenced by policies and planning processes at international, national, provincial and district levels. It is the intention of uMhlathuze Municipality to contribute to growth and development within uThungulu District, KwaZulu Natal and to South Africa at large.

Secondly, through its "Mission" and "Vision" uMhlathuze Municipality, intends to contribute at ensuring that the objectives of the United Nations (UN) Millennium Development Goals (MDGs) are realised. uMhlathuze Municipality will therefore contribute by addressing issues that fall within its powers and functions. The aim is to reduce poverty while improving health, education and the environment. Each goal is to be achieved by 2015.

Objectives of UN Millennium Goals:

1. Eradicating extreme poverty and hunger

Target 1. Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day

Target 2. Halve, between 1990 and 2015, the proportion of people who suffer from hunger

2. Achieving universal primary education

Target 3. Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

3. Promoting gender equality and empowering women

Target 4. Eliminate gender disparity in primary and secondary education, preferably by 2005, and to all levels of education no later than 2015

4. Reducing child mortality

Target 5. Reduce by two thirds, between 1990 and 2015, the under-five mortality rate

5. Improving maternal health

Target 6. Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio

6. Combating HIV/AIDS, malaria and other diseases

Target 7. Have halted by 2015 and begun to reverse the spread of HIV/AIDS

Target 8. Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases

7. Ensure environmental sustainability

Target 9. Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources

Target 10. Halve by 2015 the proportion of people without sustainable access to safe drinking water

8. Develop a global partnership for development

Target 11. By 2020 to have achieved a significant improvement in the lives of at least 100 million slum dwellers

Target 12. Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term

Target 16. In cooperation with developing countries, develop and implement strategies for decent and productive work for youth

Target 17. In cooperation with the private sector, make available the benefits of new technologies, especially information and communications

Within the MDG's framework the national government announced specific development goals and targets for the next decade. These are:

By 2008 all households will have access to clean water;

By 2010 all households will have decent sanitation facilities; and

By 2012 every household will have access to electricity.

UMhlathuze has supported the UN initiative since its inception but due to financial challenges progress with the identified programmes have been slow. The municipality needs to look at forward-looking macro-economic policies to support broad-based stable growth, e.g. by sustaining public investment strategies for the achievement of the MDG's. This will ensure that the backlogs we are currently experiencing are minimised at a more frequent pace to reach the proposed goals.

The table below highlights the alignment between the MDG's and uMhlathuze's programs.

Table 15: Millennium Development Goals and uMhlathuze Programmes

MDG's	UMHLATHUZE DEVELOPMENT PROGRAMMES
1. Eradicate Poverty & Hunger	▪ Poverty Alleviation
2. Achieve universal primary education	▪ Training & Capacity Building
3. Promote gender equality & empower women	▪ Marginalised Groups
4. Reduce Child Mortality	▪ Municipal Health
5. Improve maternal health	▪ Municipal Health
6. Combat HIV/AIDS, malaria & other diseases	▪ HIV/AIDS
7. Ensure environmental sustainability	▪ Environmental Management ▪ Housing ▪ Slums Clearance ▪ Water & Sanitation Services, Electricity, Roads & Storm Water, Solid Waste Management
8. Develop a global partnership for development	▪ LED, Local Tourism Development, Agricultural Development, Business & Industrial Development

Below is a table that shows the progress the municipality has taken in supporting the MDG's initiative in terms of water and sanitation.

Table 16: Progress made in relation with water and sanitation in uMhlathuze Municipality

Indicators	Unit of Measure/ Calculation	Annual			Quarterly	
		Demand	Baseline	Backlog	Target	Progress Achieved
Number of Households with access to basic (or higher) levels of water	No. of h/h	74269	71660	2609	71660	71660
Number of households with access to free basic water	No. of h/h	74269	71660	2609	72260	71660
Number of Households with access to basic (or higher) levels of sanitation	No. of h/h	74269	44129	30140	44513	44513
Number of households with access to free basic sanitation	No. of h/h	12508	11524	984	12508	11908

Figures within "Progress Achieved" that appear larger than "Demand" highlight the fact that the rapid influx of people into the area.

8.2 National and Provincial Perspective -Key performance areas of the five year local government strategic agenda

We have a responsibility to align our programmes in a way that enhances the overall efforts of government to address the country's complex challenges. The following is the National and Implementation Plan of Action for the 5 year Local Government Strategic Agenda. These guide uMhlathuze Municipality for organizational design.

The national key performance areas are the following:

(i) Basic Service Delivery

This key performance includes aspects such as basic water, sanitation, electricity, refuse and roads. It also includes social infrastructure, e.g. housing, health, education, welfare and cemeteries. It also relates to the following:

Sound and updated statistical based service delivery plan

MDG's/Targets for municipal services (e.g. water, sanitation, electricity, refuse removal, transportation)

- Indigent Register Capacity to implement
- Integrated Capital Infrastructure Investment Plan

(ii) Local Economic Development

Economic Development and Poverty Alleviation Strategies and awareness programmes. In addition to social infrastructure, social programmes also form part of this KPA, e.g. HIV/AIDS, ABET etc., comprise economic generation objectives and projects. It also relates to the following:

- Competitive and comparative advantages
- ASGISA and second economy investment
- Skills development
- LED institutional capacity
- Social partners

(iii) Governance and Public Participation

Measures how the local government sphere aligns and integrates with the Provincial and National spheres of government on cross cutting issues. Programmes to demonstrate how the community participates and is empowered in government programmes; particularly the establishment and functionality of ward committees and community development workers. It also deals with the involvement of Traditional Councils in municipal affairs. The following are also included:

- Functional ward committees and other committees
- Linkages with other governance structures
- Sector engagements

- Community informed IDP
- Annual Performance Report submitted

(iv) Municipal Transformation and Organisational Development

How the institution is (administratively and politically) capacitated to exercise its duties (human resource development and management). How is the organization structured to meet the needs of the IDP. Is the organization accountable to the public via the necessary performance management systems. The internal policies and processes to adhere to aspects like gender equity, disability and general management of the municipality. It also relates to the following:

- Performing of powers and functions
- Organogram and vacancy rates (Section 57 level only)
- Capacity assessment to implement IDP
- Various policies
- Organisational PMS

(v) Municipal Financial Viability and Management

Comprise the policies and processes relating to revenue generation, debt and credit management as well as assets, liability control and auditing. It also includes aspects such as submission of the financial statements to the Auditor General (AG) as well as the findings of the AG on the municipal affairs. As part of this KPA, the municipality should comply with the budgetary provisions and aspects as outlined in the MFMA. It also relates to the following:

- Service Delivery Budget Implementation Plan
- Revenue management and billing system
- Expenditure Reports
- Debt Recovery Plan
- Budget and IDP link

Provincially a sixth Key Performance Area has been added, as all of the above KPAs have a spatial implication:

(vi) Spatial Planning and Spatial Development Frameworks

This KPA relates to the following:

- Analysis shared by National, Provincial and DM/LM policies
- Alignment with NDSP and PGDS profile
- Spatial analysis translated into SDF
- SDF includes LUMS guidelines
- Credible statistics

Table 17: KPIs of the Five-Year Local Government Agenda

<u>NATIONAL KPAs</u>	UMHLATHUZE'S KPA's
1. Basic Service Delivery	1. Infrastructure & Service Provision
2. Local Economic Development	2. Social & Economic Development
3. Good Governance	3. Good Governance
4. Institutional Development & Transformation	4. Institutional Development & Transformation
5. Sound Financial Management	5. Sound Financial Management

In order for coordinated planning and sustainable development across jurisdictional boundaries, uMhlathuze Municipality has participated in consultative forums with our neighbouring municipalities. These meetings are always intended to ensure that we avoid duplication and allow for the alignment of cross border proposed and existing developments. This initiative is uThungulu District where, provincial representatives have to be present to inform local municipalities of their plans for the future. The inclusion of the cross-border analysis with researched information on aspects that impact on the Province's and more specifically, uMhlathuze's developmental forward plans is as follows:

Enhancing key areas of International Relations

Accelerate the fight against HIV and AIDS, other communicable diseases

Patriotism and social cohesion

Fighting crime

Implementation of Anti-Poverty Strategy and linking Second to First Economy interventions

Provincial Infrastructure and Investment Strategy

Dube Trade Port as well as the Provincial Spatial Economic Development Strategy (PSEDS)

The Provincial Growth and Development Strategy (PGDS)

The National Spatial Development Perspective (NSDP)

The Provincial Spatial Economic Development Strategy (PSEDS)

uMhlathuze Municipality will endeavour to adapt and localise the goals of Accelerated and Shared Growth Initiative for South Africa (ASGISA)/ Promoting Growth for all South Africans and therefore uMhlathuze's development strategies, programmes and projects, will be guided by the following ASGISA initiatives:

- Reduction of poverty within uMhlathuze Municipal Area of jurisdiction;
- Contributing to 6% economic growth
- Creating employment opportunities by creating enabling environment for investors to come to uMhlathuze and thus contributing to ASGISA's goal of halving unemployment 2014

- Bridging the gap between the first and second economy by creating investment opportunities especially around uMhlathuze's economic centres, viz, Richards Bay and Empangeni
- Investing in the infrastructure
- Working more closely with women and youth in order to fast track them out of the second economy. This will be done ensuring that uMhlathuze's Supply Chain Management Policy is favourable to women, youth and the people who differently abled.
- Implementing the principles of Expanded Public Works Programme (EPWP) in all projects in uMhlathuze

Ten Priority Areas identified in the Medium Term Strategic Framework (MTSF) (2009-2014)

Integrated Development Plans of municipalities and the Provincial Growth and Development Strategies of provinces have to take into account the priorities identified in the MTSF. This is aimed at bringing us closer to the ideal of integrated and aligned planning across the three spheres of government. The MTSF is reviewed on an annual basis in July in the light of changes in the domestic and international environment.

The **strategic priorities of government for the mandate period (2009 to 2014)** in order to give effect to the strategic objectives are as follows:

1. Ensuring more inclusive economic growth, decent work and sustainable livelihoods: The main objective with regard to this priority is to respond appropriately, promptly and effectively so that growth in decent employment and improvements in income security are reinforced, and investment sustained to build up national economic capability and improve industrial competitiveness.
2. Economic and social infrastructure: In the period ahead government will continue with the infrastructure investment programme aimed at expanding and improving social and economic infrastructure to increase access, quality and reliability of public services and to support economic activities while also considering environmental sustainability and pursuing maximum employment impact. The aim is to ensure sustained investment growth over the medium-term so as to achieve the target of a fixed investment ratio above 25% of gross domestic product (GDP) by 2014. This will look at projects that are spatially referenced, planned for and implemented in an integrated manner.
3. Rural development, food security and land reform: Between 10 and 15 million South Africans live in areas that are characterised by extreme poverty and underdevelopment. Recognising the diversity of our rural areas, the overall objective is to develop and implement a comprehensive strategy of rural development that will be aimed at improving the quality of life of rural households, enhancing the country's

food security through a broader base of agricultural production, and exploiting the varied economic potential that each region of the country enjoys.

4. Access to quality education: Education has enjoyed the largest share of the national budget throughout the past 15 years. This significant investment in building human capital and capabilities has gradually improved the country's human resource and skills base. However, progress has not been optimal and the achievements have not taken place at the required scale. Our objective is thus to focus our skills and education system towards the delivery of quality outcomes. The focus will be on, amongst others, learner outcomes, early childhood development (ECD), improving schools management and M&E systems and supporting and developing a high quality teaching profession.
5. Improved healthcare: In the current MTSF period government aims to transform the public health system so as to reduce inequalities in the health system, improve quality of care and public facilities, boost human resources and step up the fight against HIV and AIDS, TB and other communicable diseases as well as lifestyle and other causes of ill-health and mortality. Government aims at phasing in of a National Health Insurance system over the next five years and increasing institutional capacities to deliver health-system functions and initiate major structural reforms to improve the management of health services at all levels of healthcare delivery, including particularly hospitals.
6. Fighting crime and corruption: Government is determined to curb levels of crime and corruption. Contact crimes, crimes against women and children and organised crime remain a key focus, and so is the combating of corruption.
7. Cohesive and sustainable communities: Social cohesion is important if we are to achieve developmental success. However, inequalities of condition and opportunity and weaknesses with regard to a sense of being part of a common enterprise, is placing severe stress and strain on social cohesion. In this MTSF period, we aim to meet our target of halving poverty and unemployment by 2014 and, in conjunction with other priorities, to strengthen human capabilities, promote shared values and social solidarity and strive to reduce overall inequality.
8. Creation of a better Africa and a better world: Over the medium term, the main goal with respect to this priority is to ensure that our foreign relations contribute to the creation of an environment conducive to economic growth and development domestically, within Africa and in other developing countries. Implementing New Partnership for Africa's Development (Nepad), promoting Southern African Development of Community (SADC) regional integration, strengthening South-South

relations and pursuing a developmental and investment-orientated approach to engagements with the North, are key aspects related to this priority.

9. Sustainable resource management and use: Like the rest of the world, we are vulnerable to the impacts of climate change, biodiversity loss and diminishing water resources. Interventions will include, amongst others, diversification of the energy mix in pursuit of renewable energy alternatives and the promotion of energy efficiency, enforcing a zero tolerance approach to illegal and unsustainable exploitation of resources, supporting local and sustainable food production, and promoting sustainable water use and preserving the quality of drinking water.

10.A developmental state including improvement of public services: In the previous mandate period, government committed itself to improving the capacity of the state for growth and development. Whilst progress has been made, there has been a continuation to face significant challenges in transforming the system of governance. Challenges include capacity gaps in local government; poor quality of some of our public services; declining trust and confidence in public institutions such as the judiciary, legislatures and the executive branch of government; and weak planning capacity across the three spheres of government. The Long-term goal remains the building of an effective and accountable state as well as fostering active citizenship.

The National Spatial Development Perspective (NSDP)

The vision and principles of the NSDP serve as a guide for meeting national government's objectives of economic growth, employment creation, sustainable service delivery, poverty alleviation and the eradication of historic inequities including spatial distortions. The NSDP principles should play an important role in the respective development plans of local and provincial government, namely: Integrated Development Plans (IDPs) and Provincial Growth and Development Strategies (PGDS's). Our country should become a nation in which investment in infrastructure and development programmes support government's growth and development objectives by:

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

The NSDP provides a concrete mechanism in terms of which integrated development planning in the local sphere, provincial planning and national spatial guidance can be formally linked in support of national priorities and objectives. The co-ordinated achievement of

national objectives, guided by the vision and principles of the NSDP as set out previously, however is dependent on:

- The principles of the NSDP find concrete expression in the IDP, including the Spatial Development Framework (SDF) and IDP programmes. The fourth principle of the NSDP, which relates to uMhlathuze Municipality, is that settlement and economic development opportunities should be channeled into activity corridors and nodes to stimulate economic growth in the Province.

The Provincial Growth and Development Strategy (PGDS)

The PGDS addresses fundamental issues of development focusing on social, economic and the political environment. This strategy aligns national policies with provincial policies, spells out strategies at sectoral level and serves as guideline for departmental initiatives. The PGDS provides a framework of public and private sector investment indicating broad development opportunities and priorities. It does not provide a spatial perspective on where development should take place around the Province.

The KwaZulu-Natal Provincial Growth and Development Strategy (PGDS) has as its purpose for the provision of strategic direction for development and planning in the Province. The following six provincial priorities that address a number of developmental challenges related to economic and social needs of the province provide the focus of the PGDS. They are:

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

The following are the goals and programmes that uMhlathuze has aligned itself to:

Table 18: PGDS Goals and Programmes

ASGISA INITIATIVE/PROMOTING GROWTH FOR ALL STRATEGY	UMHLATHUZE PROGRAMMES
• ASGISA identified a need to increase tourism GDP and focussed on eliminating the 2 nd economy	Local Economic Development
• LED is the critical contributor towards halving unemployment by 2014. Infrastructure investment in order to address backlogs	• LED • Potable Water, Sanitation, Waste water Services, Rural Roads,
• Introduction of more labour absorbing economic activities while the role of the EPWP in eliminating the 2 nd economy is highlighted	• LED • Business & Industrial Development • EPWP
• Planning & management of land use (in terms of zoning) not to prevent the timeous development of land environment. Procedures should not be expedited for developments to obtain approvals faster	• Integrated Development Planning
• Need to work closely with women and youth in order to halve poverty. Typical interventions required by these groups include having access to finance, basic services, involvement in the EPWP and migration out of the 2 nd economy	• Marginalised groups
• The national skills shortage considered as the largest impediment to sustained economic growth	• Education, Capacity Building & Training
• ASGISA identified the need to monitor budget expenditure in departments (over & under spending)	• Financial Planning & Management Control

The Provincial Spatial Economic Development Strategy (PSEDS) focuses fixed infrastructure in areas of economic development potential and prioritises areas of greatest need based on poverty densities. The following are intended aims:

- Provide spatial context to the PGDS;
- Address spatial imbalances, curb urban sprawl and ensure sustainable interventions;
- Identify priority areas and types of development;
- Align to municipal spatial development frameworks;
- Guide budgeting processes of the province and municipalities;
- Influence investment decisions of the private sector.

UMhlathuze Municipality plays a role in being an opportunity as a potential for industrial development in the Province anchored by the node eThekweni. The Howick- eThekweni-uMhlathuze corridor forms the primary zone of industrial development in the Province. When taking into consideration the information as provided by the PSEDS, which identifies uMhlathuze Municipality as one of the municipalities with the highest number of people living in poverty, infrastructure development should be one of the City's highest priorities in order to create employment.

uMhlathuze's 2010/2011 Review is aligned with the PGDS, PSEDS and the NSDP as it tackles the following challenges that are faced by the local community:

- Economic growth is a prerequisite for the achievement of other policy objectives, key among which would be poverty alleviation.
- Budget allocations have been emphasized on fixed investment such as basic services (such as water, electricity as well as health and educational facilities). These

have been focused on localities of economic growth and/or economic potential in order to attract private-sector investment, stimulate sustainable economic activities and/or create long-term employment opportunities.

Efforts to address past and current social inequalities have been focused on people not places. In localities where there are both high levels of poverty and development potential, capital investment beyond basic services has been imposed to exploit the potential of those localities. In localities with low development potential, spending has gone beyond basic services but to look at providing social transfers, human resource development and labour market intelligence. This is intended to enable people to become more mobile and migrate, if they choose to, to localities that are more likely to provide sustainable employment or other economic opportunities.

The Spatial Development Framework (SDF) is encouraging the area of uMhlathuze to overcome the spatial distortions of apartheid. Future settlement and economic development opportunities have been proposed to be channeled into activity corridors and nodes that are adjacent to or link the main growth centres.

Annually, uMhlathuze reviews its IDP. Apart from dealing with critical issues pertaining to project identification, budgeting and housing, the IDP also contains an SDF (Spatial Development Framework) and other important issues as detailed in the remainder of this section. uMhlathuze is responsible for planning, coordination and alignment. The municipality is responsible for the provision of bulk infrastructure to housing projects specifically is very important.

Land-Use planning aims to co-ordinate and manage all the land uses and their relationship to each other in order to protect natural resources and to create safe and liveable environments. In respect of land-use planning, the Municipality is responsible for the provision for the preparation of detailed Land Use Management Systems (LUMS).

Consultants were appointed by Council to compile a Land Use Management System (LUMS) in order to comply with the requirements of the new Planning and Development Act, which will come into effect soon. A draft of the LUMS was prepared, consisting of a combination of the basic framework and contents of the Richards Bay and Empangeni Town Planning Schemes in course of preparation, in the context of the requirements of the Planning and Development Act 2008, also taking new trends and requirements in terms of recent town planning principles into consideration.

A part of the formalization of the LUMS process is to introduce land use control to all sectors of the community and to sensitize role players in respect of the aim and purpose of land use control. Such presentations, based on the abovementioned draft document, were done at the end of 2009 when the consultants presented the basic principles behind land use

management to the public, during public meetings which were conducted for the purpose of involving the community in the Integrated Development Planning process.

The next step will be to finalize the contents of the Land Use Management System and to formally advertise it for representations or objections from the public and should there be any representations or objections, such need to be considered by the Council. After final approval of the LUMS, it has to be made available to the Provincial Department of Local Government and Traditional Affairs, where after, if approved by said department, it can be adopted. The new Land Use Management System will then replace the present town planning schemes as the new land use control mechanism.

9. uMhlathuze's Institutional Management

9.1 Introduction

Good governance requires the municipality to provide the highest quality of service to its constituents and to ensure that all the strategies and objectives are adhered to, resulting in a productive and sustainable manner.

The uMhlathuze **Employment Equity Plan** (EEP) and **Skills Development Plan** (SDP) have already been prepared. In addition, the municipality is in the process of undertaking an **organizational review** in compliance with the prevailing legislative framework, which governs the local government sphere. The following is listed: All programmes and projects will be designed to meet the **principles of the EPWP** with regards to, inter alia, labour intensive construction methods and capacity building.

UMhlathuze municipality Tenders comply with the **MFMA regulations**. A draft of the Supply Chain Management Policy and a Procurement Policy are being created to give effect to the principles of Broad Based Black Economic Empowerment.

In sections G, H and I, the municipal budget is outlined in some detail. However, it is important to highlight the following **financial challenges** for the coming financial year:

- A significant amount of restraint was placed on operating expenditure, which would not have an immediate effect on service delivery.
- A significant amount of capital deferred to the outer years, until such time that the municipality can leverage capital funds without negatively affecting the Municipality's credit rating i.e. Council's debt exposure needs to be contained. Turning around the historical rates and service charges pricing risk. To implement this within one budget period would not be fair on the community, hence will be right sized over the next five years.

9.2 uMhlathuze's Institutional Arrangements

uMhlathuze municipality has 60 Councillors of which 30 are directly elected ward councillors, and 30 are proportional representative Councillors. uMhlathuze Council meets on a monthly basis while the EXCO meets twice a month. Members of the public and media are also encouraged to attend some Council meetings. uMhlathuze Council's Portfolio Committees set policies and guidance towards the implementation of all uMhlathuze Council delivery. These portfolio committees are structured as per the national guidelines. Each Portfolio Committee meets twice per month. Their core function is to look at specific issues that relate to each portfolio committee, research those issues and find all the necessary facts before these issues are discussed by Councillors that sit in each of the portfolio committees. The portfolio committees deliberate issues and then make recommendations to EXCO and the full Council, for the latter to take decisions. The nine portfolio committees are as follows:

- Finance, IDP, LED & Marketing
- Corporate Services
- Management Services
- Civil Engineering
- Community Services & Health
- Parks, Sports & Recreation
- Community Facilitation & Human Settlements
- Electrical Engineering
- Planning & Environmental Affairs

To assist uMhlathuze municipality with implementing the objectives of the local government as they are clearly spelt out in the White Paper on Local Government, the organization has to provide direction for the municipality's success of the organization as well as to help the organization to achieve what it exists for. The uMhlathuze municipality has been able to structure the organization in a manner that helps it in addressing the challenges that it is faced with.

Human Resource Strategy: For continuous improvement uMhlathuze municipality has developed Human Resource policies that respond to the long-term development plans of the municipality. These Human Resource policies cover issues pertaining to (recruitment, retention, succession plan, scarce skills, staff development etc).

Annual Report for 2009/10 Financial Year: The Annual Report for the 2009/10 Financial Year was drafted and submitted to the Cooperative Governance and Traditional Affairs (COGTA) as per the legislative requirements. The Annual Report presented the Annual Financial Statements and Annual Performance Report. The 2009/10 Financial Statements were prepared in accordance with the Standards of Generally Recognized Accounting

Practices (GRAP) and the Standards of Generally Accepted Municipal Accounting. The uMhlathuze Municipality received an unqualified audit report from the Auditor General.

Performance Management Reporting: For the 2009/10 Financial Year, uMhlathuze municipality introduced a comprehensive performance management system in accordance with Chapter 6 of the Local Government Systems Act of 2000 and the Planning and Performance Regulations of 2001 in line with the provincial Department of Cooperative Governance and Traditional Affairs programme and directives.

Audit Committee: uMhlathuze municipality employs the services of Internal Audit Unit, which has been instrumental at putting in place the Audit Committee. The Audit Unit reports to the Audit Committee on the implementation of the Internal Audit Plan and matters relating to, internal audit, internal controls, accounting procedures and practices, risk and risk management, performance management, loss control and compliance with Municipal Finance Management Act, no. 56 of 2003 and the Annual Division of Revenue Act and any other legislation.

Organizational Structure: The Municipal Manager (MM) heads the administrative structure of the uMhlathuze municipality and is assisted by five Senior Managers. Depending on each department, each is further divided into a particular number of sub directorates headed by Managers and Deputy Managers. The different departments are Finance, Corporate Services, Community Services, City Development and Infrastructure & Technical Services.

Municipalities are faced with a very challenging task of ensuring that they implement the developmental mandate that they have been tasked with. To implement the objectives of local government as they are clearly spelt out in the White Paper on Local Government requires a very strong organization with dynamic and charismatic leadership that is able to provide a clear direction for the success of the organization as well as to help the organization to achieve what it exists for. This also requires a vision and mission that will serve to steer the uMhlathuze municipality in the desired direction with positive outcomes. For the Vision to be realised council has to place much effort in fast-tracking and fine-tuning uMhlathuze's operational strategies and programmes. The Integrated Development Plan (IDP) plays a crucial role in carrying out the local government mandate. Organisational restructuring is ongoing to achieve optimum efficiency and effectiveness in service delivery.

The current organizational administrative structure of the uMhlathuze Municipality is reflected in the diagram below (Diagram 1). Employees perform their functions and duties under the following five Departments:

- Corporate Services
- Financial Services
- Community Services

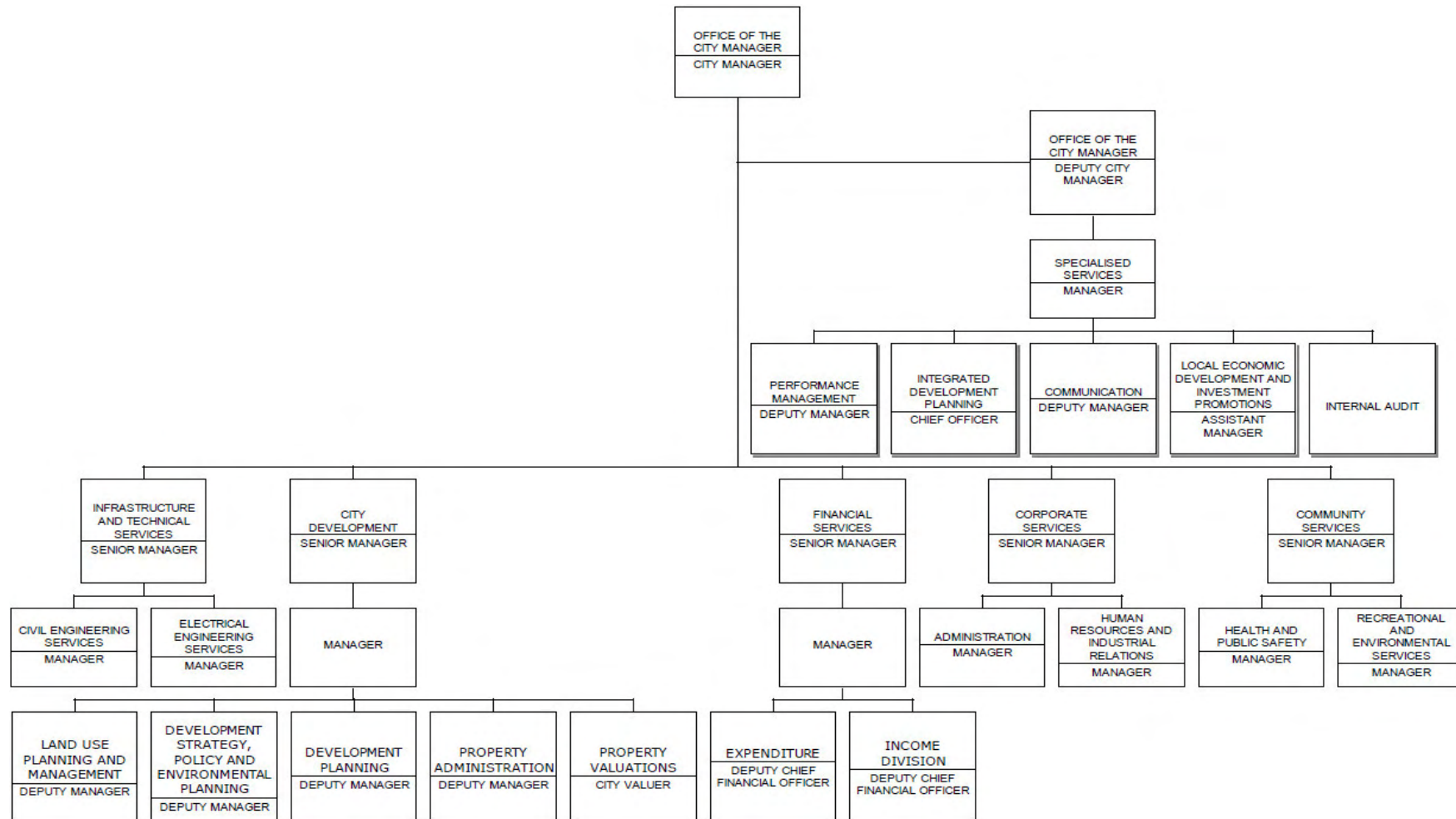
- Infrastructure and Technical Services
- City Development

Table 19: UMhlathuze's Institutional Analysis

Summary of Personnel Nos. (Full Time)	2008/2009	2010/2011
Councillors/ Political Office Bearers plus other	60	60
Senior Managers including Municipal Manager (Section 57 of Systems Act)	6	5
Other Managers	28	32
Technical/ Professional Staff	698	717
Other Staff/ (Clerical Labourers)	964	966
Total Personnel nos.	1695	1720

At overleaf, the High Level Organogram for the uMhlathuze Municipality is provided.

Figure: uMhlathuze Municipality's Organisational Administrative Structure



9.3 Functions and Structures of the City of uMhlathuze

The City of uMhlathuze is a category B municipality as described in Section 155(1)(b) of the Constitution of the Republic of South Africa. The functions of the municipality are as described in Section 156 of the Constitution. The functional structures consist of the City Manager with 5 departments directly report to the City Manager.

Department of Financial Services- is headed by the Senior Manager Financial Services (Chief Financial Officer) and is responsible for:

- Financial planning and budgeting
- Expenditure and related liabilities
- Income and related credit management
- Financial reporting

Department of City Development- - In line with the realignment of services to ensure effective and efficient delivery to the public, the former Departments of Planning and Sustainable Development and Community Facilitation and Marketing were amalgamated to form one department under the management and control of the Senior Manager City Development and who is responsible for:

- Land use Management
- Human Settlement
- Communications
- Property Administration
- Local Economic Development
- Development Administration
- Strategic Development, Environment Planning and IDP

Department of Infrastructure and Technical Services- In line with the realignment of services to ensure effective and efficient delivery to the public, the former departments of the City Engineer and City Electrical Engineer were amalgamated to form one department under the management and control of the Senior Manager and who is responsible for:

Engineering

- Water Services Authority
- Water Services Provider
- Project Management
- Roads and storm water
- Buildings and structure
- Support services

Electrical Engineering

- Operations and Maintenance
- Planning, Development and Technical Services
- Marketing, Customer Services and Revenue Protection
- Support Services

Department of Community Services- In line with the realignment of services to ensure effective and efficient delivery to the public, the former departments of Parks, Sport and Recreation and Department of Community Services and Health were amalgamated to form one department under the management and control of the Senior Manager and who is responsible for:

- Recreational and Environmental Services
- Clinic Services
- Traffic and Licensing
- Fire and Rescue (Emergency Services)
- Waste Management Services
- Environmental health
- Museum (Arts and Crafts)
- Library Services and Community Halls

Department of Corporate Services- In line with the realignment of services to ensure effective and efficient delivery to the public, the former departments of Corporate Services and the Department of Management Services were amalgamated to form one department under the management and control of the Senior Manager Corporate Services and who is responsible for:

- Diverse Administration
- Secretariat
- Councillor Support
- Legal Services
- Human Resources
- Provide an efficient and effective Human Resources Support Service
- Provide an effective and efficient administration and legal support
- To provide an effective and efficient IT Service
- To provide an effective and efficient Administration and Legal Service
- To provide an effective and efficient Corporate Service to Council and other departments

Office of the Municipal Manager - The Office is made up of Performance Management and Integrated Development Planning. The MM has to:

- Integrate all relevant role-players;
- Ensure that the needs of communities & interest groups are identified, acknowledged and addressed;
- Ensure and coordinate the effective use of resources (financial, human & natural).
- Keep up to date with legislation;
- Ensure that the above-mentioned approved policy and strategies are taken into consideration in future development planning in the municipality;
- Regularly plan, monitor and measure the performance of the organisation; and
- Monitor efficiency, effectiveness and impact towards organisational performance.

uMhlathuze Municipal Powers and Functions

The City of uMhlathuze has been assigned the following powers and functions:

- Air- & Noise Pollution
- Building-, Trading Regulations, Liquor & Public, Nuisance Control
- Fire Fighting Services
- Pounds
- Public Places
- Refuse Removal, Refuse Dumps & Solid Waste
- Street Trading
- Street Lighting
- Traffic and Parks
- Electricity Reticulation
- Cleansing & Trade Areas
- Beaches and Amusement Facilities
- Billboards & Display of Advertisements in Public Places
- Cemeteries, Funeral Parlours & Crematoria
- Licensing, Facilities for Accommodation, Care & Burial of Animals
- Fencing and Fences
- Local Amenities
- Local Tourism
- Municipal Airports
- Municipal Planning
- Municipal Public Transport
- Storm Water Management
- Local Sport Facilities
- Markets Stalls / Trade Areas
- Municipal Abattoirs
- Municipal Parks and Recreation

9.4 Human Resources Policies

Workforce planning is one of the challenges that the public sector is faced with at present. The work that needs to be performed and the availability/ attraction of skilled workers in the public sector impacts on the performance. Human Resources is always forced to think strategically about how to align people to the organization and ensure that human capital issues remain a priority. UMhlathuze municipality through its human resources interventions is mitigating by developing policies that accommodate a situation they are facing e.g. Redeployment Policy during financial crisis. The department re-evaluates its goals to enable the organisation to meet new challenges.

CODE OF CONDUCT

Councilors and staff members are required to sign a Code of Conduct and Declaration of Financial Interest form on an annual basis, which must be certified by a Commissioner of Oaths. These records are kept for internal and external audit purposes.

Table 20: Human Resources Policies

Policy Name	Description	Approved by Council	Council Resolution
Recruitment & Selection of Temporary Staff	Ensures fair, efficient, effective and transparent personnel administration, including the recruitment, selection and appointment of persons as staff members."	2 Nov 2010	6977
Staff Retention	Development and maintenance of an integrated, systematic approach to attracting, developing and retaining talent for key positions within uMhlathuze Municipality.	2 Dec 2008	5699
Anti-Nepotism Policy	Establish a consistent set of guidelines by which recruitment decisions can be made in terms of employment of immediate family members, relatives, friends and associates of employees.		
SHEQ Policy	Continual provision of quality services to all stakeholders in a healthy, safe and environmentally responsible manner	3 July 2008	5411
Health Safety Environmental Policy:			

Policy Name	Description	Approved by Council	Council Resolution
Management Involvement			
Prevention of Fraud and Anti Corruption		4 Sept 2007	4777
Supply Chain Management		4 Aug 2009	6174
HIV/AIDS Policy for Employees		4 Sept 2007	4777

HR DEVELOPMENT PLAN (WORKPLACE SKILLS PLAN)

A Workplace Skills Plan is in place and it focuses, inter alia, on the following:

- Employment profile
- Employee qualification profile
- Strategic objectives
- Annual training and skills priorities
- Education and training interventions required to achieve training and skills development priorities
- Number of beneficiaries to be trained
- Learnerships, skills programmes and apprenticeships
- Quality assurance - Providers to be used for planned training and development activities

EMPLOYMENT EQUITY PLAN

The Focal Areas of the uMhlathuze Employment Equity Plan are as follow:

- Skills Development
- Review and Implementation of EE Plan
- Set Numerical Targets per Employment Category
- Work Environment and Facilities
- Promotions
- Update all H.R. Policies and Procedures
- Diversity Management and Discrimination Awareness Programmes
- Provision of Bursary Scheme for Engineering Students

10. ENVIRONMENTAL CONTEXT

10.1 The Natural Environment

The current state of the environment information has been gathered from the uMhlathuze's Strategic Environmental Assessment Report.

UMhlathuze generally has a good climate and is well endowed with natural resources whose comparative advantages are:

- a good climate that opens up avenues for productive agricultural and tourism development;
- agriculture with irrigation infrastructure in place and
- a scenic environment and the coastal terrain thus creating more opportunities for tourism development

The rapid development in the City of uMhlathuze has had and is anticipated to have major impacts on the environment and importantly the water resources of the area.

The area falls within an idyllic subtropical, maritime climate, which prevails throughout the year at the coast, seldom lower than 12 degrees or 14 degrees in winter and reaching 32 degrees to 35 degrees in summer months. Summers are hot and humid, and experience majority of annual rainfall, while winters are warm and dry with occasional frost in the interior. Average daily temperature is 28 degrees in summer and 22 degrees in winter. Prevailing winds are north easterly and south westerly. The long term average annual rainfall for the Richards Bay area is about 1 200mm decreasing to about 1 000mm inland towards Empangeni with most of the rainfall occurring between January and May.

Some valleys in the upper lying areas of the Mhlathuze River have low rainfall and are unsuitable for dryland cropping.

10.2 Catchment Areas

The Umhlathuze Strategic Catchment Assessment and Environmental Services Management Plan (ESMP) identified 8 main catchments in the uMhlathuze municipality:

- Nseleni River
- Lake Mzingazi
- Harbour
- City
- Estuary
- Lake Cubu
- uMlalazi Tributaries
- Mhlathuze River

The broad aim of the Environmental Services Management Plan (ESMP) is to provide the uMhlathuze Municipality with a clear understanding of activities that need to be undertaken to protect and enhance the supply of environmental services in the uMhlathuze Municipal Area.

Each of the listed catchments has been analyzed to ensure appropriate management of the environment asset system so that ecosystem function is maintained. Subsequently, four tiers of analysis have been identified:

- Level 1 is the Nature Reserves. Included in the Nature Reserve Zone are areas of high biodiversity environmental significance that require a high level of legal protection.
- Level 2 is the Conservation Zone and represents areas of Included in the conservation zone are areas of biodiversity / environmental significance, which are not viable for proclamation as Nature Reserves, but that requires some form of legal protection. In this zone are included unique areas, natural habitats such as wetlands, natural forests and areas within the 1:100m flood line.
- Level 3 is the Open Space Linkage Zone and includes natural buffers for level 1 and 2 areas as well as those areas linking level 1 and 2 areas.
- Level 4 represents the Development Zone and includes those areas not included in levels 1, 2 and 3 that could be developed or transformed. Care should still be taken that development does not negatively impact on level 1, 2 and 3 areas.

10.3 Geotechnical Assessment

A detailed geotechnical assessment has also been undertaken for the City of uMhlathuze. In short, this assessment has assisted in classifying land within the municipal area as follow:

- Costly geotechnical constrains
- Unsuitable geotechnical conditions

Soil stability together with local relief places a risk of some form on sustainable development in most parts of the area. Towards the interior most the area is however, regarded as suitable for development provide caution is exercised and appropriate engineering solutions are implemented to ensure slope stability.

10.4 Environmental Management Framework Plan

The KZN department of Agriculture, Environmental Affairs and Rural Development (DAERD) and the City of uMhlathuze jointly decided to develop an Environmental Management Framework (EMF) for the Richards Bay Port Expansion Area and Industrial Development Zone (IDZ). The EMF is developed in terms of Chapter 8 of the EIA regulations of the National Environmental Management Act (1998) and its purpose is to support the decision-making process in respect of development activities that may potentially harm the environment.

The aim of the uMhlathuze Environmental Framework is to highlight key environmental features, opportunities and risks faced in the area. Each of the following issues were discussed in some detail in the Status Quo Report. Key issues that should be highlighted include:

- The City has two existing nature reserves – Enseleni Nature Reserve close to Nseleni and the Mhlathuze Sanctuary. In addition, the Council has also agreed to the establishment of additional nature reserves at Lake Nsese, the area around the Mhlathuze Sanctuary, Thulazihleka Pan and Lake Mzingazi. The aim is also to expand the network of nature reserves by establishing further nature reserves at Lake Qhubu, along the coastal strip, the uMlalazi Estuary and also linking Lake Nsese and the uMhlathuze Sanctuary. The mechanisms for the establishment and maintenance of nature reserves are still unclear.
- Apart from the proposed Nature Reserves, the uMhlathuze Environmental Framework Plan highlights areas of conservation importance. The uMhlathuze Environmental Services Management Plan Level 2 (Conservation) areas were used as database, and it should be noted this information does not only highlight areas that are sensitive from a biodiversity point of view, but also includes areas within the 1:100 year floodlines as well as the uMhlathuze Floodplain. Development should aim not to impact on Level 2 areas. Level 3 (Buffer) areas are not shown in the Framework, but should be protected from development impacts.
- The Port is set to expand significantly over the next 100 years. Geotechnical conditions informed the Port Expansion Framework. However, the proposed expansion of the Port would impact on existing biodiversity features. The Port therefore initiated a “Due Diligence” investigation to ascertain their risks and responsibilities in respect of the future expansion, and identified a significant biodiversity offset area that would be rehabilitated over time.
- Coastal erosion poses a significant threat to the area. The Municipality therefore determined 50-100 year erosion and setback lines for the area in order to inform planning decisions. Land use planning should not encourage long-term development

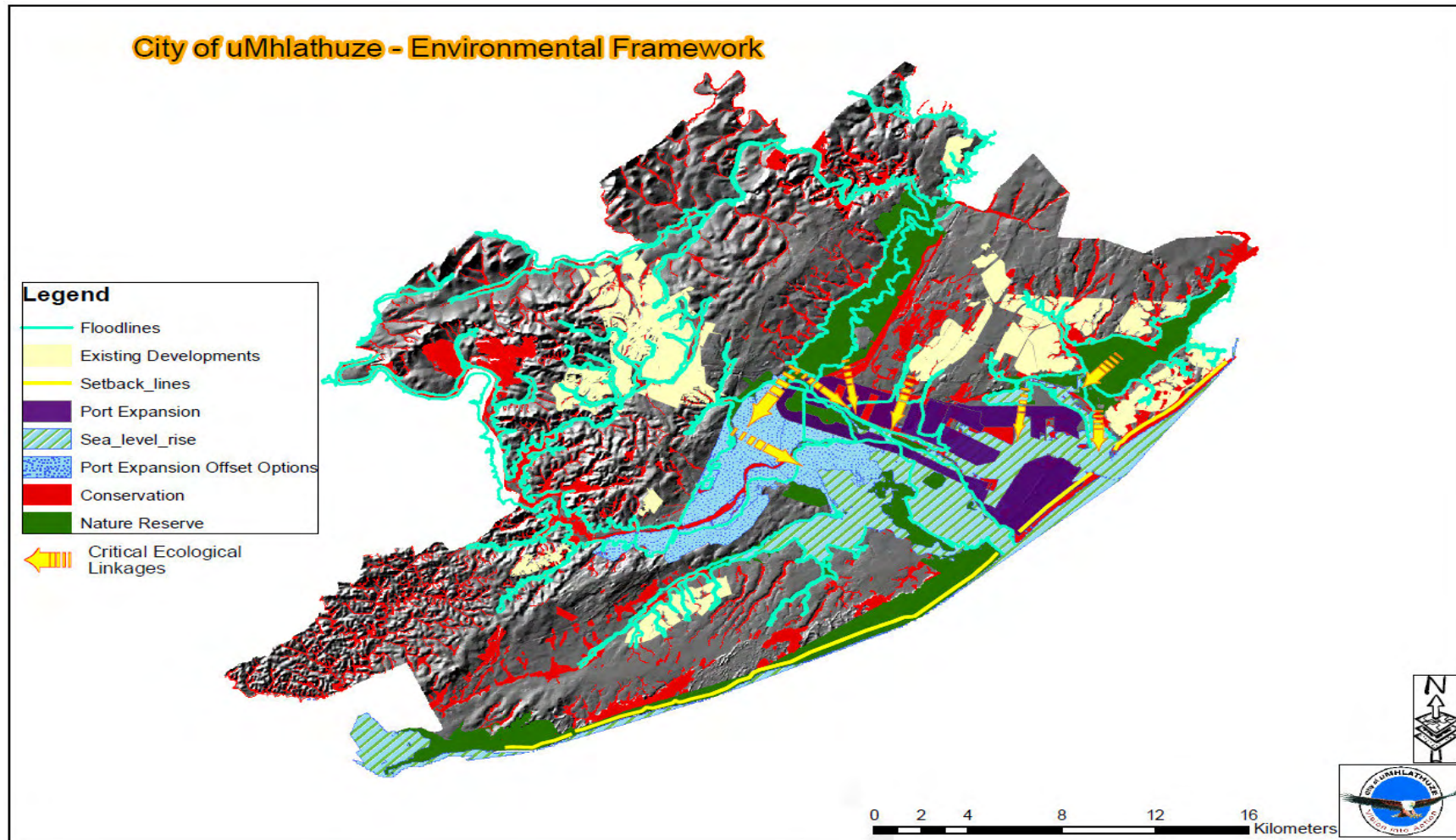
within the setback line areas, as it may lead to costly infrastructure impacts during severe storm events.

- Potential sea level rise has been assessed as part of the Port Due Diligence Report as well as the Municipality's Disaster Management Plan. The potential sea level rise areas are indicated in the Environmental Framework Plan.
- The uMhlathuze area is characterized by hydrological and geotechnical constraints.

The Environmental Framework Plan consists of the following key information layers:

- Relevant base information (rivers, lakes, etc.)
- Coastal Erosion Setback Lines as adopted by Council
- Climate Change: Sea Level Rise Hazard Map
- Conservation Areas, as informed by the Environmental Services Management Plan (this includes floodline areas)
- Geotechnical constraints

FIGURE 8: ENVIRONMENTAL FRAMEWORK PLAN



10. ENERGY AND CLIMATE CHANGE

Climate Change has become one of the most pressing issues on the international agenda. Recent years have shown that changes are already taking place at a local level, resulting in the need to mobilize resources and mainstream climate change response action into Municipal decision-making. Initiated in 2008, the State of Energy and Climate Change Project for uMhlathuze aimed at drafting a climate strategy/sector plan as well as an electricity plan for the construction and maintenance of the municipal electricity infrastructure.

It seemed logical at the time to address both issues of climate and energy within the same scope of study, as the use of energy is known to have an influence on the factors that contribute to climate change.

11.1 CLIMATE CHANGE STRATEGY

The climate change strategy was prepared with the objective of providing measures to address vulnerable ecosystems, communities and municipal infrastructure, and then for each area of concern, recommend potential adaptation measures to ensure resilience to climate change risks identified.

Vulnerability assessment, which essentially collated projected climate changes within the uMhlathuze area.

Table 22: Summary of projected weather changes for the uMhlathuze Municipality,

Weather Aspect	Projected Changes
Wind	More intense winds Increase of strong wind intensity (during storms) by 14% Increasing wintertime sea breezes Reduction of Frontal Impacts Increase in speed of 2km/h through Richards Bay
Storms	Potential tropical cyclone activity Stronger sea breezes likely to delay onset of thunderstorms
Sea level rise and ocean Temperature	Rise by 2.7 ± 0.05 mm per annum Inland retreat of coast 15% increase in storm surge (due to increased storm events) Warming by approximately 2°C
Rainfall	Little change in annual average rainfall quantity, but generally an increase, particularly in winter Increasingly variable rainfall regime (wet seasons become wetter) Increased severity of floods and droughts More persistent shower activity

Weather Aspect	Projected Changes
Temperature	Average increase of approximately 2°C in summer and winter
Evaporation	More intense evaporation Lack of water resources

2045 Timeframe (Golder Associates, 2008)

Largely characterised by warmer temperatures and more variable and heavier rainfall, the projected climate changes for uMhlathuze were seen to have major effects on economic and social factors, as well as infrastructure and ecosystem resilience. The impacts are summarised in Table 17.

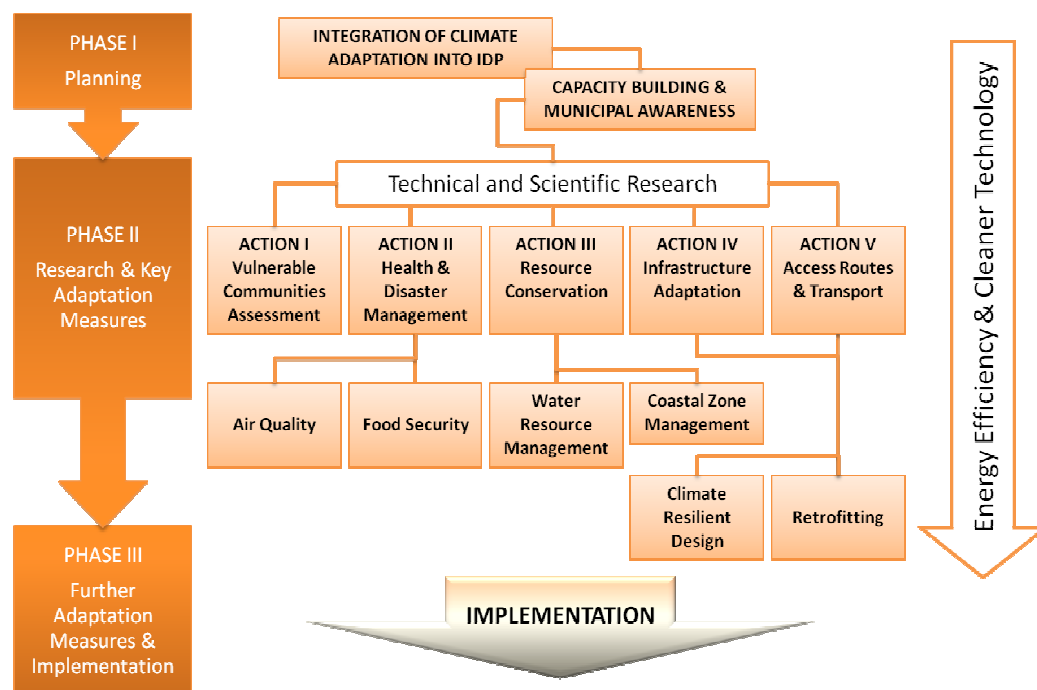
Table 22: Summary of impacts for projected weather changes

Broad Impact	Key Specific Impacts
Sea Level Rise	<ul style="list-style-type: none"> • Coastal/dune erosion (coastal residential estates) • Changes in the port/inter-tidal regime affecting shipping delivery • Increased storm activity affecting shipping delivery
Industry & economy	<ul style="list-style-type: none"> • Increased cost for cooling and ventilation • Reduced labour productivity due to high temperatures and heat stress • Improved opportunities for tourism
Transport	<ul style="list-style-type: none"> • Disruption to access routes (large numbers of commuters into industries/CBD) and commercial traffic through flooding • Flood damage to infrastructure • Heat effects on transport infrastructure
Air Quality & Wind	<ul style="list-style-type: none"> • Settling of air pollution through increased rain • Unplanned cane-field fires (safety risk and air pollution)
Agriculture	<ul style="list-style-type: none"> • Drop in food production (temperature and rainfall changes) and fluctuating prices • Flooding of informal settlements (damage to housing, risk of drowning)
Settlements	<ul style="list-style-type: none"> • Damage to informal settlements during high winds and flooding • Collapse of settlements made of poor housing materials • Inundation of coastal 'housing estates'
Infrastructure	<ul style="list-style-type: none"> • Damage to poor building materials under hotter conditions • Failure of storm-water and water storage infrastructure in major rainfall events • Compromised waste management through quicker decay of perishables (spread of disease) and potential movement of coal and other polluting waste
Health	<ul style="list-style-type: none"> • Improved conditions for the spread of malaria, cholera, bilharzias, food pests and respiratory diseases • Pressure on health infrastructure through climate induced ill-health • Increased susceptibility to heat stress • Increased vulnerability of HIV prevalent population
Rainfall & Water Supply	<ul style="list-style-type: none"> • Spread of water pollution through heavier rainfall events • Decreased 'water security' through droughts and rainfall variability • Reduced water table and increased evaporation
Biodiversity	<ul style="list-style-type: none"> • Erosion of beaches and damage to coastal ecosystems • Potential loss of species in changing conditions - changes in ecosystems (more woody vegetation), intertidal variation • Intrusion of salt water into freshwater systems • Improved conditions suitable for invasive species - requiring management and follow up

(Golder Associates, 2008)

Regardless of the attempts to mitigate the impacts of climate change, it is widely accepted that many of the anticipated changes are destined to take place. The climate change strategy was therefore drafted on the basis of two fundamental principals: **mitigation** and **adaptation**. These processes would involve the adjustment of social, economical and environmental systems to reduce the vulnerabilities and risks associated with projected climate changes. Ideally this should be achieved through proactive planning. The Municipal Action plan adopts a phased approach to allow for a systematic and realistic response to potential climate impacts. The plan has to be adopted over a 5-year period, coinciding with the rollout of the Municipality's Integrated Development Plan (IDP).

Figure 8: Phased Approach to Municipal Action Plan



Zitholele Consulting, 2008

11.2 Phased Approach to Municipal Action Plan

Phase I: Integration into the IDP

Through initiation of dialogue within municipal structures, it is anticipated that climate change concerns and planning will be mainstreamed within the IDP and within decision-making procedures to allow for protection of resources and communities, as well as long-term economic savings. This could potentially lead to the inclusion of an entire section of the IDP dealing with climate change adaptation and mitigation responses, providing detailed reporting procedures and

measurable targets at the same level as other key sections. The section of climate change within the IDP should aim to summarise the relationships between adaptation and mitigation plans and their contributions to achieving the other goals of the IDP. This will include a summary of energy initiatives and climate resilience projects, with input from the relevant departments.

Appointment of a climate ‘champion’

The climate champion would ensure that the Municipality’s projects and activities are carried out in accordance with local and international environmental legislation and policy, and within the Integrated Development Plan (IDP). In summary, this role would be included as a performance area of the Department: City Development, which would involve:

- Awareness creation in terms of local climate change impacts
- Development of climate change mitigation and adaptation plans
- Incorporating climate resilience into municipal activities and decision making through the IDP, Sector Plans, etc.
- Initiating international fundraising for climate change related projects; which would utilise existing personnel.

Municipal awareness programme

The process of mainstreaming climate change issues into municipal planning should begin within the Municipality itself, with the aim of disseminating this knowledge to decision makers. This should be initiated through a brief awareness campaign for various departments (perhaps through a presentation by the climate champion within branch meetings), and provision of a communicative pamphlet or brief. This should serve, at a minimum, to initiate climate thinking within Municipal structures.

Ultimately, an awareness programme should be rolled out to city residents, industry and commercial role-players, as well as local peri-urban and rural communities. This programme will aim to improve climate preparedness, and also to create climate resilient communities in terms of subsistence farming and effective settlements, which will be carried out through an extensive interactive community participation process.

Climate Change Working Group

The establishment of a Climate Change Working Group or partnership will encourage communication between Municipal departments, industry and NGO role-players for open discussion of climate impacts and solutions from various points of view.

Phase II: Adaptation Actions

Vulnerable Communities Assessment

It is recommended that the Municipality undertake a vulnerability profile of the area in order to determine geographically where climate-related health impacts are likely to be exacerbated by differential vulnerability. Spatial assessment over the entire Municipality is an attempt to illustrate how different factors influence vulnerability. It is also intended to indicate wards (or vulnerable communities), which have a particularly high exposure to potential climate change impacts, thus indicating areas for intervention. The results of this assessment will provide maps indicating areas of concern and priority with regard to climate change impacts in the Municipality – an example may be communities living within flood line areas, which would be vulnerable to floods. Further, the Kwanaloga summit on Climate Change and Rural Development (8 to 10 March 2010) emphasised the benefit of utilising indigenous knowledge in the compilation of Climate change reports and management plans.

Health and Disaster Management

During stakeholder consultation, considerable concerns were raised regarding the capacity of the Municipality's health care infrastructure to cope with the potential increase in cases of poor health and disease which may be caused by changes in climate.

A two-step response to this concern has therefore been recommended as follows:

- An assessment of health care facilities in the Municipality in terms of capacity and facilities. Identification of obvious shortcomings or priority areas.
- Completion of the Disaster Management Plan taking into account the need for responses to climate change induced flood or storm events and/or disease outbreaks. This Plan furthermore requires communication and dissemination to the Municipality and public.

11.3 Agriculture and rural communities

Food security of Municipal residents, particularly in peri-urban and rural settlements, is a long-term concern for the Municipality. Although responsibility in terms of food security for the public is not considered to lie with the Municipality, but rather with government, it is important that the Municipality assess agricultural concerns and is aware of the need to alleviate climate-induced pressure on food security. Some examples include:

- Launching of marketing campaigns for local fresh produce
- Establishment of food production partnerships within the communities (CBOs)
- Knowledge sharing regarding crop type and yield assessment for future initiatives

This may lead to longer term research projects into crop viability and livelihoods assessment. The Municipality could potentially apply for international funding for such initiatives.

11.4 Resource Conservation

Water resources are of extreme importance within South Africa, and water quality is of particular concern in the uMhlathuze area. The following responses to this issue are recommended:

- The Municipality, in conjunction with Mhlathuze Water should evaluate the existing infrastructure to determine the sustainability of that infrastructure to supply water in an uncertain climatic future. The investigation should prepare a “Future’s demand” profile for the city in terms of water requirements which should be evaluated in terms of climate influenced rainfall.
- The Municipality forming a partnership with the Catchment Management Forum to allow for reporting and assessment of water quality testing and management.

While evaluating the supply measures, a number of internal infrastructure evaluations should be undertaken, including:

- Increase water absorbing capacity of urban landscape
- Make improvements to urban drainage, the use of sustainable drainage systems, schemes that ‘make space for water’
- Storm-water retention/detention ponds and constructed wetlands
- Incorporation of extreme precipitation events into storm sewer design, land use planning and zoning to avoid locating structures and buildings in flood/landslide prone areas (these will need to be mapped as a component of re-setting the city 1:50 year flood-lines).

11.5 Biodiversity

uMhlathuze is a biodiversity rich area, with invaluable ecosystem services provided through natural resources, upon which the residents heavily rely.

Through discussions with local stakeholders, the following actions were identified for the addressing of biodiversity and conservation concerns within the Municipality:

- Development of a Coastal Management Plan that provides for effective management and control of beach erosion and rehabilitation of dunes, with an additional tourism goal in mind (this may be concluded at a District Municipality level).
- Development of an Invasive Species Management, Action and Follow-up Plan.

11.6 Infrastructure Adaptation

A culture of 'climate resilient' infrastructure design and construction needs to be instilled within the Municipality's decision makers, engineers and architects. In terms of city buildings, roads and water management structures, Municipalities may respond through the 'retrofitting' of facilities (widening of storm water channels, fitting of cooling devices, etc.) or through the proactive construction of new infrastructure with climate change impacts in mind. Dialogue with engineers and architects are required to disseminate climate change modelling data and to discuss the implications, both practically and economically, and to allow for discussions around the best possible action.

This action applies to both residential and commercial buildings, and includes the following aspects:

- Determining whether the existing dams and reservoirs provide adequate storage capacity under variable rainfall conditions;
- Evaluate whether pipeline infrastructure can cope with increased flows; and
- Establishment of a culture of 'climate resilient' planning.
- The establishment of effective building guidelines, including, for example, the use of vegetation buffers and reduced amounts of impervious surfacing to reduce runoff.
- Revision of the Municipality's flood lines and adequate design of storm water drains and water storage structures. These should take into account heavier, more intense floods and increased runoff.
- Use of 'climate resilient' building materials (particularly for informal housing).
- Prevention of settlement and development in floodplains. This will protect vulnerable settlements and human life, and simultaneously preserve the natural ability of wetlands to provide flood attenuation and water purification capacity, as well as ecological resources.
- Confirmation and consideration of the ocean setback lines and beach erosion study in terms of projected sea level rise, and risk assessment for these with regard to vulnerable communities and infrastructure.

11.7 Access Routes and Transport

At the stage of compiling the Climate Change Vulnerability Assessment, consultation with city stakeholders identified access routes to commercial centres, particularly in terms of flooding of bridges, as a major concern. It is recommended that the Municipality identify problem areas for widening of bridges (retrofitting) or provision of alternate routes. Problem areas already identified include the Richards Bay Minerals and the Nseze Lake Routes. It is understood that road and transport infrastructure is managed at a provincial level; however the Municipality should play an important role in the identification of problem areas and the lobbying to provincial government in terms of infrastructure improvement.

In the long term, options for the use of rail for bulk transport should be considered as opposed to the use of trucks, as these are reportedly a major source of pollution and are damaging to infrastructure. As a part of this process, it is recommended that the Municipality initiate a campaign to encourage incentives for car-pooling and the use of cleaner fuels for Municipal vehicles. Dialogue should be initiated on the introduction of safe and energy efficient public transport mechanisms, which could aim to improve air quality and congestion in the city centre.

The first two phases of the Climate Change Strategy require thorough implementation, follow up and monitoring. These actions should be continuously assessed and supplemented with new findings, and updated with municipal plans, goals and communication resources. Through this iterative process the City of uMhlathuze would demonstrate its proactive response to the threat of climate change, for the City, its industries and local communities.

12. ENERGY SECTOR PLAN

The Energy Strategy derives impetus from the uMhlathuze Climate Change Strategy, which identifies the Climate Change related challenges that lie ahead for the city and delivers appropriate responses to address those challenges. Similar to the Climate Change component, the project initially produced a status quo report i.e., the State of Energy Report. The findings thereof identified the need for a clear and focused local Energy Strategy, which would be key to ensuring ongoing sustainability of energy resources within the Municipality.

The objectives of this Strategy are partially derived from those contained within the country's National Energy Efficiency Strategy, which places emphasis on South Africa being a developing nation with significant heavy, energy intensive industry. This energy intensive economy largely relies on indigenous coal reserves for its driving force. In recent years, national surveys have shown that energy efficiency has significantly gained in stature and has become recognized as one of the most cost-effective ways of meeting the demands of sustainable development. These benefits are of particular relevance, as South Africa remains

one of the highest emitters of the greenhouse gas CO₂ in the world. At a local level the problems of SO₂ and smoke emissions have been the focus of concern for many communities living adjacent to heavily industrialized areas. Energy efficiency can thus address both the macroscopic and microscopic aspects of atmospheric pollution.

12.1 Strategy Timeline and Energy Targets for uMhlathuze

It is proposed that the uMhlathuze Municipality Energy Strategy timeline should align with that of the National Energy Efficiency Strategy. This will provide sufficient time for the development and fruition of a diverse portfolio of Renewable Energy and Energy Efficient projects across all sectors, and will allow significant progress to be made towards meeting challenging and meaningful Targets.

12.2 Sustainability Objectives

The uMhlathuze Municipality State of Energy report has identified a series of Sustainability Objectives within each major economic sector. These relate to issues such as access to energy supply, energy affordability, and environmental concerns. These sustainability objectives have been observed to contain recurring themes and it is further noted that important cross-cutting issues are embodied within them.

Table 23: Summary of Sustainability Options

Environmental
1. Increase the uptake of energy efficient practices and renewable alternatives
2. Reduce the use of dirty and inappropriate fuels
3. Mitigate the emission of Greenhouse Gases at National level
4. Minimise the emission of Local atmospheric pollutants
Economic
1. Increase the affordability of clean and safe energy sources
2. Ensure a secure and efficient energy supply infrastructure
3. Maintain and improve financial viability and sustainability within the business sector
4. Development of novel finance initiatives, and other instruments, to encourage uptake of RE and EE technologies
Social
1. Reduce the incidence of fire
2. Reduce the incidence of respiratory disease
3. Improve living standards
4. Enhance public safety and security on the roads and on public transport systems

Institutional
1. Improve access to appliances for use with clean and appropriate fuels
2. Enhance public education, awareness and participation in green practices associated with energy
3. Improve mechanisms to encourage uptake of renewable energy sources
4. Introduce formalised data collection protocols

Zitholele Consulting, 2008

12.3 Energy Targets

The Energy Strategy prescribes sector-specific Demand Side Targets, as well as a Demand Side renewable energy Target, which combines to address the Sustainability Objectives outlined above. In this way, the impacts of the various strategy Activities may be tracked over time, thereby enabling an ongoing assessment of the success of the Strategy to be made. It is proposed that the uMhlathuze Municipality Energy Strategy timeline should align with that of the South African national Energy Efficiency Strategy, 2015.

This will provide sufficient time for the development and fruition of a diverse portfolio of Renewable Energy and Energy Efficiency projects across all areas, and will allow significant progress to be made towards meeting these Targets.

Table 25: Demand Side Targets for uMhlathuze Municipality

Sector	% Improvement by end 2015	Reporting units
Residential	10%	KWh per person
Public Buildings	20%	KWh per m ²
Industry	15%	KWh per unit production
Commerce	20%	KWh per m ²
Public and Private Transport	9%	KWh per person/km
Commercial Transport	9%	KWh per tonne/km

Supply Side Target for uMhlathuze Municipality is as follows:

To increase the percentage of electricity generated locally by 50% by end 2015. This to be via a combination of CHP, Co-generation and Renewable Energy management

12.4 uMhlathuze Energy Sector Action Plan (*Demand Side*)

Measure or Intervention	Action Required
Demand Side: Activity 1 – Education	
<p>Energy Efficiency Standards for New Residential Buildings</p> <p>Pre-empt the introduction of National EE Standards for domestic buildings by introducing a programme of awareness within selected sector stakeholders.</p> <p>The new National standard, SANS283 Energy Efficiency Domestic Buildings Design, is currently being finalised and will be promulgated in due course. Roll-out of this standard for all new residential buildings will therefore become mandatory.</p> <p>The Municipality will be proactive in early adoption of the SANS283 requirements to ensure maximum benefit is derived at the earliest opportunity.</p>	<p>Liaise with SABS and DME regarding progress and process of new standard;</p> <p>Ensure early adoption of the requirements of SANS283 in planning approval process;</p> <p>Include mandatory Standards within an EE By-law;</p> <p>Make requirements additional to SANS283 within a local by-law. These could include life-cycle assessments where embodied energy in building materials are accounted for as part of the sustainability assessment for new build commercial premises, etc;</p> <p>Develop an awareness-raising programme which will be required by contractors and other professionals, such as architects and engineers;</p> <p>Consider the use of pilot studies to assist with awareness-raising.</p>
<p>Energy Efficiency Standards for New Public Buildings and Commercial Buildings</p> <p>Ensure that the Municipality is proactive in early adoption of the SANS204 requirements, thereby ensuring maximum benefit is derived at the earliest opportunity.</p> <p>The new National standard, SANS204 Energy Efficient Buildings Design, is currently being finalised and will be promulgated in due course. Roll-out of this standard for all new public buildings and commercial buildings will become mandatory;</p>	<p>Pursue early adoption of standard's requirements in planning approval process;</p> <p>Consider revising its own building codes to stipulate that SWH must be included as an option in new Public Sector buildings and hostels owned by the Municipality, and that architects/engineers must demonstrate that they have considered this and included or excluded it on the basis of a realistic analysis including subsidy options;</p> <p>Carry out awareness raising programmes for buildings development professionals. Consider the use of case study material for this purpose.</p>

Demand Side: Activity 1 – Education	
<p>External Capacity Building, Training & Certification</p> <p>Ensure that sufficient RE and EE technical skills and knowledge are readily available for all stakeholders and participants in this Strategy.</p> <p>Provide homeowners and buildings developers the opportunity to employ utility service providers who have undertaken certificated EE and RE training.</p> <p>Facilitate the effective completion of energy audits and surveys within commercial buildings and industry by ensuring energy auditors have received the appropriate level of training required.</p>	<p>Identify the trainee stakeholder groups across all sectors and collaborate with training providers to establish relevant training materials;</p> <p>Introduce a formal SETA certification process for participants deemed to have met qualifying criteria as relevant. Courses given through universities would be automatically approved and a training course could be designed at UKZN (with input from the Municipality) to start training municipal employees as an pilot for the programme;</p> <p>Development of a certified EE utility service provider database, which can be publicised and made available to the general public;</p> <p>Training would be required for relevant municipal workers and for contractors who receive municipal tenders (this would be written in into standard Municipality tender invitation documentation).</p>
<p>Introduction of Industrial EE Standards</p> <p>Pre-empt the introduction of National EE Standards for industry by introducing a programme of awareness within selected industrial groupings in the Municipality.</p> <p>New National EE Standards are being developed by SABS which address specific industrial technologies. These are: EE standards for non-utility steam boilers, EE standards for AC electric induction motors and EE guidelines for steam pipe insulation specification and installation.</p> <p>These standards may become mandatory in due course, and uMhlathuze Municipality should be proactive in encouraging their early adoption to maximize the savings benefits at the earliest opportunity.</p>	<p>Assist with publicising new standards in liaison with key industrial representatives;</p> <p>Approach the DME requesting expansion of AC motors standards to include re-winding.</p> <p>Industry to:</p> <p>Adopt EE standards and procedures within flagship industries. Possibly develop case study materials for further promotion;</p> <p>Roll-out adoption of EE standards in a timely manner.</p>

Demand Side Activity 2 – Incentives	
<p>Enabling and Incentivising Energy Efficiency in the Home</p> <p>Formulate a suite of financial incentives and/or disincentives, which might include partial rates rebate according to the level of EE applied within the home, or comprise penalties should basic standards of efficiency not be met.</p>	<p>Invite and vet bids from local organisations able to provide EE and RE advice to residential households;</p> <p>Establish a clearing-house, or regularly updated knowledge-base, where the public can access the various sources of information and obtain contact information for EE and RE qualified advisers;</p> <p>Develop specific awareness raising strategies for EE and RE technologies. These may include: Poster campaigns, media coverage, the use of utility bills to carry “Energy Tips”, etc.</p> <p>Investigate and establish the basis for award of incentives via the rates system. Develop an appropriate “points” system, evaluation and audit methodologies, application process, etc.</p>
<p>Energy Management Best Practice Awards</p> <p>Support the Awareness-raising activities of the Strategy by conveying the importance of good Energy Management practices</p> <p>A certificated, voluntary Energy Management Best Practice programme within groupings for Industry and Commerce should be launched and linked to an annual ‘Energy Champions’ award.</p> <p>The Action Plan’s objectives should be sustained by stimulating the participation of wider industry in Energy Management initiatives.</p>	<p>Use established training and guideline materials developed by DME to ensure that all training in Energy Management undertaken as part of the Action Plan is done so to consistent and high standards;</p> <p>Develop an acceptable protocol for assessing the maturity of Energy Management within participating organisations;</p> <p>Introduce a formal certification process for participating industries deemed to have met qualifying criteria;</p> <p>Introduce a voluntary Energy Champions contest held annually to reward the organisation deemed ‘most improved’ in Energy Management issues.</p>
<p>Development of Energy Reporting Mechanisms</p> <p>Establish an energy reporting protocol for the largest 5 energy users within the Municipality, with the intention of expanding the reporting protocol to further industries in due course.</p> <p>Larger Industries should be encouraged to make their energy usage data available in the public domain.</p>	<p>Establish a protocol for the provision and publication of yearly energy data (electricity and fossil fuels) against appropriate production variables;</p> <p>Refine mechanisms for energy data gathering throughout the sector;</p> <p>Develop a large industry league table in terms of efficiency improvements made.</p>

Demand Side: Activity 3 – Working Groups

<p>Promotion of Energy Efficiency Clubs in Industry & Commerce</p> <p>Promote and develop the concept of Energy Efficiency via Energy Clubs within the Municipality. Club membership will typically comprise around 10 industries, usually from the same geographical location; Members will meet once per month for ideas sharing, training and capacity building. Each industry to nominate a project champion and elect a small team to handle day-to-day club activities and specific projects identified.</p>	<p>Identify suitable industry groupings for recruitment of two pilot clubs; Approach and recruit industries into pilot clubs, with assistance from external service providers; Monitor the progress and results of the pilot clubs as pre-cursor to large-scale roll-out of the concept.</p>
<p>Expansion and Promotion of Voluntary Energy Efficiency Commitments</p> <p>Expand the National Business Initiative (NBI) Energy Accord commitments to a broader, more ambitious business commitment programme aimed at industry locally.</p> <p>The NBI formalised its Energy Accords during 2005. This is a voluntary agreement between industry and National Government to meet the energy savings targets as they are laid out within the NEES. Presently there are over 30 signatories to the Accords nationwide, comprising mainly large industrial groups and multinationals.</p>	<p>Develop relationships with the NBI and the business community of the Municipality via existing communication channels; Promote NBI Accords to local industries via appropriate channels of communication; Ensure appropriate publicity for all new local signatories to the NBI Energy Accords;</p>
<p>Communications strategy</p> <p>Reinforce contacts with National Government and other external stakeholders within a formalised communication framework. It will be of particular relevance to the success of Transport Sector Action Plans, as several spheres of government are involved in the planning and maintenance of public transport systems.</p> <p>Also of relevance will be the ongoing liaison with CEF and the EEDSM programme, as well as other national initiatives within EE and RE.</p> <p>The DME is considered a key stakeholder and the Municipality should maintain close contact to ensure early notice and action regarding targets, standards and national legislation concerned with EE and RE.</p>	<p>Establish list of stakeholder communications groups at local, Provincial and National levels. Confirm contact details for communications groups' representatives, and proxy representatives; Request formal meeting protocol with communications groups and establish contact with other municipalities with similar requirements, to encourage cross-sharing of ideas and skills;</p> <p>Promote EE and RE information across all sectors. Disseminate EE and RE Best Practice information to the Industry, Commercial and Agribusiness sectors.</p> <p>Raise awareness in schools to highlight alternative transportation options. Undertake Flagship projects to use as high-profile promotional material for EE and RE;</p>

Demand Side: Activity 4 – Commercial and Public Transport

<p>Transport Planning (General)</p> <p>Expand EE considerations within uMhlathuze Municipality Integrated Transport Planning process. In particular, sustainable public transport and the negative impacts of transport on the physical environment.</p>	<p>Promote public transport over private transport through various measures including implementation of high occupancy vehicle (HOV) facilities;</p> <p>Investigate phasing of appropriate car restraint measures;</p> <p>Promote non-motorized transport including walking and cycling. This would partly be achieved by incorporation of pedestrian and cycle-friendly routes into the City planning process;</p> <p>Encourage the use of environmentally friendly vehicles and energy;</p>
<p>Transport Planning (Commuter)</p> <p>Discourage private-sector vehicle usage within the area and reduce City-centre traffic volumes, thereby reducing peak traffic flow within the major commercial hubs.</p> <p>An integral aspect of the Action Plan will be to encourage the uptake of non-motorized transport options for commuters where feasible. This will be of relevance to CBD commuters as well as the non-CBD commuter groups alike.</p>	<p>Establish a working group between national, provincial and local passenger transportation stakeholders (rail and bus) to improve co-ordination in planning for commuter transport solutions;</p> <p>Encourage private business, industry and commerce to develop more efficient transport options for employees, including lift-sharing, non-motorized transport, etc;</p> <p>Explore barriers and solutions to increase the uptake of public transport means. This will include addressing safety, accessibility and cost issues;</p>
<p>Encourage Rail-based Freight Transportation</p> <p>Encourage commercial freight operators to consider rail as the transport mode-of-choice, thereby reducing the numbers of HGVs on the main transport corridors.</p> <p>Additionally, it should encourage industry to consider product transportation as integral to the LCA approach promoted via the Industry Action Plans.</p>	<p>Establish liaison with national, provincial and private sector freight transportation stakeholders to formulate a strategy to increase rail-based freight transport into and out of the Municipal area;</p> <p>Consider introducing a surcharge on all commercial road and freight transportation users by 2020. This could be implemented as a national incentive pending discussion with NDoT;</p> <p>Where relevant, include product transportation within LCA audits carried out as part of the Industry Action Plans.</p>
<p>Vehicle Emissions Testing</p> <p>This Action Plan intends to introduce vehicle inspection and emissions testing routines as means to reduce vehicle-derived pollutants.</p> <p>The concept is proposed to initially be voluntary, possibly with incentives, but is anticipated to become mandatory in the longer-term.</p>	<p>Seek active co-ordination with NDoT in development of this Action Plan;</p> <p>Volunteer as a pilot for emissions testing within the City Fleet;</p> <p>Undertake investigation and research to establish basis of proposed vehicles emissions standards for South Africa;</p> <p>Establish the basis for a voluntary initiative, including financial incentives such as vehicle license rebates for qualifying participants. Develop into mandatory scheme in due course.</p>

Demand Side: Activity 5 – Decentralised Shopping

Investigate and Develop Decentralised Shopping Nodes

The objective of this Activity will be to minimise private vehicular transport to-and-from centralized retail outlets as far as practicable. The broad methodology proposed will make use of decentralised shopping nodes which would provide sufficient retail needs and household provisions, particularly in outlying areas which do not currently have such facilities.

The first step in the process will be a feasibility study to fully establish the viability of this methodology and assess what savings potential might result once implemented.

Undertake a comprehensive study to establish savings potential of the proposed activity. This would require the inclusion of an in-depth investigation of consumer activity and transport mode used. The study would also need to address the potential negative effects, which might impinge upon centralised retailers.

Demand Side: Activity 6 – Fleet Management

Enhance Fleet Management Systems for Fuel Efficiency

The Municipality currently utilises a fleet management system for asset management purposes only. The functionality of the system can be expanded to include facilities such as fuel efficiency per vehicle type, driving habits, route tracking, etc. Where these systems have been fully utilised elsewhere, significant energy savings have resulted. This Activity is intended to expand upon the current system to include these additional facilities and to provide a comprehensive reporting system on energy efficiency. The longer-term intention will be to develop a case study for dissemination to the commercial transport sector, to encourage further uptake of similar systems in other sectors.

Confirm the current system functionality and establish what additional costs are required (if any) to expand to a fleet energy Monitoring & Targeting facility;
Workshop and agree appropriate fuel efficiency targets with each of the Municipal fleet divisions;
Workshop and agree upon the most appropriate level and frequency of monitoring and reporting applicable to this intervention;
Establish case studies detailing efficiency savings which result from the project, as well as additional benefits in terms of maintenance and operational efficiency, etc.

Demand Side: Activity 7 – Energy Efficiency

Municipal Building Energy Audits and Savings Implementation

Energy Audits provide a snapshot of energy consumption within a given timeframe and can be used to identify areas of wastage and, therefore, savings potential. This Activity will initiate a systematic approach to identify savings via the rollout of an energy-auditing programme to all Municipality-owned public buildings.

Appoint an Audit Task-team responsible for carrying-out/overseeing the buildings energy surveys;
Identify a priority list of buildings to be audited and a realistic timeline for completion;
Assess availability of funding sources to carry out the higher-cost savings opportunities already identified.
Capital costs for implementation of EE interventions in buildings to be factored into long-term planning;
Undertake implementation of all viable savings opportunities within pre-defined payback criteria;
Make available appropriate and tested energy savings calculations models to buildings managers and auditors.

Maximise use of Energy Efficient Lighting in Public Buildings

Formalise the process of EE lighting retrofit into standard working practice to ensure that maximum benefits are achieved at the earliest opportunity.

The benefits of EE lighting are well documented and the Municipality has already made significant headway in its retrofit plan.

As part of this Action Plan the Municipality will investigate opportunities and options for the safe disposal of fluorescent light-bulbs for consumers generally.

Undertake a complete evaluation of the city's own building stock to prioritise buildings where the use of energy efficient lighting systems would be most cost-effective;
Establish a task-team to oversee the complete roll out of the lighting retrofit over an agreed timescale;
Establish the funding mechanism by which the programme would be implemented.

Roll-out of an Industrial Energy Audit Programme

This Action Plan intends to pre-empt the introduction of a National audit scheme by initiating a programme of subsidised energy audits within selected industry/commercial groupings in the city.

The NEES identifies mandatory energy audits as an instrument to encourage energy efficiency within industry. It is envisaged that early EE benefits will be gained, followed by a move towards a mandatory audit scheme for all industry in the future.

Develop and agree on a standard audit format to ensure consistency and transparency in auditing and reporting practices;
Agree on audit qualification criteria for industry to enable the appropriate focus of resources, and to ensure that energy intensive industries are prioritised for mandatory audits in the short term;
Subsidise trial audits to demonstrate the concept of energy auditing as a means of identifying bankable efficiency projects;
Publicise the initial outcomes and results to ensure that industry & commerce is fully aware of the financial and environmental gains possible via an energy efficiency audit

Demand Side: Activity 8 – Renewable Energy

Enhanced use of Solar Water Heating in the Home

Ensure maximum uptake of Solar Water Heating (SWH) within all residential properties where technically viable.

Solar hot water systems are probably best-suited to high and middle-income properties with fairly high usage patterns and a monthly billing contract with the utility.

For middle and high-income groups the option exists to facilitate the repayment of equipment purchase costs through the billing system. This would encourage families to choose systems that more accurately suited their needs and usage patterns.

The use of solar hot water systems in low-income housing is probably the most cost-effective way of reducing the burden of high electricity bills for South Africa's most vulnerable populations.

Ensure all new housing stock utilises SWH technology as a mandatory specification;

Short-list and recommend various financing options per income group. These may include pre-agreed repayments via electricity bills, and mechanisms involving varying levels of subsidies per income group. It is proposed that up to 100% subsidy could be made available for the poor;

The programme would initially focus on retrofitting existing formal housing. The roll-out of a similar programme for the Municipality's re-housing initiative would also be included;

SWH standards to be formalised and adopted. Ongoing liaison with SABS regarding mandatory standards.

Maximise use of Solar Water Heating in Public Buildings

Ensure that all new public buildings and all retrofit DHW systems consider SWH as the *Technology-of-choice* wherever it is deemed technically viable.

The use of SWH in the Municipality's Public Building stock may provide significant potential for energy savings in circumstances where the building layout facilitates the use of this technology. Detailed evaluation will be necessary such that any recommendations are tailored to each building's unique design, energy usage pattern and location.

Undertake a complete evaluation of the City's own building stock to identify types of buildings wherein SWH may be viable;

Consider the introduction of an Energy by-law to mandate the use of renewable energy supplies for DHWS provision.

Demand Side: Activity 9 – Cleaner Fuels

Alternative Energy Provision to Ultra-poor Households

Promote the safe use of paraffin appliances and to encourage fuel-switching to safer, cleaner alternatives via the use of transition fuels such as LPG.

A large number of rural households use paraffin, wood, coal and animal dung for cooking and heating. As they represent some 50% of total households the numbers are significant and represent an important opportunity to introduce transitional fuels for heating and cooking.

Alternative energy sources which will be addressed by this action plan will include sustainably-produced gel-ethanol, bio-fuels from waste/sewage sludge, solar cookers, solar LED lighting, household energy generation, black-pipe water heaters, etc.

Work with DME and SABS to publicise existing safety standards for domestic paraffin appliances;

Carry out a feasibility study into implementation of a marketing and distribution system to bring cleaner fuels to the rural user base;

Consider the phased removal of subsidies upon unsustainable fuels to promote the use of transition fuels, and ultimately clean fuels.

uMhlathuze Energy Sector Action Plan (Supply Side)

Measure or Intervention	Action Required
Supply Side: Activity 1 – Independent Power Producers	
<p>Promote and Encourage the Establishment of IPPs within uMhlathuze Municipality</p> <p>This Activity is intended to maximise the potential for Independent Power Production in the Municipality, on the basis of “local generation for local consumption”. The advantages of such an approach will include the stimulation of a new growth industry to the District. In addition, efficiency gains due to reduced transmission losses will result, as well as the potential for system heat recovery for local use in industry or elsewhere.</p> <p>The stimuli for this Activity are likely to include the new REFIT tariffs published by NERSA, rising electricity costs, and the possibility of Carbon Financing.</p> <p>This Activity is complimentary to Supply Side Activities 2 and 3.</p>	<p>Identify potential energy sources for power generation within the Municipality, this would include both the use of renewable sources as well as clean technologies for fossil fuel systems.</p> <p>Identify possible locations for the establishment of IPP facilities. Such locations might include existing large-scale industrial premises, or smaller-scale industrial clusters such as the IDZ.</p> <p>Establish and facilitate dialogue between industry and IPPs to encourage and develop sustainable locally produced energy supplies.</p>
Supply Side: Activity 2 – Renewable Energy	
<p>Novel Financing Initiatives</p> <p>Assist in developing novel finance initiatives as well as continue the use of alternative funding options to further renewable energy uptake.</p> <p>Methods of raising revenue for reinvestment should be addressed, and could include local levies, or “Green Taxes”.</p>	<p>Investigate and prioritise various funding options including the following:</p> <ul style="list-style-type: none"> • Clean Development Mechanism (CDM); • Increased exposure to EEDSM funding; • International Donors; • REFIT for renewable energy sales; • Environmental Taxes; • Subsidies • The use of ESCO's

Supply Side: Activity 3: Cogeneration

<p>Promote Sustainable Point-of-use Power Generation Projects</p> <p>Ensure that all sustainable point-of-use power generation opportunities within Municipality-owned operations are considered. These considerations will include options for co-generation as potentially relevant to the Wastewater Treatment sub-sector, where anaerobic digestion is carried out.</p>	<p>Identify potential for biogas-driven co-generation in future, as well as other Combined Heat and Power opportunities;</p> <p>Build and strengthen in-house capacity to carry out feasibility, design and project management of co-generation projects.</p>
<p>Promote Sustainable Point-of-use Power Generation Projects</p> <p>Ensure that all sustainable point-of-use power generation opportunities within Municipality-owned operations are considered. These considerations will include options for co-generation as potentially relevant to the Wastewater Treatment sub-sector, where anaerobic digestion is carried out.</p>	<p>Identify potential for biogas-driven co-generation in future, as well as other Combined Heat and Power opportunities;</p> <p>Build and strengthen in-house capacity to carry out feasibility, design and project management of co-generation projects.</p>

Supply Side Activity 4 – Rural Area Electrification

<p>Development Planning for Efficient Rural Energy Supplies</p> <p>The electrification of rural areas is an ongoing activity within the broader context of the IDP and the National Electrification Programme. This Activity intends to ensure that all alternative supply-side options are considered as part of the electrification planning process. Factors which should be brought into consideration include the uptake of local renewable energy sources for supply, where feasible, as well as options to minimize supply requirements through the judicious use of energy efficiency interventions in the home.</p>	<p>Development planning to include for all viable RE and EE alternatives within the process. Interventions for consideration on the Demand Side should include: Solar thermal systems (or heat pumps) for domestic hot water provision, use of CFL systems for lighting, building orientation and structure (in line with SANS204), Alternative supply-side options should encompass biogas collection systems for cooking, PV collection and storage systems for domestic use and street-lighting, in addition to local renewable energy sources for electricity generation.</p>
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As an information tool the EMF integrates frameworks, policies and different government mandates. The large volume of data that was collected during the process is captured in a spatial format that is easy to access and understand.

13. INFRASTRUCTURAL CONTEXT

13.1 Areas in Need of Infrastructure / Engineering Services Intervention

Data relating to access to housing, water, sewer and electricity were used to compile a map showing areas in need of infrastructure.

Firstly, the following were mapped using 2007 Stats SA Data reflected in the uThungulu SDF:

- % households with no electricity (>75%)
- % households with no access to hygienic toilets (>75%)
- % households with no access to piped water (>75%)
- % households living in informal housing (>75%)

Each of the abovementioned datasets was mapped individually (Figure 9). In relation to this Figure 9, the following should be noted:

13.2 Access to Water and Sanitation:

The Municipality currently receives funding through the Municipal Infrastructure Grant (MIG), of which 70% is for water and 30% for sanitation. It has been proven that such funding is not adequate to reduce backlogs for sanitation. **96, 49%** households have access to the basic RDP level of water supply service. The basic level for the provision of water is communal supply less than 200 m from a household.

The target for 2010/2011 for basic RDP level of water supply service is 2 706.

Table 25-26: Water and Sanitation Access / Backlogs for 2006 to 2011

A: WATER

WATER AND SANITATION ACCESS /BACKLOGS FOR 2006 TO 2010								
A : WATER								
Service Level	HOUSEHOLDS	2006/2007	PERCENTAGE	2007/2008	2008/2009	ACCES END 30/09/2010	BACKLOG % 31 December 2010	ACCESS % 31 December 2010
	BACKLOCK STUDY (SIVEST)	HOUSEHOLDS WITH ACCESS TO WATER					HOUSEHOLDS	HOUSEHOLDS
House connections	31533	34643	47%	34766	35247	35563		35563
Yard Connections	17532	23690	32%	26048	32105	33545		33545
Communal Supply < 200m	8305	6804	9%	5784	3484	2552		2552
Communal Supply > 200m	16899	9132	12%	7671	3433	2609	2609	
TOTAL	74269	74269		66598	70836	74269	2609	71660
Access to Water		65137		66598	70836	71660		96.49%
Backlogs		9132		7671	3433	2609	3.51%	
Achievements				1461	4238	824		

As can be seen from the above table, the provision of water within the City of uMhlathuze for communities who are below RDP level is decreasing. The challenge that needs to be dealt with is the constant supply of water with fewer interruptions, therefore funding must be provided for future upgrades.

59, 42% households have access to the basic level of service for sanitation. The basic (RDP) level is a VIP per household. The target for 2009/2010 for basic RDP level of sanitation service is 5 500.

Table 27: B: SANITATION

B : SANITATION								
Service Level	HOUSEHOLDS	2006/2007	PERCENTAGE	2007/2008	2008/2009	ACCESS END 30/06/2010	BACKLOG % 31 December 2010	ACCESS % 31 December 2010
	BACKLOCK STUDY (SIVEST)	HOUSEHOLDS WITH ACCESS TO SANITATION					HOUSEHOLDS	
Waterborne Sewerage	32091	32162	91%	32285	32605	32605		32605
VIP"s	0	3057	9%	5458	6158	11524		11908
No formal Service	42178	39050	111%	36526	35506	30140	29756	
TOTAL	74269	35219		37743	38763	44129	29756	44513
Access to Sanitation		35129		37743	38763	44129		59.93%
Backlogs		34140		36526	35506	30140	40.07%	
Achievements				2386	1020	5366		

As can be seen from the above table, the current rate of providing sanitation services is very low. The funding received from the Municipality Infrastructure Grant is not sufficient to accelerate the provision VIP toilets in satisfactory manner.

In terms of water and sanitation backlogs, the Figure does not correspond well with the Municipality's reported backlogs. In terms of the water and sewer backlogs as reported in the uMhlathuze IDP, Wards 2, 13, 14 and 15 have the highest number of households in need of infrastructure intervention (as reflected in the pie chart below as well as in Figure 10). The inconsistencies could be attributed to the fact that updated Census Data (2007) is used to map Figure 10, while the Municipality has been implementing numerous projects in the last three years to provide basic water and sanitation services.

Figure 10: Water and Sanitation Backlogs within uMhlathuze

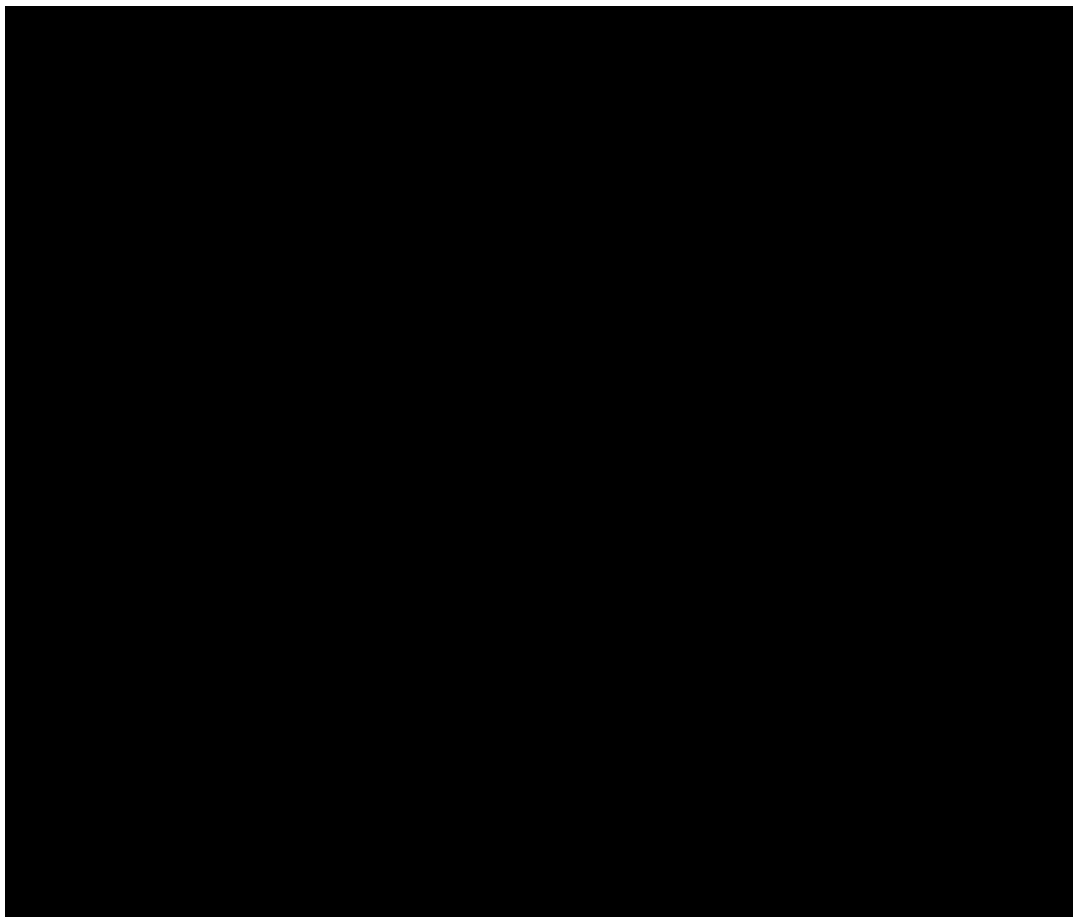
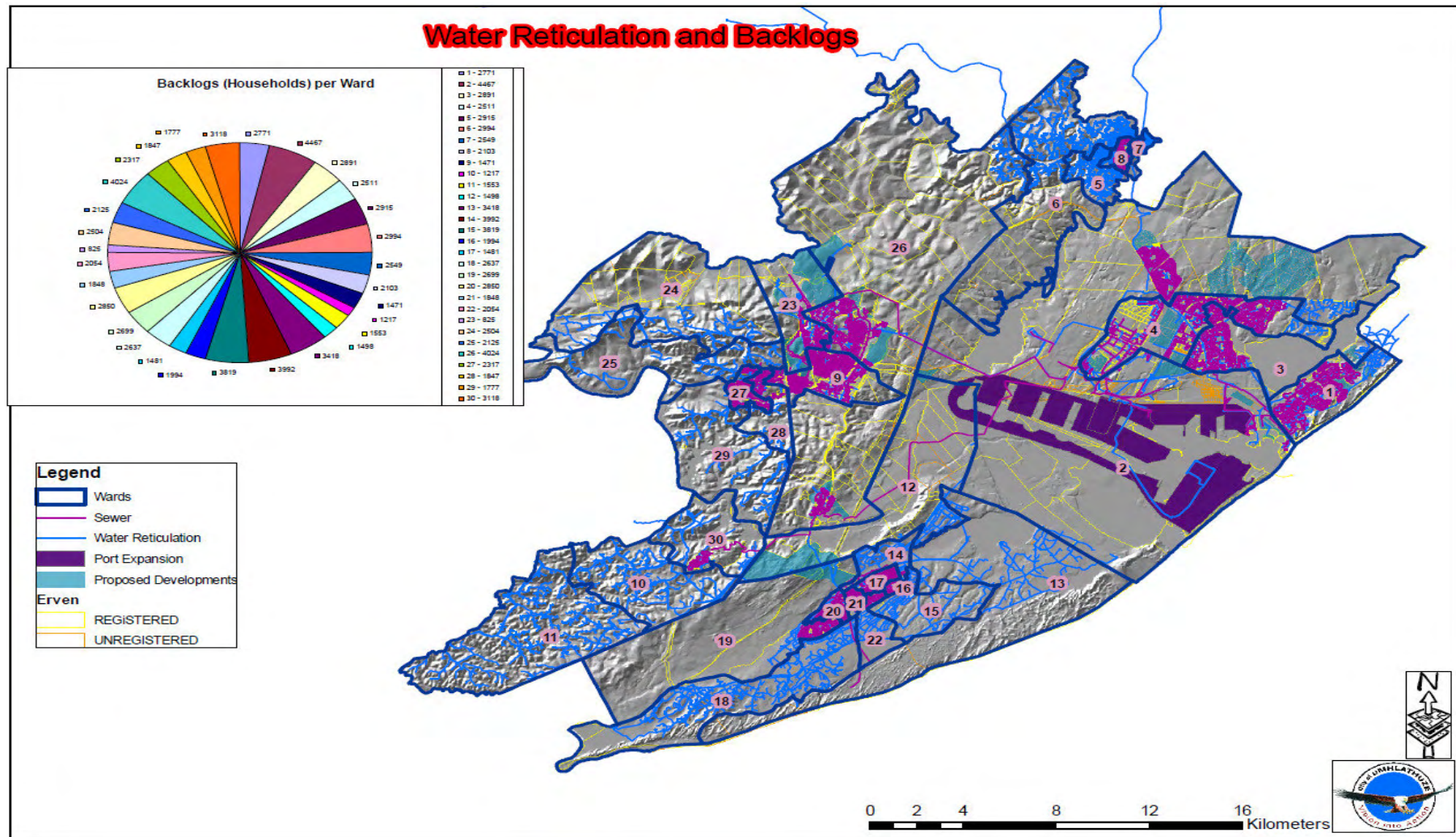


FIGURE 11: UMHLATHUZE WATER AND SEWER BACKLOGS AS REPORTED IN THE IDP



12.3 Provision of Electricity

- a) In terms of electrification, the Municipality has no backlogs. Eskom would service the areas indicated as having no access to electricity. During 2010, Eskom requested the Municipality to assist in determining backlogs. Using the Ward Committee system, residents reported the highest backlogs being in Ward 11, followed by wards 5, 24, 18, 8 and 13 (refer to Figure 10 for a depiction of the results). This corresponds well with the Census data depicted in Figure , but highlights additional areas in need of electrification.

13.4 Provision of Housing

- a) In terms of housing, the Municipality is in the process of implementing Rural Housing Projects in the KwaMkhawanazi, Dube, KwaKhoza and Madlebe Traditional Authority Areas. Furthermore, a hostel upgrade project is underway. The Municipality is also in the process of formalising the Mandlazini Agri-Village adjacent to Lake Mzingazi. Funding will be requested in the near future to also address the formalization of the Mzingazi Agri-Village adjacent to Lake Mzingazi.

Figure 14 represents the composite map depicting “Areas in Need of Infrastructure” based on the abovementioned data.

FIGURE 12 – AREAS IN NEED OF INFRASTRUCTURE INTERVENTION

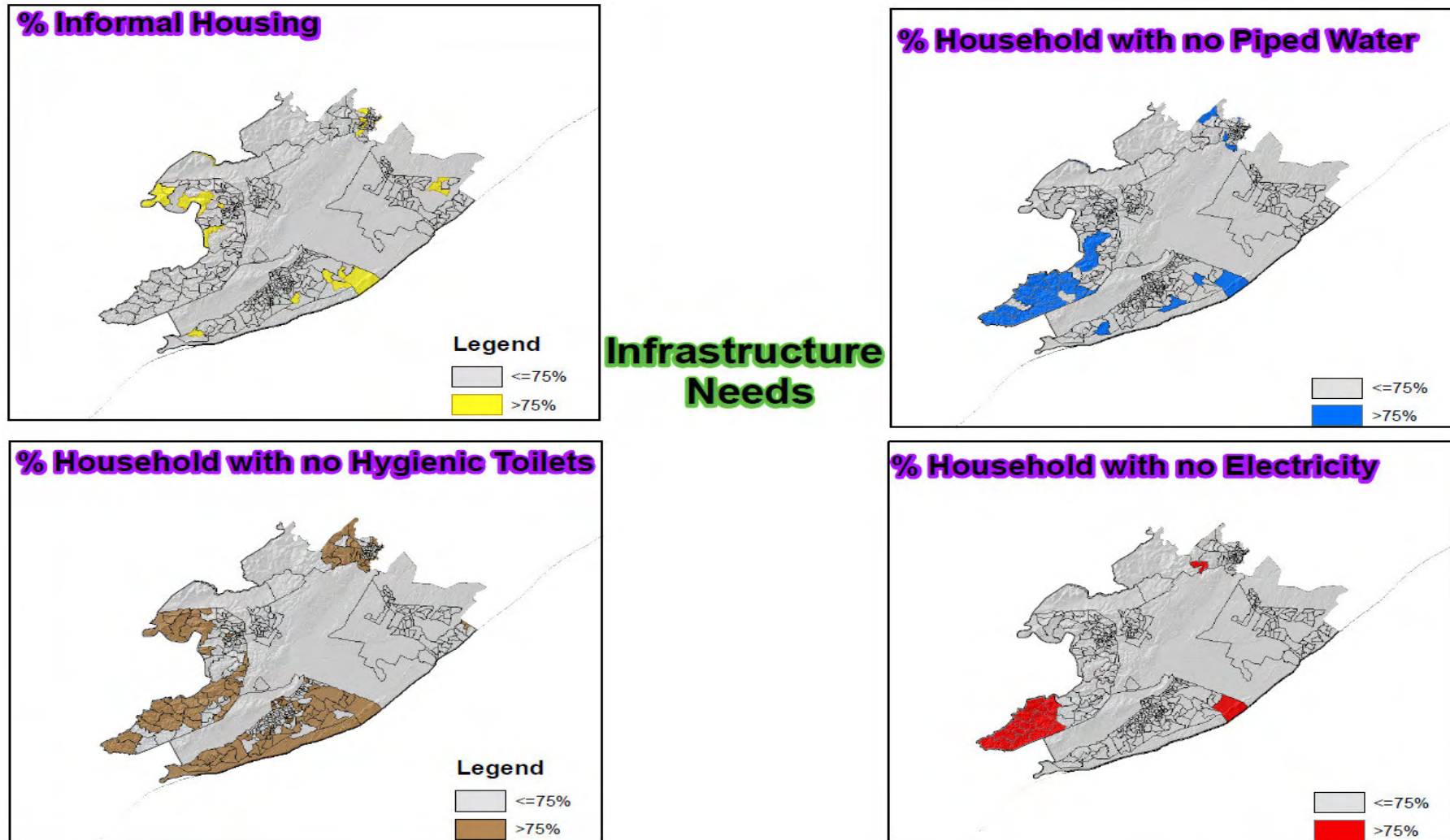


FIGURE 13: ESKOM'S ELECTRIFICATION BACKLOGS AS DETERMINED THROUGH THE WARD COMMITTEE SYSTEM

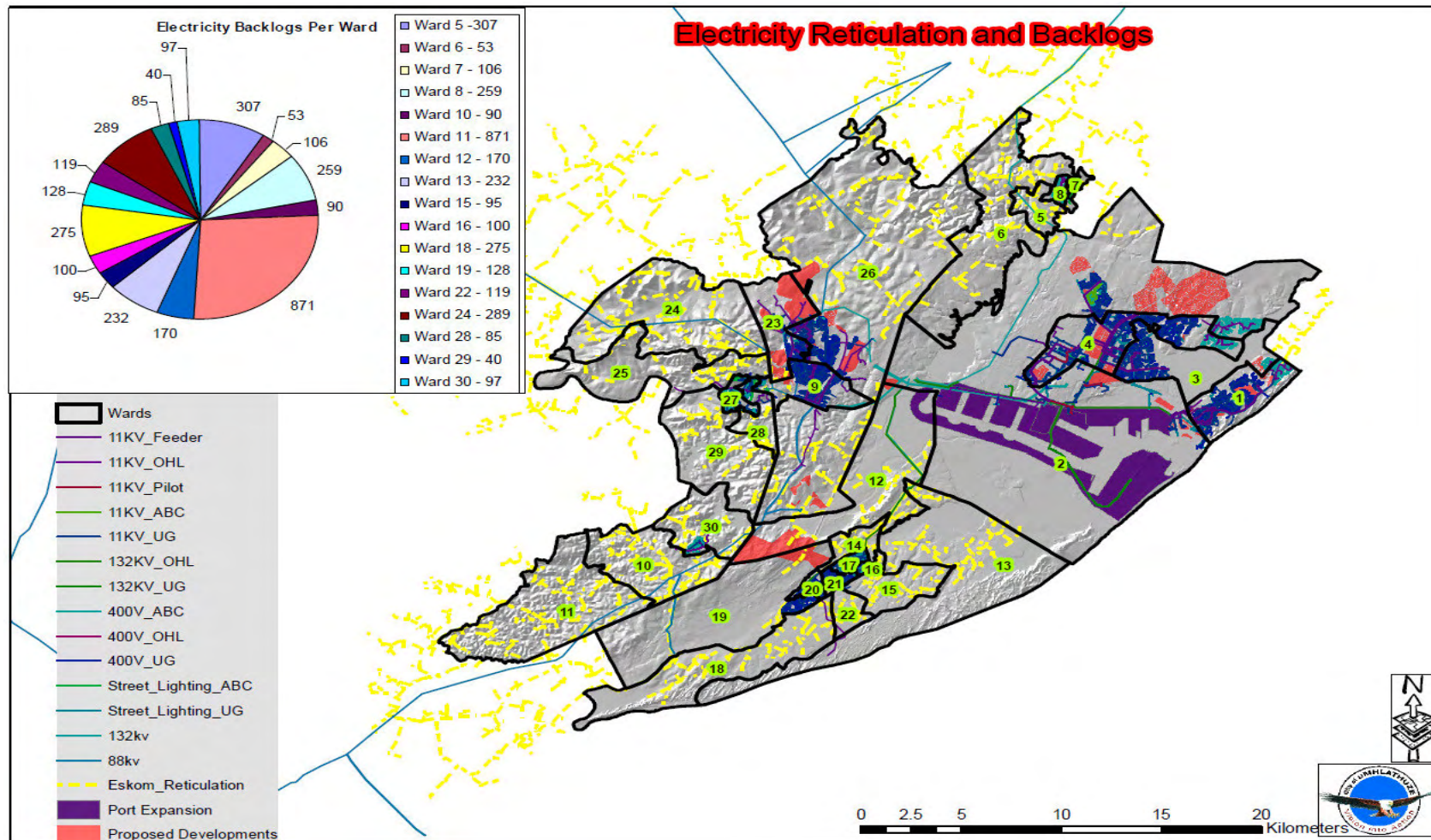
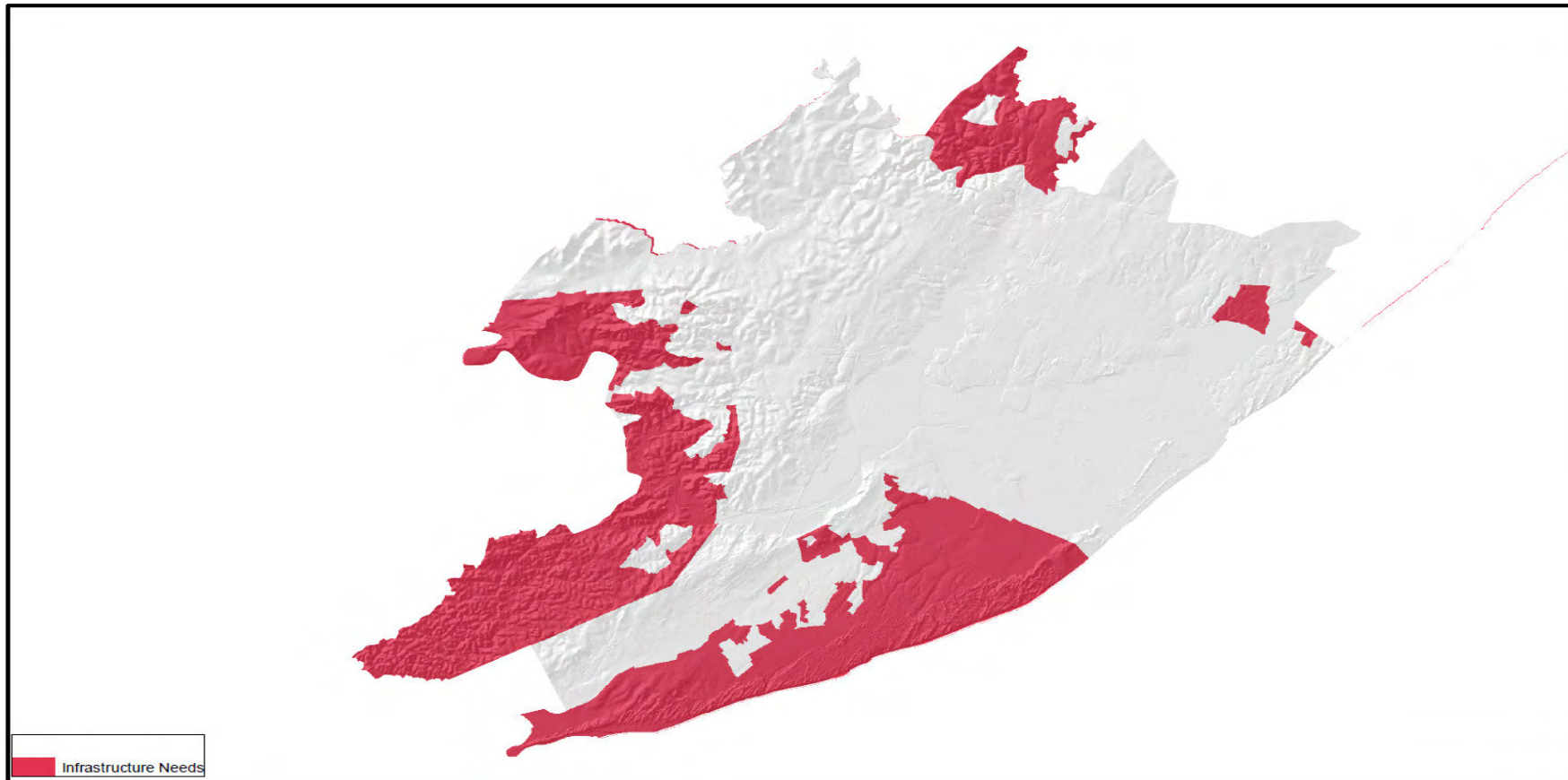


FIGURE 14 – Composite map: areas in need of infrastructure intervention



The following conclusions can be made regards the provision of infrastructure services

- a) 96,49% households have access to the basic RDP level of water supply service. The basic level for the provision of water is communal supply less than 200 m from a household.
- b) 59,42% households have access to the basic level of service for sanitation. The basic (RDP) level is a VIP per household.
- c) The current rate of providing sanitation services is very low, however, the funding received from the Municipality Infrastructure Grant is not sufficient to accelerate the provision VIP toilets in satisfactory manner.
- d) Various housing projects are underway, which will provide some relief.
- e) The Municipality does not have any electricity backlogs. Eskom's electricity backlogs are focused on Ward 11, followed by wards 5, 24, 18, 8 and 13.
- f) Unplanned settlement in Traditional Authority Areas remains a problem. Demand for housing and other services will surely continue, and the sustainability of maintaining these services are in doubt.

The following recommendations are made in relation to areas in need of infrastructure:

- a) Areas where additional roads are required are not indicated and should be included in a future review of the SDF.
- b) Areas where waste removal services are required are not indicated and should be included in a future review of the SDF.
- c) Areas in need of public transport intervention should be included in a future review of the SDF.
- d) In terms of the water and sewer backlogs as reported in the uMhlathuze IDP, Wards 2, 13, 14 and 15 have the highest number of households in need of infrastructure intervention.
- e) In terms of Eskom's electricity backlogs, effort should be focused on Ward 11, followed by wards 5, 24, 18, 8 and 13.
- f) The Municipality should continue with housing projects. Funding should be requested in 2011/2012 to address the formalization of the Mzingazi Agri-Village adjacent to Lake Mzingazi.

13.5 Areas in Need of Community Services

In line with the uThungulu Spatial Development Framework (2009), data relating to travel time to the nearest facility were used to compile a map showing areas in need of additional community services / facilities.

The criteria used to determine travelling time to facilities were very conservative, and are as follows:

- National Routes: 60km/hr
- Provincial Routes: 40km/hr
- District Roads: 30km/hr
- Community Access Roads: 20km/hr

The following facilities were accessed:

- Cemeteries (> 60 minutes travel time)
- Magistrates and Tribal Courts (> 60 minutes travel time)
- Education Facilities (Primary, secondary and combines schools) (> 60 minutes travel time)
- Community Halls (> 60 minutes travel time)
- Health Facilities (Hospitals and Clinics) (> 60 minutes travel time)
- Sport Facilities (> 60 minutes travel time)

Each of the individual datasets was mapped, and should be assessed in relation to population densities. These criteria are indicated in Figures 15-21

The following should be noted:

a) Access to Cemeteries:

Mapping undertaken by the uThungulu District Municipality did not take the newly established Esikhaleni Cemetery into account. This cemetery has now been indicated in Figure 16, but travelling distance criteria has not yet been applied. In terms of the Red Book Guidelines, the number of facilities using population data is not prescribed.

b) Access to Tribal and Magistrates' Courts:

In terms of the Red Book Guidelines, the number of facilities using population data is not prescribed.

Since the uMhlathuze Municipal area has access to Tribal and Magistrates' Courts, it is assumed that there is no need for additional facilities.

c) Access to Education Facilities:

In terms of the Red Book Guidelines, the number of facilities required is as follows:

Table 27: Red Book Guidelines

FACILITY	NO. OF FACILITIES REQUIRED
Crèche/nursery schools	Estimated minimum population : 5 000.
Primary schools	Estimated minimum population: 3 000 - 4 000.
Secondary schools	Estimated minimum population: 6 000 - 10 000.

An assessment of the need for additional schools in the area is the responsibility of the Department of Education, and information is not available to the Municipality at this stage.

It should be noted, however, that the need for additional facilities, as indicated in Figure 22, should also be read in conjunction with the population densities map (Figure 15). When these two maps are considered, a need for additional schools may exist in the highly populated Madlebe Traditional Authority Area.

Tertiary facilities are available in uMhlathuze, and a new Zululand University City Campus has recently opened in Richards Bay. It is therefore assumed that no additional tertiary facilities are necessary at present.

Adult learning centres are not usually provided as stand-alone facilities and generally “double up” with some other form of facility (i.e. a community centre, hall, school etc). No figures have therefore been given as the most efficient provision is through doubling up where existing space is adapted for adult learning classes.

The number and location of these facilities are not available to the Municipality at present.

d) Access to Community Halls/Centres:

According to the Red Book, a community centre provides a variety of services to a number of residential communities and, as such, it should be easily accessible to these communities, preferably on a main thoroughfare in close proximity to public transport stops. It may be shared with other public facilities such as clinics, parks, libraries, playgrounds, and schools. Guidelines prescribe one community centre per 10 000 people.

The need for additional facilities, based on travelling distance, is indicated in Figure 19. This figure should be read together with Figure 15 – Population Densities. These two figures indicate that there may be a need for additional community halls in the highly populated Madlebe Traditional Authority Area, and preferably at identified tertiary nodes.

e) Access to Health Facilities:

The Red Book Guidelines make provision for various categories of health facilities, which have not been assessed in detail.

Generally, there seems to be a need for additional health facilities in remote Traditional Authority areas. This assumption should be confirmed by further planning, and facilities should preferably be provided at identified tertiary nodes.

Furthermore, it is offered that an opportunity for the establishment of a hospital exists in the Esikhaleni area, as the Esikhaleni area could be upgraded to a Primary Node in future based on its locality and population density

f) Access to Sport Facilities:

The Red Book Guidelines make provision for various categories of health facilities, which have not been assessed in detail.

FIGURE 15 – Population Densities

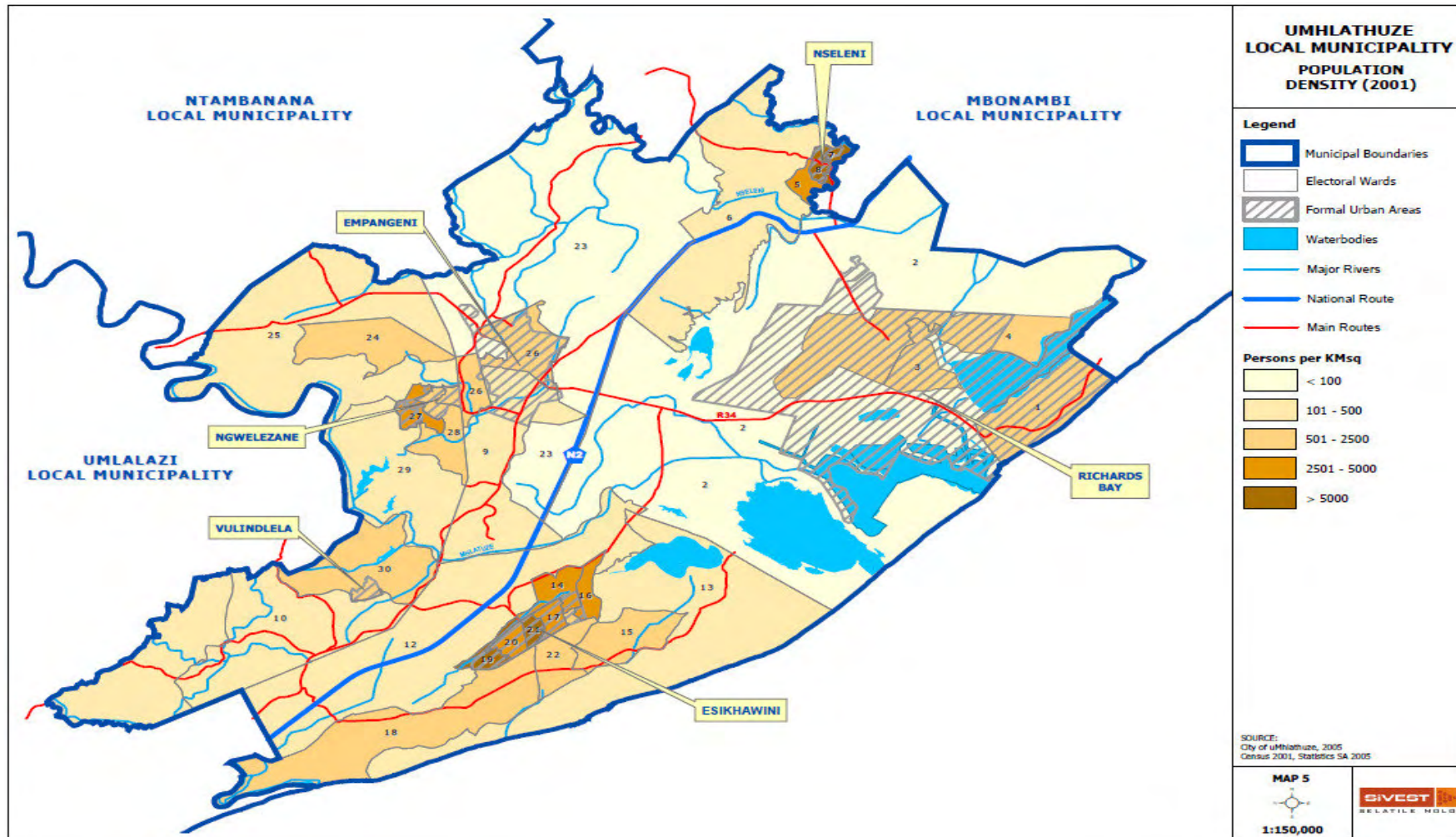


FIGURE 16 – F Areas in need of access to cemeteries (based on travelling distance)

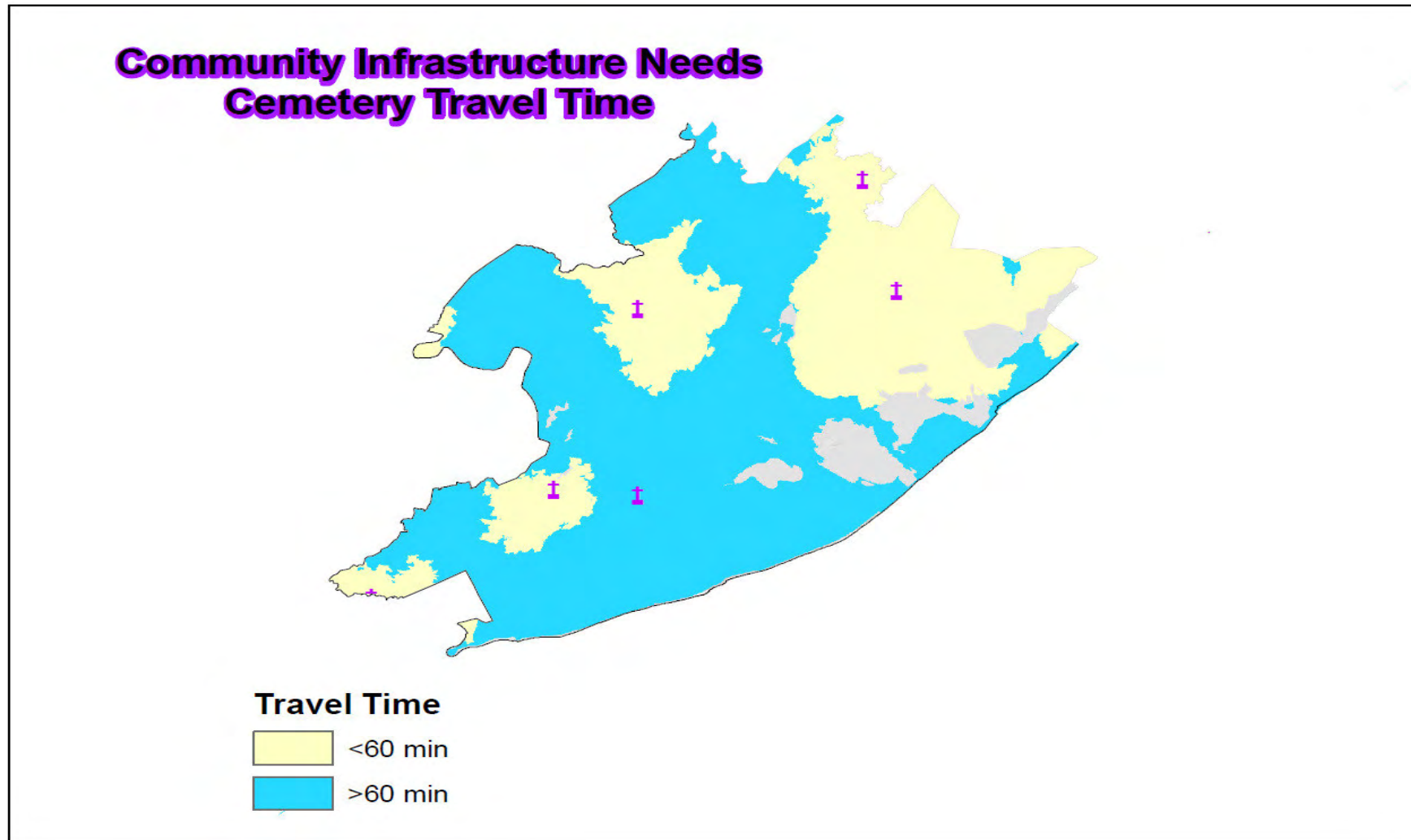


FIGURE 17 – AREAS IN NEED OF access to COURTS (based on travelling distance)

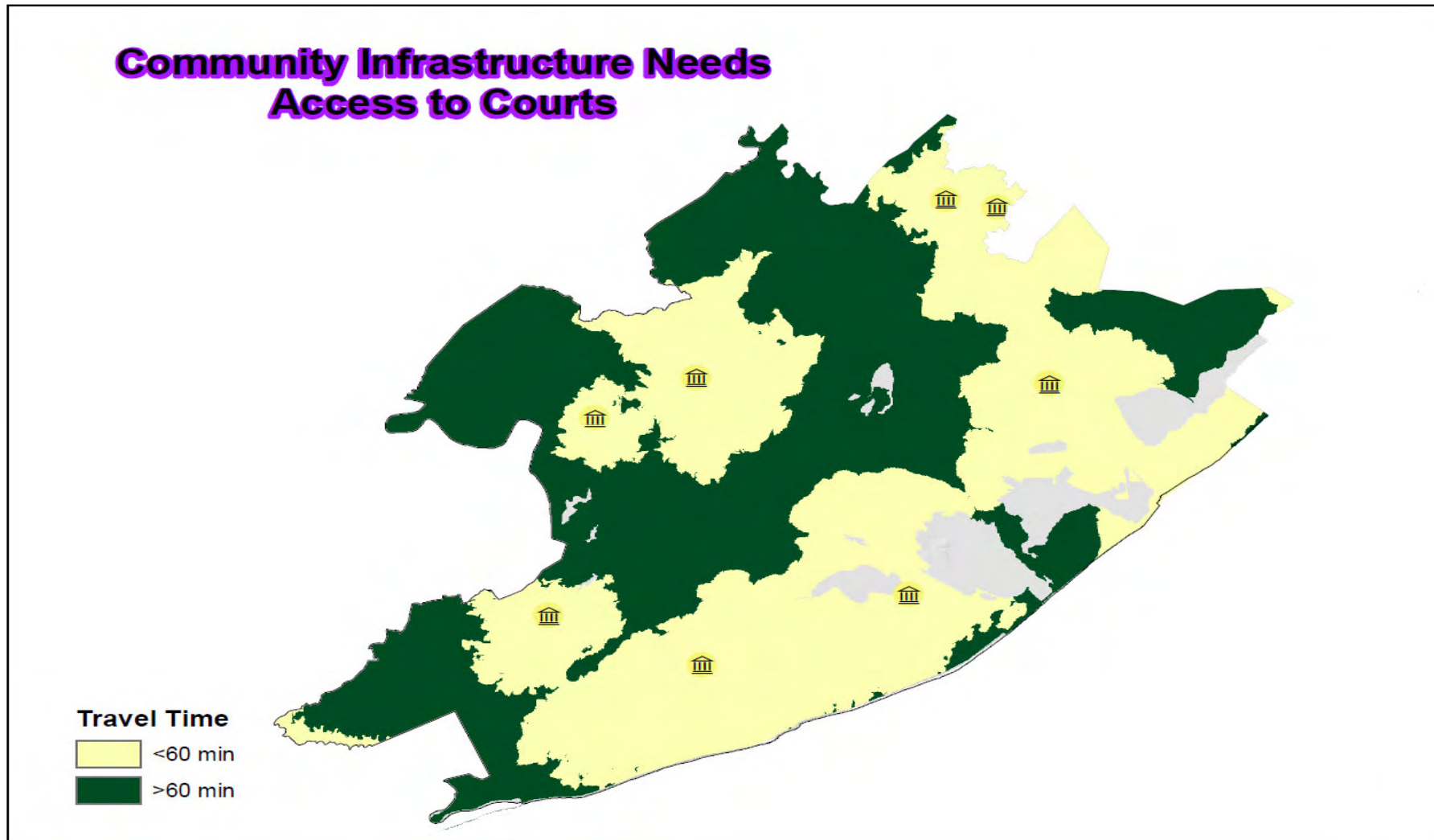


FIGURE 18– AREAS IN NEED OF access to EDUCATION FACILITIES (based on travelling distance)

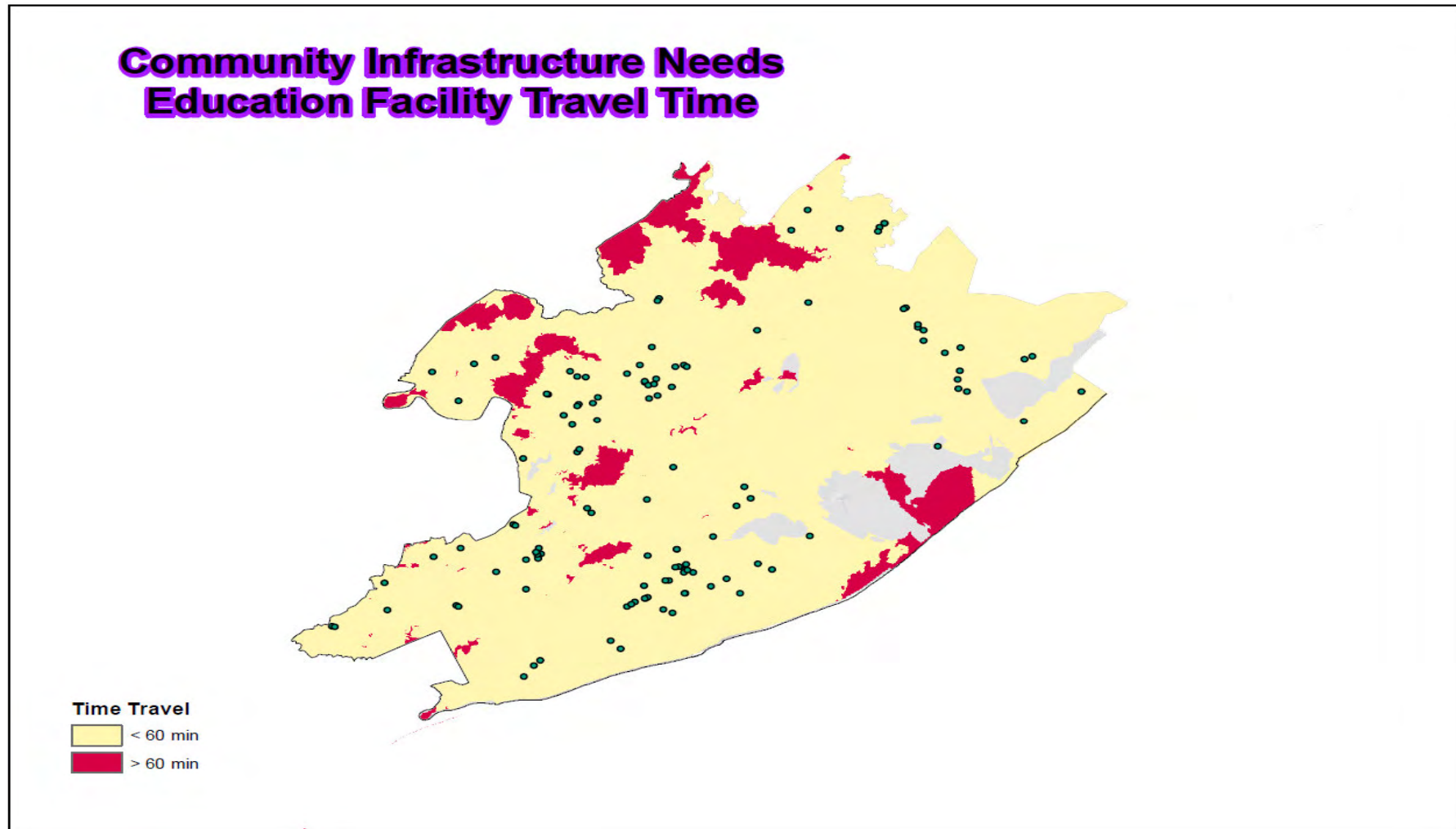


FIGURE 19 – Areas in need of access to COMMUNITY HALLS (based on travelling distance)

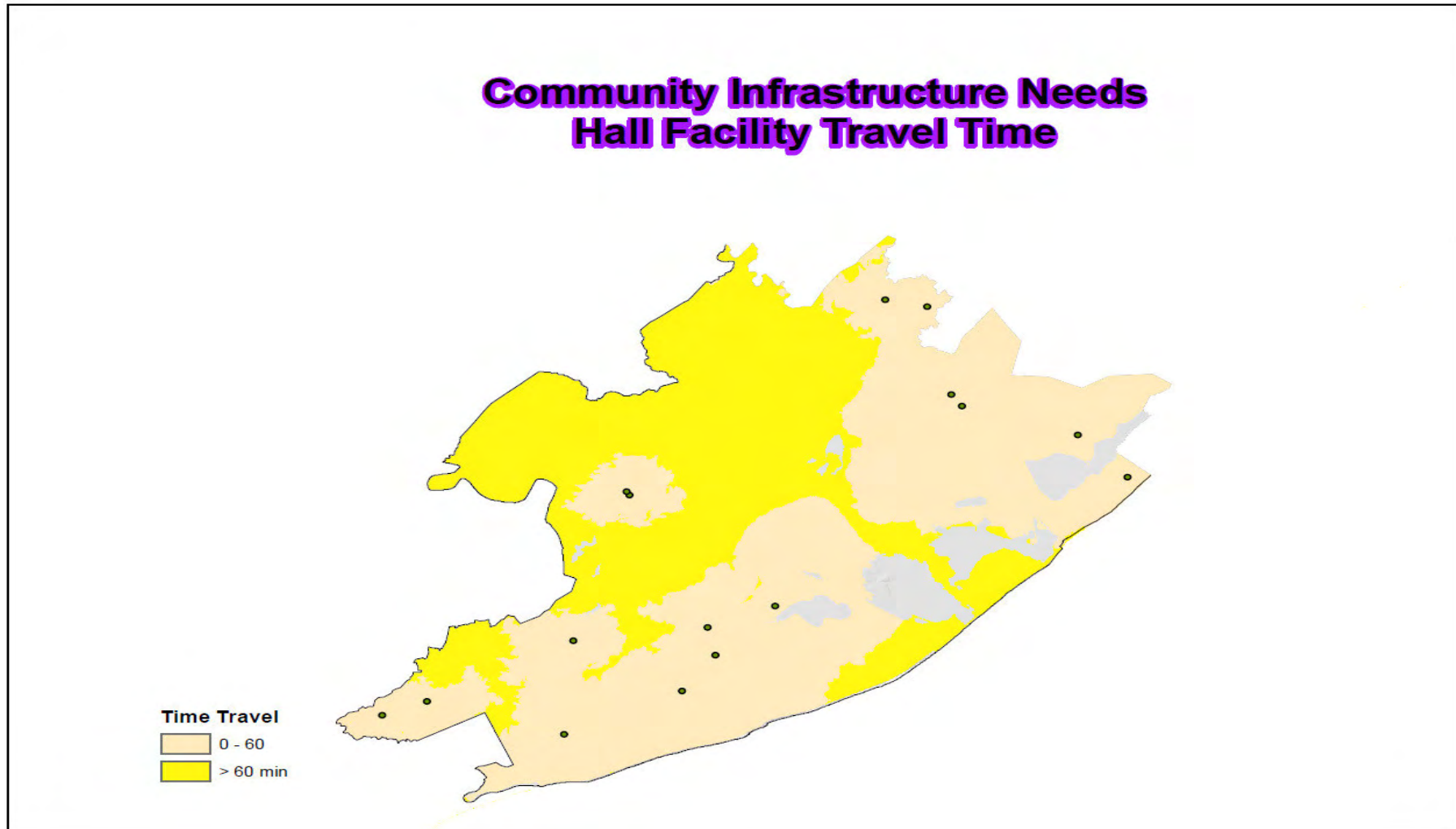


FIGURE 20 – Areas in need of access to HEALTH FACILITIES (based on travelling distance)

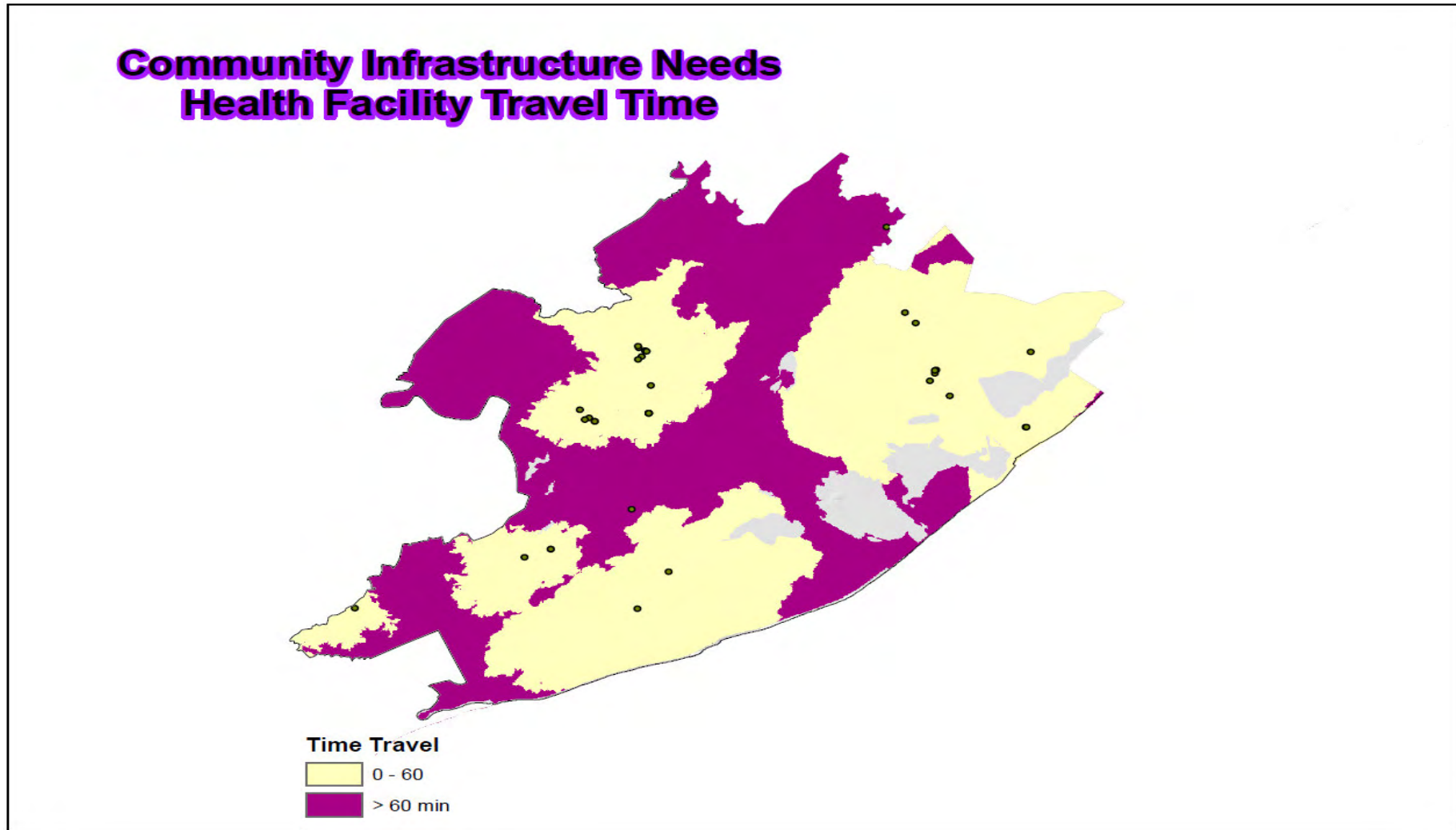
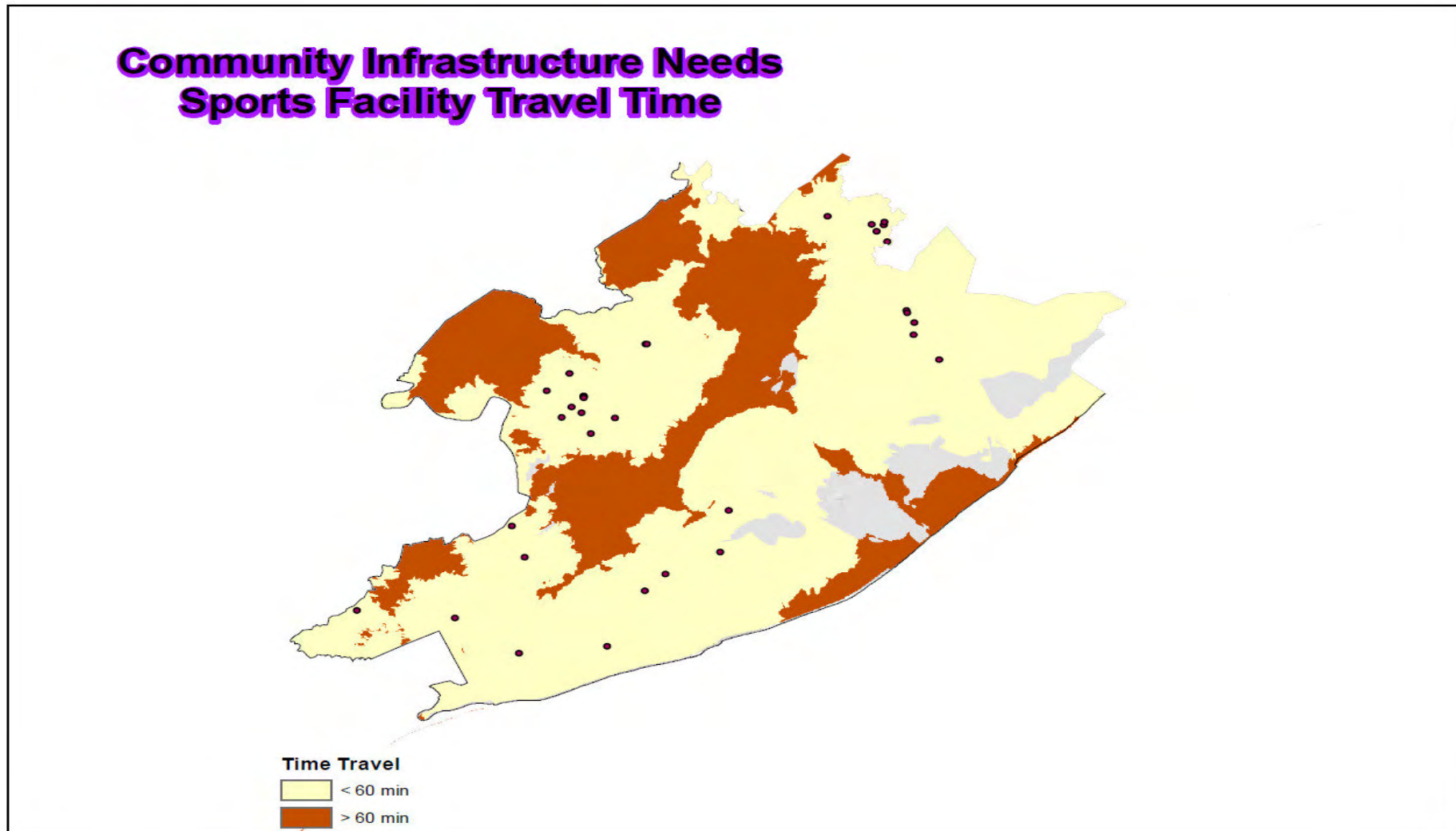


FIGURE 21 – Areas in need of access to SPORT FACILITIES (based on travelling distance)



FIGUR E22 – COMPOSITE MAP: Areas in need of ACCESS TO COMMUNITY FACILITIES

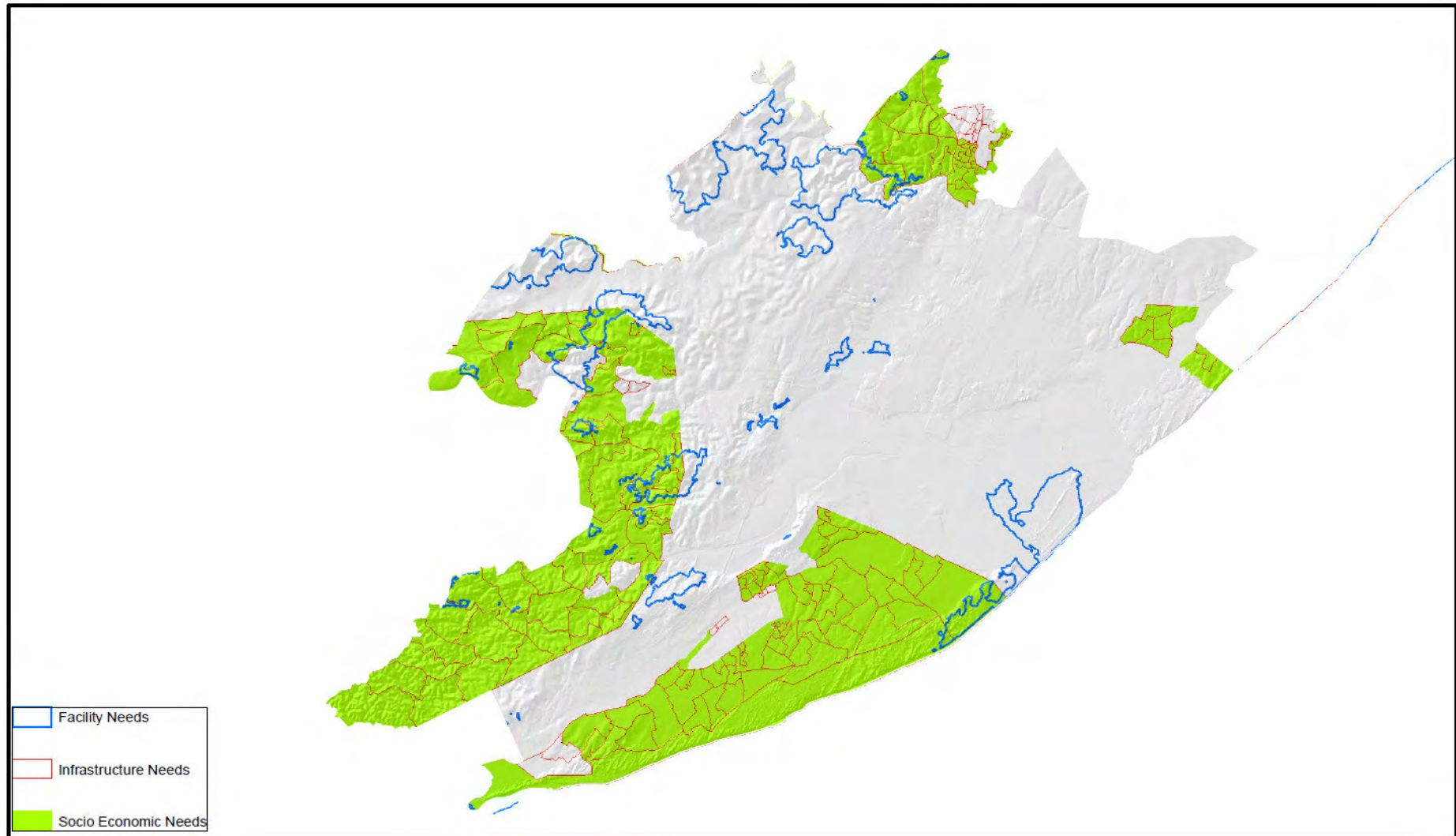


Figure 22 represents uMhlathuze's Areas in Need of Community Services, based on travelling distance. It should, however, be noted that a more detailed assessment of need would have to be conducted using travelling distance as well as the Red Book Guidelines as criteria.

In conclusion, the following should be noted with regards to the need for additional community facilities:

- Travelling distance, as criteria for determining "need", may not be the best indicator, since not all people have access to motorized transport.
- It is assumed that the uMhlathuze Municipal area has adequate access to cemeteries, Tribal and Magistrates' Courts and Tertiary Education Facilities.
- The need for additional facilities other than the above is subject to further investigation.

The following recommendations can be made:

- That the need for additional community facilities be investigated in more detail and included in a future review of the SDF.
 - I. That the study aim to assess the current location and need for additional:
 - II. Crèches/Nursery Schools
 - III. Schools
 - IV. Pension Pay Points
 - V. Aged Care Facilities
 - VI. Orphanages
 - VII. Commercial Facilities
 - VIII. Cellphone reception
 - IX. Community Halls / Centres
 - X. Health Care Facilities
 - XI. Recreation Facilities

Figure 22 represents uMhlathuze's Areas in Need based on all three criteria, namely socio-economic needs, infrastructure needs and the need for additional community facilities.

3.6 Current Use of Land

Areas of Opportunity

The “Areas of Opportunity” Map aims to identify economic potential in the area in terms of the following sectors:

Opportunity for Residential Infill Development

In 2007, a document entitled “City of uMhlathuze – Addendum to the Spatial Development Framework” was prepared, which aimed to identify opportunities for residential infill development in Richards Bay and Empangeni.

The document identified various public open spaces and large undeveloped portions of land, which were mostly unconstrained by environmental factors (using the uMhlathuze Environmental Services Management Plan as guideline).

The study was implemented in part, but does have two shortcomings:

The information may be outdated, and should be updated prior to implementation;

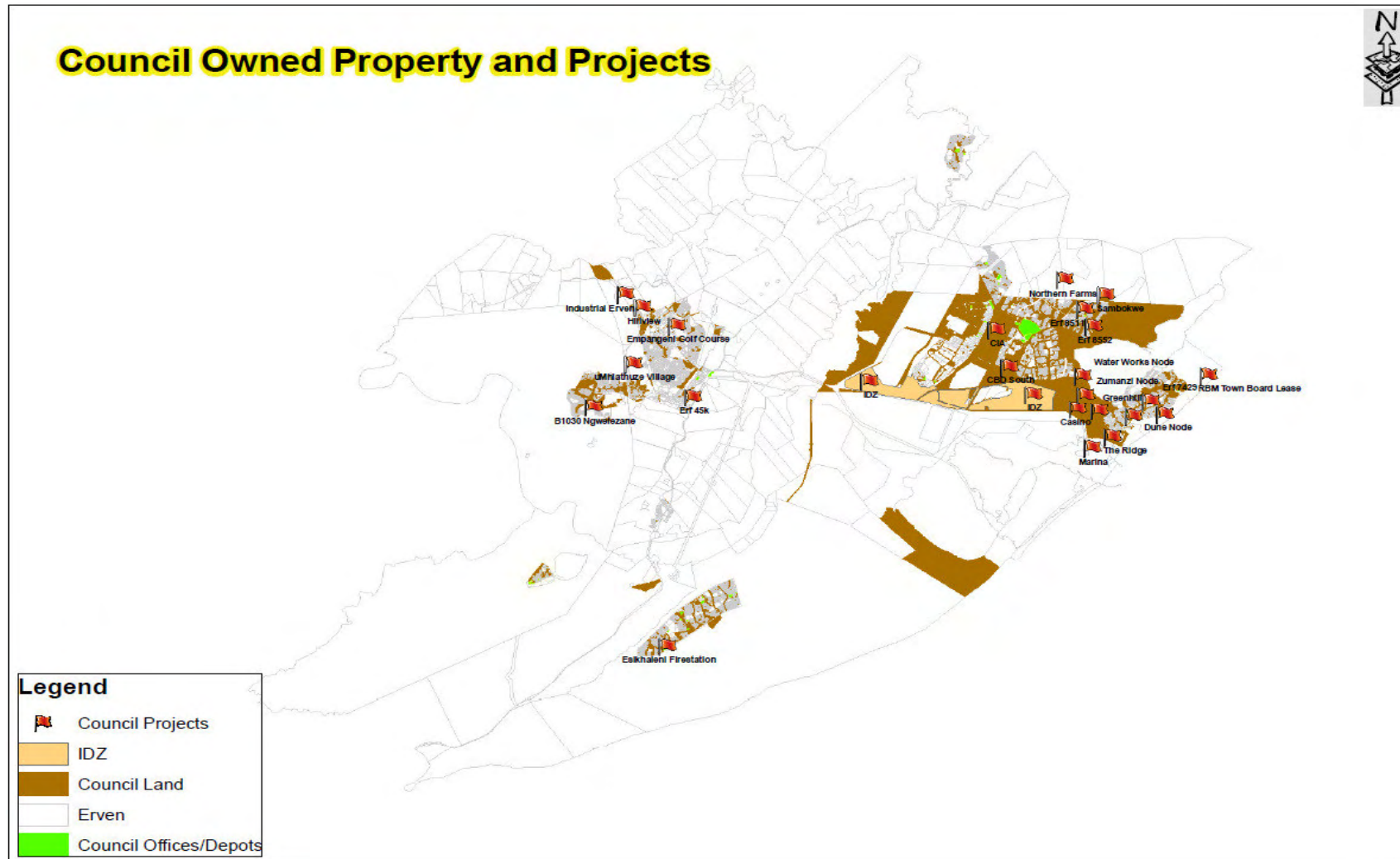
The study did not include the areas of Esikhaleni, Vulindlela, Nseleni and Ngwelezane.

Figure 23 represents all Council-owned property that may be available for infill-development.

From the above, the following conclusions and recommendations can be made:

- It is recommended that the properties identified for infill development be re-investigated and the 2007 information updated to determine:
 - current ownership;
 - the need for community services in the area (additional schools, public transport amenities, etc.) that could be serviced by an open space listed;
 - the role of the portion of land in terms of the wider area, i.e. does it form a core component of the Municipal Open Space System, etc.
 - Cost/benefit analysis – often infill development is very costly, and may therefore not be financially viable in the short term.
- The areas of Esikhaleni, Vulindlela, Nseleni, Ngwelezane and Felixton be included in the above study.
- Land in the Municipality’s ownership could be earmarked for infill development, subject to the abovementioned investigation. A clear implementation plan needs to be developed.

FIGURE 23 – PROPERTY OWNED BY THE UMHLATHUZE MUNICIPALITY AND INFILL PLANNING PROJECTS UNDERWAY



13. UMhlathuze Municipal Turn Around Strategy (TAS)

In response to the directive of the Department of Cooperative Governance & Traditional Affairs for each municipality to prepare a Municipal Turn-around Strategy, UMhlathuze Municipality has prepared its turn-around strategy. This strategy is in response to the 21 problem areas that were identified in the State of Local Government Report 2009. The following are the problem areas that this strategy will be responding to:

- The insufficient human and financial capacity to deliver on constitutional and legal mandates;
- Failure by municipalities to manage their powers and functions and related responsibilities;
- Little positive impact on coordinated and cooperative governance through either national; intergovernmental system, political leadership, Sector engagements etc;
- Contested political/administrative interface: disfunctionality and instability;
- Unresponsive government;
- Insufficient institutional and organizational professionalism/accountability;
- Wasteful expenditure on labour cases;
- Poor understanding of spatial differences of areas to deliver services; consider value for money of service provision;
- Weak economic growth and opportunity, particularly in small towns and rural areas;
- Uneven response to demands of rural and urban environments;
- Poor record of MIG expenditure outputs;
- Increasing backlogs;
- Audit outcomes;

The **table overleaf** presents the **uMhlathuze Municipal Turn Around Strategy (TAS)**

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projected	
1. BASIC SERVICE DELIVERY (EXPECTED OUTCOME)														
1.1 & 1.2	Access to water and sanitation, management and maintenance	A service delivery challenge	Water	78344 houses	80000 houses	Appropriate IT equipment to record backlogs	More Funding for Capex	01/04/10	2012	Reports	Require 3 project managers on site	31.7m	31.7m	25%
			Sanitation	47102 houses	51000 houses	Appropriate IT equipment to record backlogs	More Funding for Capex	10/04/10	2013	Reports	Require 3 project managers on site	18.7m	31.7m	25%
1.3	Access to electricity, management and maintenance	A service delivery challenge ESKOM to assist in infill areas		Own - 312 Eskom area unknown	Own - 400 Eskom area unknown	Addressing with Eskom	More funding from various depts	To be advised	2011 Eskom 2012	Eskom progress report	2	2,8m Eskom R28m	50% per quarter	
1.4	Refuse removal and solid waste disposal	A service delivery challenge		30517 domestic collection pts 1000 business 12265 indigent households 130 skips in rural areas Current = 76,4% - Target = 79%		Construction of eSikhaleni Transfer station Require additional refuse trucks Education campaigns Improve level of supervision		7/2010	12/2010	Quarterly reports	250 staff members (refuse removal and street cleaning) Require additional 134 staff members	R 1,2m for Trf station eSikhaleni		
1.5	Access roads (new) and maintenance of municipal roads	Serious service delivery challenge.		R 24m	Ongoing	Formalise HR structure	Require a memo of understanding from DOT. Provide funding for upkeep of provincial roads.			Reported quarterly	Require Snr Engineer & supervisor	R 30m		

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projected	
1. BASIC SERVICE DELIVERY (EXPECTED OUTCOME)														
1.6	Formalisation of informal settlements (What is required i.r.o. township formalization, basic services and housing)	Yes.		Initiate process.	Formalisation completed. EIAs and all other processes to be in progress	Initiative process. Forward applications to Provincial department. Monitor progress.	Province to assist in finalization of informal settlements. EIA to be fast tracked.	7/2010	9/2010	Monthly reports. Milestones.	City Development			
1.7	Introduction Planning Support	Proposed system		Preliminary Stage	Towards finisation of implementation	Research. Item to Council. Budget allocation.	Integration with National & Provincial network systems.	June 2010	June 2011	Project milestones. Quarterly Progress Report	dedicated person	R2m		

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projected	
2. PUBLIC PARTICIPATION (EXPECTED OUTCOME)														
2.1	Broader public participation policies and plans (Implemented framework)	Implementation framework is in place		Public Participation policy implementation is ongoing	Public participation policy implementation ongoing	Scheduling of annual public participation meetings	Clarification and recognition of the role of the Speaker's office in relation to Participation programs			Agenda and attendance registers of meetings	Senior Manager: City Development.	R50 000	R50 000	
2.2	Public Communication strategy	Council has approved a Communication Strategy		Determination of financial implication for required workshop is underway	Expected to organize workshops with all stakeholders; e.g. Councillors, officials, Ward Committees, Traditional Councils, CDWs, etc	Currently seeking guidance from National Government on protocol matters.	Guidance on protocol matters			Council resolution and the workshop program.	Senior Manager: City Development	NIL		
2.3	Complaints management system and Front desk interface.	An electronic Complaint Management System in place Each department has enquiry/complaints front desk. Council In the process of establishing a 24 hour help desk in the municipal office Ward Councillors and Ward Committees also receive		As stated under assessment findings column	Feasibility of a formal complaints management system. Efficient feedback to community in respect complaints received. Receptionist trained on front desk interface	Formal complaints management system in place. Conduct community satisfaction survey.	Relevant technical support	1 July 2010	December 2010	Complaints register. Records of feedback. Minutes and attendance registers for all meetings. Community satisfaction survey.	Sr. Manager: Sr. Manager: Corporate Services and Sr. Manager City Development			

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unlocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projected	
2. PUBLIC PARTICIPATION (EXPECTED OUTCOME)														
2.4	Municipal Year Planner.	complaints Council only has approved a report with list of events by other spheres of Government. Local or Municipal year planner is not available yet		Municipal year planner to be drafted	To encourage the development of ward year planner to inform Municipality's year planner	Prepare a municipal planner. Workshop to develop common understanding of the municipality Master Year planner	COGTA to provide a generic year planner as guidance.	1 June 2010	August 2010	Committee Council Resolution.	Sr. Manager : Corporate Services			
2.5	Budget framework.	Council to determine.		Draft Budget in place		Budget in place for ward committees out of pocket expenses and public participatory meetings	COGTA to provide guidance and advice in regards of budget framework.	June 2010	1 July 2010	Council approved budget. Council resolution.	CFO Sr. Manager : City Development			
2.6	Ratio of CDWs to wards Performance Management of CDWs	7 CDWs		CDW's reporting lines are unsatisfactory; CDW program seemingly uncoordinated	Foster synergy and alignment between CDWs, ward committees. Have regular CDW performance reports to Council	To seek intervention by COGTA on CDWs responsibilities and reporting lines.	COGTA to provide guidelines on CDWs. Reporting lines/responsibilities. Require an increase in the number of CDW allocated.	1 June 2010	1 Sept 2010	Letter to COGTA Response from COGTA	Sr. City Development			

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projecte d	
2. PUBLIC PARTICIPATION (EXPECTED OUTCOME)														
2.7	Functionality of Ward Committees. 1. A Policy must be in place. 2. There must be a Ward Committee Database. 3. There must be a skills audit for ward committees. Members must be trained. 4. Ward Committee plans must be developed for each ward and must be aligned to the IDP process. (IDP process plans must be implemented). 5. Ward Committee meetings must be taking place with the minimal of 4 meetings a year. 6. There must be a Strategic Agendas, Minutes of meetings and must be recordings of meetings taking place. 7. The existence of sub structure ward committees.	Ward Committee Policies in place; Database in place; Capacity building is provided; Each ward has each committee, Committees are constantly engaged on IDP programs; Council has a policy stipulating the number of meetings to be held including the public meetings; Ward Committees have not reached a stage of having sub structures; Meetings attendance registers are produced as a tool to monitor functionality.	Cedric Koekemoer	Policy and Ward Committee Establishment and functionality . Council resolutions to ward committees is undertaken every month. Ward committee structures are politicized. Skills Audit budget for Council Resolution.	Develop proper tool to measure and monitor functionality of ward committee members other than attendance registers. . Improve Feedback and Ward Committee participation system to be implemented.	Monitor and evaluate functionality of ward committees. Continue Arrange training for ward committees. Review and maintain database. Submit skills audit report to Council for adoption. Identify skills gaps. Include ward planning schedule into Year Plan. Incorporate council approved ward plans into the IDP. Ward committee minutes submitted to Council within	COGTA to assist with guidelines to assess M&E, the functionality of ward committees. COGTA and LGSETA to assist with skills audit.	1 June 2010	1 October 2010		Sr. City Development			

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unlocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projected	
2. PUBLIC PARTICIPATION (EXPECTED OUTCOME)														
	Monitoring and evaluation mechanisms in place: The Dept has a tool that measures functionality. From the tool you see the functionality indicators.					2 weeks of meeting								
2.8	Progress on implementation of framework incorporated in the annual report.	Council to determine.		Not in place.	Progress on the implementation of the Municipal Year Planner incorporated into the Annual Report.	Monthly reports to be prepared in regards of the Public Participation Policy and Year Planner activities.		1 June 2010	31 July 2010	Annual Report	Sr. Manager: Corporate Services			

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projected	
3. GOVERNANCE (EXPECTED OUTCOME)														
3.1	Political Management and Oversight	Politicians have an interest in Administration which is considered as interference by Councillors		Accountability and oversight	Maintain	Strengthen the roles and responsibilities between administration and political structures. Code of conduct.	COGTA to run workshops on roles and responsibilities.	Ongoing	Ongoing		Administration			
3.1.1	Stability of Council	Council collectively recognizes that all serve on Council for Service Delivery. There is however, tension amongst Office Bearers due to the lack of clarity regarding roles and responsibilities		Issues to be deliberated on by politicians and administration. Recognized structure (Speaker, Mayor, Dep Mayor, Chief Whip) to sit and deal with issues.	No further action.	Strengthen structure	Legislated and policy to be developed by COGTA.	Ongoing	Ongoing					
3.1.2	Delegation of functions between political and administration	Concern that some officials are party aligned		Lack of Councillor training regarding Delegated Powers	Councillors adequately trained on Delegated Powers and matters relating thereto.	Training of Councillors on Delegated Powers	None		Dec '10	Training records	Chief HRO-Training Ass HRO-Training x 2	Nil	Nil	
3.1.3	Training of Councillors	Council to determine		Lack of positive response of Councillors	New skills audit to be conducted. At least an 80% of Councillors to	Awareness campaigns Skills Audit	Local Government Seta Grant Province to	June 2010 for the internal	1 July 2010 for the aware	Completed skills questi	Chief Humana Resource Officer	R100 000		Monthly

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projecte d	
3. GOVERNANCE (EXPECTED OUTCOME)														
				during the skills audit. 2009/2010 only a quarter of Councillors has submitted a skills questionnaire. Some Councillors are not trained on how to complete the questionnaires.	participate in the skills audit.	Comprehensive Induction Programme for Councillors Basic English Course for Councillors Public Speaking Course for Councillors	Conduct the skills audit.	skills audit, 15 May 2010 for the Provincial skills Audit and June 2010 Awareness Campaign	ness campaign and skills audit March 2011 for the training	onnaire. Council Resolution approving the training Certificate for each completed program	Training Section of Corporate Services			Reports and Quarterly Report
3.1.4	Councillor Oversight Framework (functioning scopa)	Council has adopted an Oversight framework and has a working SCOPA function		Some Councillors not capacitated for SCOPA meetings.	Clear Terms of Reference.	Councillor Training on Financial matters	Guidance from the department on Terms of Reference.		December 2010	Training records SCOPA Documented TOR				
3.1.5	Feedback to communities (Ward councillor to ward committee and vice versa)	Ward Committees and Ward Councillors delayed reporting between meetings hamper feedback		Ward committee members lacking knowledge of on goings in the Municipality . Feedback	Finalisation of establishment of Councillor Support Section. Adequate literacy training for relevant Councillors.	Finalisation of establishment of Councillor Support Section. Adequate literacy training for relevant Councillors.	None		December 2010	.				

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projecte d	
3. GOVERNANCE (EXPECTED OUTCOME)														
				system in place. Policy in place- Councillors trained. Literacy levels a cause for concern.										
3.2	Administration													
3.2.1	HR Policies availability, adoption and implementation	Council to determine		Process of reviewing and drafting policies. At least eight have been finalized. Awaiting Council resolutions, Two are in the draft stage	Complete Review of all HR Policies Adoption of all HR Policies	Review of all HR Policies Draft all HR Policies Approval of all HR Policies Work shopping of all HR Policies within a 3 month period after approval Establishment of an internal Communication strategy.	None	March 2010	December 21010	Council Resolution Attendance Registers at the Policy Workshops	Personnel Section; Training section LR Section Legal Service (Corporate Services)	Nil	Nil	Quarterly Reports
3.2.2	Vacancies (S57) Status of filling of vacant positions	Council to determine		Draft item to Council to determine the way forward in light of the MSA: Local	Filling of the vacancy of the City Manager by September 2010	Council Approval Advertise the vacancy And appoint the City	None	June 2010	October 2010	Council Resolution Advert Letter	Human Resources of Corporate Services Council	R1 262 000 (All Inclusive total packa		

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projected	
3. GOVERNANCE (EXPECTED OUTCOME)														
				Government Laws Amendment Act 2008		Manager				of Appointment Signed Performance Agreement		ge)		
3.2.3	% Vacancies in other levels Status of filling of critical vacant positions	Council to determine		Most of Critical Positions are being advertised	All Critical Positions to be filled	Advertise all Critical Positions identified; Appoint in terms of the Critical list	None	March 2010	December 2010	Appointment Letters	Human Resources Recruitment Section	R 19 231 000 in respect of the critical list.	R 57m in respect of all vacant positions	Quarterly Reports
3.2.4	S57 appointed with signed Performance Agreements	Yes.		All S57 appointees have signed Performance Agreements	New Performance Agreements to be signed by 31 July 2010	Review Performance Targets Draft or amend new performance Agreements in terms of the agreed targets	None	May 2010	July 2010	Signed Performance agreements for 2010/2011 financial year	Human resources of Corporate Services Office of the City Manager	Outsourcing-Variable Consulting Workers (R151 382.70) R 1.755 800 Consider insour		Quarterly Performance Assessment Performance Audit Committee

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projected	
3. GOVERNANCE (EXPECTED OUTCOME)														
												ing PMS		e
3.2.5	Has a Skills Audit been conducted for all employees	Council to determine	Agreed between Training Committee and Council that 2009/2010 financial year's audit will be utilized	Developme nt of a new training matrix	Re-Prioritization of the training needs	None	April 2010	1 July 2010	Appro ved Trainin g Matrix Council Resolu tions for Trainin g	Huma n Resou rces Trainin g Sectio n	R 550 000	R 1 600 000	Quar terly	Agre ed betw een Train ing Com mitte e and Coun cil that 2009 /201 0 finan cial year' s audit will be utiliz ed
3.2.6.	Does the municipality have a Workplace Skills plan	Council to determine	Unable to implement in light of the cash recovery plan	50% Roll out in terms of the allocated budget.	Populate the Work Place skills Plan and Submit to the LG SETA Internal skilled human resources will be utilized to conduct internal training.	Assessors and Moderators from the National Treasury. Explore the possibility of training assistance	July 2010	June 2011	Appro ved Work Place skills Plan Grants Paid in	Huma n Resou rces Sectio n (Traini ng) Of	R 650 000	R 1 600 000	Mont hly and Quar terly repor ts	Unabl e to imple ment in light of the cash

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projecte d	
3. GOVERNANCE (EXPECTED OUTCOME)														
					Prioritised training from the WSP will be submitted to Council.	from institutions such as CoGTA, SALGA, Kwanaloga, LGSETA and local training institutions.			by the Local Government Seta	Corporate Services				recovery plan
3.3	Labour Relations													
3.3.1	Functionality of LLF	LLF established which generally resolves issues		LLF functional but adversary	To have an LLF that will be more Co-operative Roles and responsibilities of Union Representatives to be clarified	To conduct regular Bi-lateral meetings to improve relations and to strengthen decision making Informal meeting scheduled between Management and the Unions. Should issues still not be clarified, SALGA will be requested to intervene by providing further guidance. Distribution of the information booklet from	None	June 2010	June 2011	Agendas and attendance registers. Reports and resolutions	Human Resources-Industrial Relations Section	None	None	Quarterly Reports to Council

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projecte d	
3. GOVERNANCE (EXPECTED OUTCOME)														
						Kwanaloga to all Union Representatives and LLF Chairpersons.								
3.3.2	Employment equity plan	Council to determine		Employment equity plan (organizational and departmental) Are being implemented as approved, and also sometimes dictated by the nature of the position advertised.	Implementation of the Employment equity plan	Continued attention to EEP and regular reporting via established structure.	None	June 2010	June 2011					

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												Allocated	Projecte d	
4. FINANCIAL MANAGEMENT (EXPECTED OUTCOME)														
4.1	Revenue enhancement strategies	Council to determine Private sector not confident that municipality has required competence to manage financial affairs.	1) Does the municipality have revenue enhancement strategies ?	No nevertheless policies in place to enhance revenue collection (98 - 100%) To consolidate into one policy. Currently a model to other municipalities of similar size and bigger.	Yes the 2010/11 budget introduce revenue enhancement strategies.	Monitoring and reporting To consolidate into one policy. Filling of Revenue Dep Manager Post	Review of National Fiscal EQS allocation to municipalities by NT. One size does not fit all.	Ongoing	Ong oing	2010/11 Budget document	Financia l Services			
			2) What is the revenue expectation?	100% of the Adjusted budget	100% of the Adjusted budget	Enhancement of revenue Management. Procedures to be documented on revenue streams. Financial management is responsibility of each Snr Manager included in performance plan.	Government departments to pay for services ON TIME.	Ongoing	Ong oing	Monthly financial reports	Financia l Services			

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projecte d	
4. FINANCIAL MANAGEMENT (EXPECTED OUTCOME)														
			3) Have the MPRA been implement ed? 4) Have they acquired for revenue strategies from other municipali ties in the same capacity?	Yes Yes with Mbombela municipality during their visit to the municipality	Yes Yes with Mbombela municipality during their visit to the municipality	Monitor and report Formalise request	Implementation of the Appeals Board. Co-operation between Mbombela. To be reported to COGTA.	Ongoing Ongoing	Ong oing Ong oing	Valuation roll Formal request in writing	City Develop ment & Financia l Services Financia l Services	R1,6m		
4.2	Debtors management	Council to determine	1) Does the municipali ty have a credit control and debt collection policy? 2) Is there an indigent register in place? How is it maintaine d?	Yes Yes – Its updated as and when a person registers indigent & after a verification	Yes Yes – Its updated as and when a person registers indigent & after a verification process	Encourage the culture of pmt for services. Monitor. Std agenda item on ward committee meetings for payment for services Policy being development for Target approach.	Government departments to pay for services ON TIME. Formalise outstanding debtors through the Mayor to the MEC for Finance. More funding from National Government through EQS. Statistics based on	Ongoing Ongoing	Ong oing Ong oing	Approve d policy Indigent Register Draft Policy	Financia l Services Financia l Services			

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projecte d	
4. FINANCIAL MANAGEMENT (EXPECTED OUTCOME)														
			3) Have they done data cleansing ? 4) How often do they bill consumers? 5) Are there any councilors in arrears? 6) Are there any management officials in arrears?	process. Yes Monthly Yes – 2 None	Yes Monthly NONE None	Monitor & Maintain the indigent register. 3-5 years Maintain status quo. Recover the arrears amounts Quarterly Report to Speaker. AFS disclosure. Formal letter to Councillors. Recover the arrears amounts Quarterly report to MM.	2001 Census. N/A Government departments to pay for services ON TIME.	Annually Monthly Quarterly Quarterly	Annu ally Mont hly Quar terly Quar terly	System reports Copies of Custom er stateme nts. Quarterl y report to Speaker Quarterl y report to MM	Financia l Services Financia l Services Financia l Services Financia l Services			
4.3	Cash flow management	Council to determine	1) What is the size of the	R60 million facility available.	NIL – Has been cancelled.	Keep status quo.	MIG grant will be paid every	Ongoing.	Ong oing	Municip al Bank stateme	Financia l Services			

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projecte d	
4. FINANCIAL MANAGEMENT (EXPECTED OUTCOME)														
			overdraft and what is being utilized?	Never utilised.			quarter. Impacts negatively on cash flow. Arrange NT.			nts.				
			2) Is the unspent grants cashed back?	Yes	Yes	Spend the grants	MIG grant will be paid every quarter. Impacts negatively on cash flow. Arrange NT.			Grants Bank Stateme nts.	Financia l Services			
			3) How often does the municipali ty prepare the cash flow?	Daily & Report to Council Monthly	Daily & Report to Council Monthly	Keep status quo	Government departments to pay for services ON TIME			Daily cash flow Monthly cash flow report to Council Reconcil iations.	Financia l Services & ALL Depts			
			4) How regularly are the receipts and bank reconciliat ion updated?	Receipts daily. Bank reconciliatio ns Monthly.	Receipts daily. Bank reconciliations Monthly	Keep status quo	N/A				Financia l Services			
			5) Is there a cash managem ent system?	Yes	Yes	Monitor and report	N/A			Cash flow recovery plan.	Financia l Services			

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projected	
4. FINANCIAL MANAGEMENT (EXPECTED OUTCOME)														
			6) Does the municipality have cash and investment policy? 7) Are the creditors being paid on time? 8) Going concern is there an accumulated deficit problem? How are they going to recover that?	Yes Yes – 30 days after statement. No however the municipality has a cash flow problem.	Yes Yes – 30 days after statement. No however the municipality has a cash flow problem.	Keep status quo Due for review Aug 2010. Keep status quo. Monitor & Report	N/A N/A Assistance from MEC DEDT with the release of R100 million owed by Ithala for the IDZ land. NT indicated that will provide assistance in intervening into Section 42 of MFMA.			Approved Policy See creditor payments. Cash flow recovery plan	Financial Services Financial Services Financial Services & City Development			
4.4	Repairs and maintenance provision	Council to determine	1) Does the municipality have maintenance plans? 2) Are	Yes Yes	Yes Yes	Develop a Consolidated plan	N/A	Quarterly reviewed	Quarterly reviewed	Approved Maintenance plans	ALL DEPTS	2009/2010 = R 166m	2010/2011 = R 195m	

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projected	
4. FINANCIAL MANAGEMENT (EXPECTED OUTCOME)														
			they budgeting adequately for R&M? 3) How does the municipality address the backlog on R&M?				MIG allocation should include R&M component							
4.5	Capital expenditure	Council to determine	Is the capital expenditure been provided to fund IDP prioritized projects?	Yes	Yes	Monitor and report	More funding from National Government for IDP prioritized projects. Needs exceed available funds.	01/07/2010	30/06/2011	IDP & Budget	ALL DEPTS			
4.6	Clean Audit	Received an unqualified report for 2007/2008	1) Is there an audit response plan in place? 2) Does the municipality have the SCOPA in place? 3) Does	Yes- developed for 2008/09		Monitor implementation of plan.	Cooperation with AG. Liaison with Internal Audit. Development of statutory framework by COGTA to deal with SCOPA.	Ongoing	Ongoing	Audit plan Terms of references Audit &	Financial Services Corporat			

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projected	
4. FINANCIAL MANAGEMENT (EXPECTED OUTCOME)														
			the municipality have the effective Internal Audit and Audit Committee in place?	committee & SCOPA.	committee & SCOPA	quo.				SCOPA minutes.	e Services & Financial Services			
4.7	Submission of Annual Financial Statements	Council generally satisfied with competence of financial staff	1) Are the AFS prepared in house or outsourced? 2) Are the AFS checked by the Audit Committee before they are submitted to AG? 3) Audit readiness is it done? 4) Water loss arose out of AG	Yes in house. No the audit committee prefers seeing the AFS once submitted to AG. Yes informal meetings in Financial Services. R36m – 2008/2009	June 2010 Reduction by 50%	Attendance of refresher courses on GRAP. Filling of vacant post 2011/2012 Chairman of Audit Committee to be invited to AG Audit planning session. Formalise meetings Water loss strategy/plan	Development of GRAP standards to be consultative process. Invitation extended to COGTA – Municipal Finance Component Co-operation from business and residential	Ongoing	June 2010 Ongoing June 2010	See 2008/09 AFS Minutes of the Audit committee	Financial Services Financial Services Technical Services			

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projecte d	
4. FINANCIAL MANAGEMENT (EXPECTED OUTCOME)														
			report.											
4.8	% MIG expenditure	Council to determine		2008/2009 (NT) = 100% 2009/2010 (NT) = 100%		Maintain status Quo	Allocation of more funding based on capacity to spend.				Technic al Services			
4.9	Asset management	Council to determine	1) Does the municipali ty have an asset managem ent policy and manual?	Yes	Yes	Monitor implementation .	Technical assistance on GRAP17 implementation from COGTA.	Ongoing	Ong oing	Approve d assets policy	Financia l Services	± R 10m		
			2) Does the municipali ty have an infrastruct ure asset managem ent plan?	No	To acquire a IT solution to asset infrastructure asset management plan	Monitor implementation	Technical assistance on GRAP17 implementation from COGTA.		June 2010	Approve d Mainten ance plans?	Technic al Services (2-3 officials)			
			3) Is the asset register GRAP compliant ? 4) How are they going to maintain their assets?	Yes	Yes	Monitor implementation and ensure asset count is completed	Technical assistance on GRAP17 implementation from COGTA.		June 2010	Assets Register	Financia l Services			

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projecte d	
4. FINANCIAL MANAGEMENT (EXPECTED OUTCOME)														
4.10	Credibility, and transparency of Supply Chain Management	SCM policy is in place however there is a need to Finalize the BBBEE Regulations	1) Is the SCM policy in place? Are all committees in place?	Yes	Review Policy - Oct 2010	Monitor and report	Finalisation of BBBEE regulations	Ongoing	Oct 2010	Approve d Policy	Financia l Services			
			2) Who are the committee members ?	Senior Manageme nt and Manageme nt	Senior Management and Management	Monitor and report	N/A	Ongoing	Ong oing	List of appointe d member s. Letters to member s by MM.	Financia l Services & MM			
			3) Is there a database for suppliers? How often is it updated?	Yes Advertised. Daily depending on forms received	Yes Daily depending on forms received	Monitor Improve reporting SCM Indaba	Assistance from CIDB/COGTA during SCM Indaba.		July 2010	On financial system	Financia l Services			
			4) Does the MM submit SCM reports to council?	Yes	Yes	Monitor and report	N/A	Quarterly	Quar terly	Quarterl y reports	Financia l Services & MM			
4.11	Capacity Building	Council to	1) Is there a work	Yes	Yes									

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												Allocated	Projecte d	
4. FINANCIAL MANAGEMENT (EXPECTED OUTCOME)														
		determine	skills plan in place? 2) How many learners on AAT? How is their progress? 3) What support or municipal support is the municipality getting? From who? 4) Does the CFO meet the competency requirements for CFOs? If no what is the municipality doing to ensure that the CFO is qualified	10 Learners & the progress is good. Programme funded by LGSETA. Yes, completed 11 modules of the competency requirement at WITS.	Additional 10 learners to start Oct 2010 Programme funded by LGSETA. Yes, completed 11 modules of the competency requirement at WITS.	Monitor and report Monitor and report CFO to prioritize the outstanding modules	Request LGSETA & COGTA to further sponsor new intake. Request LGSETA to further sponsor new intake Financial assistance from COGTA to finalise.		Sept 2010 Sept 2010 Dec 2010	Training coordinator from Treasury. Training coordinator from Treasury. Results of the 11 Modules	Financial Services & Corporate Services Financial Services & Corporate Services CFO			

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												Allocated	Projected	
4. FINANCIAL MANAGEMENT (EXPECTED OUTCOME)														
			for the position? 5) Balance of Financial Services Managers to be found competent?	Already prioritized Senior Financial Management (6)	2 to start	Prioritised list completed	Financial assistance from COGTA to finalise.		2013	Certification	Financial Services & Corporate Services			

No.	Priority Turn Around Focal Area	Capacity Assessment Findings		March 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Start Date	End Date	Means of Verification for each activity/ process	Human Resource allocated	Budget (,00)		Quarterly Progress
												Allocated	Projected	
5. LED(EXPECTED OUTCOME)														
5.1	LED Strategy adopted by Council	Staff Resources and capacity adequate in relation to the size of the Municipality and the available budget		LED Strategy and Implementation Plan approved	Ongoing implementation of the Lead Projects	Linkage of LED strategy & SCM policy.	Linking of Council's LED strategy to Provincial LED strategy. DEDT to be responsive to municipalities funding needs.	N/A	N/A	Quarterly Progress Reporting	Assistant Manager Chief Investment Officer Chief Tourism Officer LED Officer Outdoor Advertising Officer 4X Tourism Info. Officers Informal Trade Officer	Salaries: R2,650M Initiatives Opex R1,88M Capital R1.6M		YES
5.2	LED Plan aligned to the PGDS and adopted by Council	LED Plan (DMS 498302) Adopted in line with CR 5155 11/04/2008 is in line with the Provincial Growth and Development Strategy		Approved Implementation plan in place	N/A		Linking of Council's LED strategy to Provincial LED strategy.			CR Resolution and approved document	Adequate	As above		YES
5.3	LED Manager appointed	LED Unit Established			N/A		N/A			Staff Establishment	Adequate			

SECTION 2: DEVELOPMENT STRATEGIES

2.1 UMhlathuze Municipal Vision 2015

2.2 Introduction

In terms of Section 5 of the Municipal Systems Act, 32 of 2000 municipal councils in South Africa are legally required to adopt an Integrated Development Plan (IDP). An IDP may be described as a single, inclusive and strategic plan for the development of the municipality.

The Integrated Development Plan consists of the following core components:

- ❖ The municipality's vision for the long term development;
- ❖ An assessment of the existing level of development in the municipality (situational analysis) with identification of communities who do not have access to basic services;
- ❖ The council's development priorities;
- ❖ The council's development strategies, which must be aligned with national and provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- ❖ A spatial development framework and basic guidelines for a land use management system;
- ❖ A financial plan with a budget projection for three years;
- ❖ Key performance indicators and performance targets.

Vision and Fundamentals

The following vision was adopted for the uMhlathuze Municipality:

"The City of uMhlathuze metropolitan area, as a port city, will offer improved quality of life for all its citizens through sustainable development. It will be a renowned centre for:

- ❖ *Service Delivery*
- ❖ *Trade;*
- ❖ *Commerce;*
- ❖ *Industry;*
- ❖ *Tourism and nature-lovers;*
- ❖ *Coastal recreation; and*
- ❖ *Environmental Management*

The uMhlathuze Municipality has set the following mission for itself:

"To develop uMhlathuze as the industrial, commercial and administrative centre within the natural beauty of the region, providing a range of efficient municipal

services thereby ensuring economic development, dynamic investment growth and the improvement of the quality of life for all.”

The vision continues to provide direction in the planning process and ensures that the process is focused. In terms of the vision, there are certain fundamentals or non-negotiables that, together with the underlying principles, provide guidelines for decision-making. These guidelines form the basis for any decision-making by the uMhlathuze Municipality, stakeholders, role players and potential investors.

- ❖ Recognize Empangeni and Richards Bay as the urban core of the City of uMhlathuze with the following settlement hierarchy:
 - Regional Service Centre – Empangeni and Richards Bay;
 - Sub-regional Service Centres – Ngwelezane, Esikhaleni, Vulindlela, Nseleni, Felixton and Meerensee.
 - Rural Service Centres: Madlebe Traditional Area, Dube Traditional Area, Khoza Traditional Area, Mkhwanazi North and South Traditional Areas.
- ❖ Protect and promote public and private investment.
- ❖ Preserve and protect natural resources and sensitive environmental areas.
- ❖ Support the socio-economic growth and development of Empangeni and Richards Bay to the benefit of the entire City of uMhlathuze.
- ❖ Promote physical, social and economic integration within the City of uMhlathuze.
- ❖ Consistency in policies, strategies, land use management and by-laws.

The development strategies, its respective goals, programmes, sub-programmes and projects and interventions forthcoming from the IDP support the vision and fundamentals. The spatial development framework provides a spatial reflection of the vision, giving effect to the principles and fundamentals by guiding spatial development in the area.

Key Priorities

The following key challenges faced by uMhlathuze IDP processes remain:

- ❖ Community upliftment and empowerment of rural areas.
- ❖ Economic development and attraction of investment that is focused in specific nodes to benefit the entire area.
- ❖ Maintenance of development standards in urban areas.
- ❖ Demand for affordable housing.

The Planning Perspective

The planning perspective was obtained from the following:

- ❖ The Situational Analysis – a technical analysis of the area, which addressed service standards, the socio-economic status of the population and current development trends and tendencies. This resulted in the identification of service needs and

backlogs from a technical point of view while looking at strengths, weaknesses, opportunities and threats.

- ❖ Public Participation – this provided insight into problems and needs as experienced by the community.

By comparing the outcomes of the Situational Analysis and the Public Participation Process, it was possible to derive the Key Priorities for the City of uMhlathuze.

Situational Analysis

The following key issues were identified per sector in terms of a SWOT Analysis (**Strengths, Weaknesses, Opportunities and Threats**):

Institutional Sector

- ❖ Strong financial situation of the uMhlathuze Municipality.
- ❖ Strong human resource and skills base of the Municipality.
- ❖ Opportunity to extend and improve service delivery in the urban and rural areas.
- ❖ Strong overall institutional capacity in the municipality, although with the need for augmenting financial and human resources, equipment, information technology and productivity.
- ❖ Opportunity to promote the status of the City of uMhlathuze as a metropolitan area.
- ❖ The working relationship with the traditional leaders has improved with a few challenges still to overcome.

Socio-Economic Sector

- ❖ Weakness in terms of high levels of poverty, particularly in rural areas, in spite of the high employment levels and high Gross Geographic Product produced in the area.
- ❖ Threat posed by the severe impact of HIV/AIDS on the population and specifically economically active component of the population.
- ❖ Weakness in terms of low levels of socio-economic development in the rural areas, particularly in terms of literacy, education, primary health, early childhood development as well as adult basic education and training.
- ❖ Opportunity in terms of a large pool of undeveloped potential workforce.

Engineering Infrastructure

- ❖ Threat of diseases and environmental problems posed by water and sanitation backlogs in the rural areas.
- ❖ Strength in terms of current high levels of engineering infrastructure in urban areas and high levels of access to basic services in urban areas.
- ❖ Weak basic service infrastructure in rural areas and informal settlements around urban areas with poor access to services.

- ❖ Threat posed to the capacity of infrastructure services by increasing residential densities in informal settlements around existing urban areas.

Social Development

- ❖ Weakness posed by social service backlogs, particularly in rural areas.
- ❖ Opportunity for social development, by provision of additional facilities accessible to rural communities.
- ❖ Weak communication and cooperation systems between provincial departments and district/local municipalities, due to the fact that provincial service districts and regions do not correspond with local municipality boundaries.
- ❖ Weakness in the safety net due to the lack of shelters/places of safety for people in distress and permanent accommodation for orphans.
- ❖ Opportunity of providing Thusong Centres in the densely populated rural areas, to provide people with crucial social services required on a frequent basis.
- ❖ Weakness due to the lack of sport and recreational facilities in the marginalized townships and rural areas to meet basic requirements.
- ❖ Opportunity to stimulate economic development through incentives such as the Industrial Development Zone, tourism projects and local economic development.

Environmental Management

❖ The Atmosphere

- Opportunity to locate future industry with low or no air pollution potential as a “buffer” between heavy industry and sensitive areas to protect sensitive areas.
- Opportunity to accommodate all industry types in Empangeni.
- Threat posed by fluoride emissions - unlikely that Richards Bay will cope with additional fluoride emissions.

❖ Land

- Weakness - soil stability may limit sustainable development in parts of the area. The interior is more suitable for development.
- Opportunity as varied topography increases aesthetic appeal and provides opportunities for well-planned open space system. Rivers and streams aid open space planning.

❖ Water Resources

- The use of inland lakes is becoming increasingly multi-purpose and can become threatened.
- Threats as surface water resources are limited.
- Threat - the impact of catastrophic events e.g. droughts and floods affect the sustainable supply of water.
- Weakness - borehole yields and borehole water quality place a limitation on groundwater resource usability.

- Opportunity - legal issues will have a major impact on the way industrial pollution is controlled and managed in the area.

❖ **Biodiversity**

- Transformation of the terrestrial environment by development poses a threat.
- Alien plant invasion is a serious problem and poses a threat to the natural environment.
- Weakness - riparian vegetation has been impacted by cultivation right up to the stream banks.
- Opportunity of maintaining wetlands for conservation and biodiversity.
- Opportunity to encourage the use of indigenous vegetation for landscaping.

❖ **Waste Management**

- Potential threat of waste disposal sites to pollute ground and surface water.
- Opportunity for a full life cycle analysis, instituting recycling, re-use and reduction measures.
- Weakness – listing or registration of companies who generate classified general waste (also specifying the type of such waste)
- Weakness – route plans submission by waste transport companies who transport classified hazardous waste (indicating point of collection and treatment point). This needs to be monitored by the municipality
- Threat posed by marine pipelines.

Physical Development

- Threat posed by the increasing population densities around Ngwelezane, Esikhaleni and Nseleni.
- Weaknesses and threats due to poor living standards in rural areas, particularly in areas with high population concentrations.
- The poor nodal hierarchy in the City of uMhlathuze is a weakness.
- The opportunity exists to extend the MOSS to the entire City of uMhlathuze area to protect natural resources.
- Opportunity for land reform.
- Threats posed by land claims and long time frame involved in settling these issues.
- Opportunities inherent to specific development initiatives, particularly the Industrial Development Zone and tourism projects.

Summary of Community-Specific Issues

A series of public participation sessions have taken place during the preparation of the IDP since the first report was submitted during 2001. These sessions have taken place in the form of Public Information Meetings as well as Representative Forum Meetings. Throughout the process it was emphasized that the IDP process should not raise unrealistic expectations and that it be realistic and focused. It was further noted that not all the aspects raised as

needs are the Municipality's responsibility in terms of direct delivery. Many of the social aspects, particularly health, education and welfare are provincial mandates and the Municipality could only play a facilitating role in the delivery of such services.

From the Situational Analysis and public participation sessions, it was affirmed that the communities residing in the rural areas have a lower income and are more severely affected by aspects such as poverty and deprivation, than the urban communities. Community upliftment and empowerment programmes should therefore be focused on the rural areas. Economic development, attraction of investment and maintenance of development standards in the urban areas remains essential to ensure the overall growth and development of the City of uMhlathuze.

Given the above, the following key challenges remain challenges to be addressed by the IDP.

- ❖ Community upliftment and empowerment of rural areas.
- ❖ Economic development and attraction of investment that is focused in specific nodes to benefit the entire area.
- ❖ Maintenance of development standards in urban areas.
- ❖ Demand for affordable Housing.
- ❖ Optimising on the opportunities presented by uMhlathuze's location on the corridor, EThekweni – Ilembe- uMhlathuze
- ❖ Optimising on the opportunities presented by the N2 corridor from Durban to Maputo
- ❖ The backlog in the provision of basic services such as water, sanitation, electricity
- ❖ The potential opportunities of the proposed development of the King Shaka International Airport.
- ❖ The HIV/AIDS pandemic and its impact on regional demographics.
- ❖ Climate change mitigation measures.

2.3 Strategic Development Rationale

The Strategic Development Rationale provides the overall approach to the Development of the City of uMhlathuze. This Rationale forms the premise for the Spatial Development Framework. The rationale has both physical and institutional components, i.e. it focuses on the structuring of the urban form to overcome developmental problems and address key priorities and needs as well as the institutional requirements in terms of resources (human and financial) to attain the aforesaid.

More specifically the physical components of the structure are:

- ❖ Nodes;
- ❖ The movement network; and
- ❖ Open spaces.

The above physical components cannot be developed without specific institutional components, i.e.:

- ❖ Financing; and
- ❖ Institutional Development & Transformation

The linkages between the physical and institutional components are described hereunder.

City form is expressive of some of the fundamental city functions: circulation, major land uses and key focal points. City form is therefore a determining factor in the efficient working of these functions and the city as a whole. The key aspect to the Strategic Development Rationale is therefore the promotion of a compact urban area managed through a strong urban structure to optimize city efficiency. A compact urban form cannot be attained without financial inputs while the effective use of such financial inputs cannot be done without a Council that is empowered to make efficient use of scarce resources.

The major routes in the City of uMhlathuze are the N2, which provides a provincial linkage in KwaZulu-Natal and the R34, the direct linkage between Richards Bay, Empangeni and Gauteng. Strategically the intersection of these linkages should be a key focus point in the area, but physical factors provide a constraint to the development of this intersection as a nodal focus point. It would not be feasible to link Empangeni and Richards Bay physically along the R34, due to the distance between the towns, the escarpment which forms a physical barrier northwest of Richards Bay and land uses which form a buffer, such as the regional landfill site. Furthermore the current growth point in Empangeni is on the north-western boundary along the R34, while there is significant capacity for infill development in the Richards Bay central business district.

Empangeni and Richards Bay have different functions at sub-regional level – their organizations differ. In the past Richards Bay was dominated by the port and industrial functions, while Empangeni was the administrative and commercial hub, where higher order goods and services could be found. Although these functions have become hybrid, the towns have sufficient growth impetus for sustained growth. It should be borne in mind that the above places different resource requirements, human and financial, on both the areas.

The physical segregation and distortion of the area is evident, with Ngwelezane, Esikhaleni, Vulindlela and Nseleni forming separate physical entities within the urban area. These areas are reliant on Empangeni and Richards Bay for employment, goods and services. Although Empangeni and Ngwelezane are growing physically closer together, it is not currently possible to integrate Vulindlela, Esikhaleni and Nseleni physically with any of the other urban areas. Empangeni and Richards Bay have a strong peripheral dependency, with large tribal areas which have a high population density, situated outside the formal urban areas. In terms

of population density, concentration and service demands, a number of “rural development nodes” were assessed as part of a recently completed Rural Planning Initiative. The municipality has invested a lot of time and planning for the development and upliftment of areas that are physically separated from the economic centres. The next step is implementation of the proposals. Not only does this require significant investment, but the investment will also have to be managed to ensure its sustainability.

The Strategic Development Rationale for the City of uMhlathuze is therefore to develop the area with a **hierarchy of nodes**. These nodes will form the focal points for development and service provision, to ensure access to social and economic opportunities for the entire area. The concentration of activities in and around nodes will stimulate a higher order of activities and development, particularly in former dormant residential areas. Access to social and economic opportunities at such nodal areas will have to be managed and supported to ensure its efficiency. In addition, the nodal system supported by linkages between nodes will provide impetus for an **effective movement network and passenger transport system** at sub-regional level. This nodal system will ensure functional integration of the area and create connectivity, which stimulates economic and social interaction. The principle of concentrating activities in nodes recognizes that access enables empowerment.

The Nodes should become the focal points for social and economic interaction and activities, to enable access to all these services and opportunities. The nodes will also form the specific intervention areas in terms of the IDP, where projects and actions will be initiated. To attain this, financing has to be secured. Social and economic activities in these nodes should enjoy first priority in terms of the provision of new infrastructure and upgrading of existing infrastructure. Intervention in the emerging urban settlements will be done through formalization and upgrading of these areas and the creation of nodes.

Nodes will also be established in the rural areas to provide access to social and economic opportunities. Several of the densely populated rural areas can be classified as emerging urban settlements, where the future urban form should be shaped from an early stage to ensure efficiency and enable formalization and upgrading. As noted previously, none of the above can be attained without institutional support and management as well as financial inputs.

The protection of sensitive areas is an essential intervention as part of the Strategic Development Rationale. The SEA makes specific proposals in this regard and the extension of the **Metropolitan Open Space System** to the entire City of uMhlathuze area is required. This implies that sensitive areas will be set aside and protected in a proactive manner to create a system of open spaces, rather than incorporating leftover pieces of land after

development. Development will also be undertaken within the confines of resource availability.

The Strategic Development Rationale puts forward an **incremental development approach**, where the upgrading of existing services and provision of new services is focused in specific areas according to settlement and nodal classification. The formalization of emerging urban settlements and identification of nodes in rural areas has provided the directives to shape the future urban and rural form and have determined the priority areas for infrastructure service provision. This would ensure that areas with high population concentrations situated outside the primary nodes in the area, particularly in rural areas, are first in line to benefit from upgrading and new service provision.

The following development strategies support the above strategic development rationale and discussed in more detail in the following section:

- ❖ Good Governance
- ❖ Sustainable Infrastructure and Service Provision;
- ❖ Social and Economic Development;
- ❖ Institutional Development; and
- ❖ Sound Financial Management. Development Strategies / Key Performance Areas

UMhlathuze Municipality will continue to maintain existing services and infrastructure within the municipal area. Further, projects that have already been identified and initiated by Council are to be continued. The following strategies have been proposed to guide the future development in the area.

I. Good Governance

Development Strategy 1: Good Governance

<u>Aim:</u>	To ensure democratic, responsible, sustainable and equitable municipal governance. To ensure social upliftment of its communities, in order to achieve a safe, secure and healthy environment.
<u>Goals:</u>	<ul style="list-style-type: none"> • Improve liaison, communication and consultation with all stakeholders and role-players in order to facilitate effective and efficient provision of infrastructure, services and facilities • Create a Safe and Secure Environment

Improve liaison, communication and consultation with all stakeholders and role-players in order to facilitate effective and efficient provision of infrastructure, services and facilities

In order for development and planned initiatives to proceed in an efficient and effective manner, it is essential that appropriate liaison, communication and consultation do take place with all relevant stakeholders and role players.

It is recommended that a Strategy be prepared to also facilitate such liaison, communication and consultation with the Amakhosi in the Ingonyama Trust areas. This would assist in facilitating rural development initiatives.

Create a Safe and Secure Environment

Crime is a problem throughout South Africa, but proactive measures and small steps go a long way towards eradicating crime and improving the overall environment. By putting proactive measures in place to prevent crime and address the current crime in the City of uMhlathuze, the area would become increasingly attractive for tourists and investors, while protecting the interests of citizens. With the proposed extension of the harbour and implementation of the Industrial Development Zone, trade is expected to increase considerably and specific measures are required to prevent the City of uMhlathuze from becoming a haven for drug trafficking, illegal imports and other vices often associated with harbours and port areas. A Metropolitan Police Force could play an important role in this regard.

Prevention and eradication of crime is however also a civic responsibility. In this regard neighbourhood watches, community policing forums and farmer associations can augment the limited capacity of the police force. These institutions should work in close cooperation with the police force, therefore the municipality could act as facilitator to bring the police and community closer together and promote cooperation. Measures such as police reservists and commandos in the farming areas should be considered and could be promoted through the establishment of ward committees.

Existing open spaces and parks will continue also be managed and maintained by the municipality. Policies should be developed to guide decision-making on the co-use and alienation of parks and open spaces for private purposes.

II. Infrastructure and Services Provision

Development Strategy 2: Infrastructure & Services Provision

<u>Aim:</u>	To maintain existing and provide new infrastructure and services, in a sustainable manner.
<u>Goals:</u>	<ul style="list-style-type: none"> • Provision and Upgrading of Basic Infrastructure to address Backlogs • Well-timed provision of new infrastructure to attract development • Maintenance of Infrastructure to maintain and enhance Service Levels • Improve Public Transport • Promote a variety of Housing Typologies and Densities to provide for all Demand Categories • Formalize Emerging Urban Settlements • Maintenance and improvement of development standards

Provision and Upgrading of Basic Infrastructure to address Backlogs

The emerging urban settlements should be the focal points for the provision of water, sanitation, electricity, roads, transport, social services and telecommunication infrastructure. Once the formalization of emerging settlements has been completed, the upgrading of these areas can be done in terms of addressing service backlogs. Specific service standards will apply to these areas to differentiate them from the formal urban areas, such as Vulindlela, Esikhaleni, Ngwelezane and Nseleni. Social and community services will however be serviced to the same level as similar facilities in urban areas, as far as possible. The upgrading of social and community facilities in these emerging urban settlements should enjoy priority, to ensure that the semi-urban and rural areas are reached and alleviate the pressure on services in urban areas.

Well-timed provision of new infrastructure to attract development

Investors need the reassurance that they would have a return on investment. The role of the municipality is not only to provide investment incentives and the infrastructure needed by investors, but also to maintain service standards. The repair and maintenance of existing infrastructure is essential to sustain a secure investment environment. Upgrading and provision of new infrastructure shows that the municipality has the confidence in the local environment to make a significant capital investment, which also acts as a reassurance and incentive to investors. This needs to happen in a well-planned timed manner.

Maintenance of Infrastructure to maintain and enhance Service Levels

The City of uMhlathuze and particularly the regional nodes have high quality infrastructure that attracts private investment and development while serving the entire sub-region. The maintenance of existing infrastructure is a specific goal required to protect existing public and private investment. Dedicated projects and actions will be put forward to ensure that the existing engineering and social infrastructure are repaired and maintained to acceptable standards.

Improve Public Transport

Strong urban form, based on a hierarchy of nodes connected by a movement network, requires public transport to ensure city efficiency. Public transport is specifically of value to the youth, women, the elderly and disabled who do not have their own transport. The public transport patterns in the City of uMhlathuze are currently only focused on the regional nodes and should be redirected to provide linkages between regional, sub-regional and district nodes. Population densities in and around nodes should also be raised to adequate levels to sustain the public transport. The road network should also be conducive to the effective functioning of public transport.

Formalise Emerging Urban Settlements

The Tribal Authority Areas around Esikhaleni, Vulindlela, Nseleni and Ngwelezane have reached high population densities and may be classified as emerging urban settlements in terms of their density, concentration, housing types and diversity of activities. Although functionally reliant on the facilities in the urban area, these areas are not physically integrated with the urban system.

The provision of social and infrastructure services to these areas is a priority. As such, the municipality has embarked on a planning process in these rural nodes, i.e. the uMhlathuze Rural Planning Initiative (PRI). The rationale being that, prior to the actual provision of services, the extent of intervention required to formalize such areas has to be assessed.

As such, the RPI process identified, and delineated rural nodes. By applying GIS technologies, and information made available by Stats SA, socio-economic characteristics were determined for such rural nodes. The outcomes were supplemented by grass roots workshops and fieldtrips culminating in a report that provides a clear picture of the conditions within each of the rural nodes. In addition, concept settlement plans were also prepared for each of the rural nodes. These concept plans will provide guidance for the actual review of the municipal spatial development framework and the preparation of its LUMS.

The RPI has provided the basis for establishing a footprint or ordered settlement pattern for these areas, with surveyed erven, a hierarchy of roads and land use allocation for non-residential purposes. This will ensure that these areas are functionally and physically part of the urban system. Land will also be set aside for non-residential uses, particularly for nodes.

Promote a variety of Housing Typologies and Densities to provide for all Demand Categories

The provision of affordable housing remains one of the most pressing problems in South Africa and the City of uMhlathuze. The current rate of economic development and job creation cannot be expected to alleviate the problems of low-income levels and poverty; therefore specific housing programmes are required to provide subsidized housing. The actual need for subsidized housing however has to be quantified, given the uncertainty in terms of the actual population figure. Programmes for providing access to land and basic services with security of tenure, and further programmes for the provision of top structures, should be devised. The quantification of needs and a five (5) year housing programme are essential to provide for current and projected needs and ongoing urbanization, but measures should be instituted to prevent ongoing influx, based on expectations of housing provision.

While people in the rural areas have access to land, improvement of shelter remains a priority. The introduction of the People's Housing Process to the rural areas should be

undertaken. This process empowers people to construct their own housing through access to building materials and skills development programmes, while ensuring that the housing complies with National Building Regulations and minimum standards.

The Spatial Development Framework guides the development of new housing in the free market sector, in terms of identifying areas where high-density housing and new housing initiatives, such as security estates, could be accommodated. This is done to stimulate and support private sector initiatives. Market-driven housing should, however, promote the urban form and structure and work towards physical integration in the City of uMhlathuze.

III. Social and Economic Development

Development Strategy 3: Social and Economic Development

<u>Aim:</u>	To improve physical and functional integration within the City of uMhlathuze, whilst protecting the City's natural resources and assets through effective Environmental Management, in order to improve access to opportunities. To create opportunities through economic growth and development within the City of uMhlathuze and to promote economic upliftment of its communities
<u>Goals:</u>	<ul style="list-style-type: none"> • Establish a Hierarchy of Nodes throughout the City of uMhlathuze • Improve Access to Social Facilities and Infrastructure for Rural Communities and disadvantaged Groups, particularly Women, Children and the Elderly • Promote a Diversity of Land Uses, Activities and Opportunities • Enhance the Tourism Potential of the City of uMhlathuze • Support existing Local Economic Development initiatives and encourage new initiatives • Promote Local Economic Development Initiatives • Promote Primary Industrial Development • Support • Create an entry level into the market system for emerging businesses, the informal sector and SMMEs • Promote a diversity of economic activities throughout the City

Establish a Hierarchy of Nodes throughout the City of uMhlathuze

The City of uMhlathuze will be developed according to a hierarchy of nodes. Regional, sub regional and district nodes will be developed in specific areas, as indicated on the Spatial Development Framework. The concentration of activities in nodes improves city efficiency, for the following reasons:

- ❖ It optimizes the opportunity for exchange while minimizing transaction costs;
- ❖ It optimizes access to urban opportunities;
- ❖ It supports and promotes mixed land use development at a fine grain;
- ❖ It reduces travel distances and costs; and

- ❖ It promotes competitiveness between land uses and economic activities, thereby spiraling economic development.

Improve Access to Social Facilities and Infrastructure for Rural Communities and disadvantaged Groups, particularly Women, Children and the Elderly

Most of the social facilities in the City of uMhlathuze are located in the regional nodes, hence people from the former marginalized areas and rural areas have to travel long distances to reach these facilities. Many of these facilities, particularly clinics, libraries and pension payout points are services used more frequently by women, children and the elderly and therefore have to be accessible to these vulnerable and disadvantaged groups. Apart from being accessible, these facilities and services should be provided in a safe environment and should be user-friendly.

The strategy for providing social facilities and services in a way that meets these requirements, is through the provision of Rural Service Centres, which combine a number of social services and facilities. These Rural Service Centres is a concept which provides for a one stop shop for social facilities and infrastructure, while the combination of uses promotes a safe and secure environment with a diversity of activities concentrated at a specific point.

Rural Service Centres are proposed for the following areas:

- ❖ Madlebe Tribal Area;
- ❖ Dube Tribal Area;
- ❖ Mkhwanazi North Tribal Area;
- ❖ Mkhwanazi South Tribal Area; and
- ❖ Khoza Tribal Area.

These Rural Service Centres should be located within the proposed district nodes and will form the heart of the district nodes. The concentration of social facilities will also spur on the development of economic activities, therefore the planning of the Rural Service Centres should provide for the development of economic activities from the outset, to promote economic development.

This proposal puts forward a concept that will allow for national, provincial and local governments to join their efforts in providing services at grass roots level. These centres will allow for the provision of a combination of essential services by the relevant tiers of government, according to their roles and responsibilities, at a central location accessible to the community. These services will be mutually supportive and will ensure coordination of services, rather than duplication or deprivation.

The development of these Rural Service Centres would furthermore act as an economic injection, by means of initiating investment into previously marginalised areas, and lowering the perceived risk to private sector development. It would allow for a hierarchy in the provision of services to ensure that existing cores are strengthened and services become more accessible to remote sections of the population. The appropriate design of these Centres would also achieve the realization of the principle of stimulating diverse and complex urban areas, as opposed to existing dormant townships and rural villages.

There are a number of institutions involved in service delivery, which should play a primary role in the establishment of these Centres, particularly:

- ❖ National Departments;
- ❖ Provincial Departments;
- ❖ Local Authorities (regional or local council); and
- ❖ Non-Government Organizations (NGOs) and Community Based Organizations (CBOs).

The Rural Service Centres will therefore comprise, *inter alia*, the following functions:

- ❖ Pension Pay-Out Point;
- ❖ Emergency Services Call Centre;
- ❖ Police Office;
- ❖ Post Office;
- ❖ Health Care Clinic;
- ❖ Library;
- ❖ Local Authority Offices (payment of accounts, account and service queries, reporting of problems);
- ❖ Licensing office (licensing of vehicles);
- ❖ Developmental Welfare Service Office. This should include office space, a workshop area for meetings as well as projects and programmes, e.g. arts and crafts projects for the disabled or the poor. This workshop area can be shared by e.g. the Local Economic Development Offices.
- ❖ A place of safety for abused and abandoned women, children in need of welfare services and street children as well as temporary social relief. The place of safety should be seen as a transit facility, where persons in distress can be housed overnight, before being referred to an institution that can help them in the longer term. This place of safety can also serve to temporarily assist people who have lost their homes due to fire or flooding and should include facilities for a soup kitchen;
- ❖ Office space for the NGOs, CBOs and other community structures. Various groups which are able to provide assistance but do not have access to the necessary infrastructure, would benefit from this clustering of facilities;

- ❖ Youth development offices. Seen in the light of the establishment of Youth Councils and Youth Development Groups, the allocation of a small amount of office space would benefit this cause and allow these groups access to infrastructure;
- ❖ Local Economic Development Office. This office can share workshop space with the Developmental Welfare Offices to undertake community skills training projects. This office should also provide support, advice and information to small and emerging businesses as well as services such as photocopying, faxing, e-mail etc;
- ❖ Home Affairs Office, including birth and death registration, application for identity documents and passports;
- ❖ Community hall (operated by local authority);
- ❖ Sport and recreational facilities (operated by the local authority);
- ❖ Emergency Services (fire station, ambulance station) and emergency call centre;
- ❖ Information Centre providing a variety of information, such as tourist information, unemployment registration, business directory (operated by the local authority).

During the formulation of Development Framework Plans (DFP's) for the emerging urban settlements, specific locations for these Rural Service Centres should be identified. Through combining social and economic activities, the Rural Service Centres could serve as entry level for SMME's, by creating a market through interaction and connectivity, thereby spurring economic development through the market mechanism of demand and supply.

These Centres would assist in poverty alleviation, through providing hands-on assistance to community projects and initiatives. The Centres would also provide support and referrals to NGOs, CBOs, institutions and other organizations involved in poverty alleviation and community up-liftment. The Local Economic Development Office should serve as a business advice centre, where emerging businesses and SMME's can obtain advice and support on aspects such as writing of business plans, compiling tenders, business management and administration as well as basic administrative services, at a minimal cost.

Promote a Diversity of Land Uses, Activities and Opportunities

Creating a diversity of land uses at a fine grain would optimize access to opportunities at local level and create new social and economic opportunities in previously marginalized areas. The demarcation of specific areas for nodal development with a diversity of land uses, including open space and high-density residential uses, would create the opportunity for social and economic interaction. The designation of nodes and attraction of development to Ngwelezane, Esikhaleni, Vulindlela and Nseleni will transform these from dormitory townships completely dependent on Empangeni and Richards Bay for economic activities, to vibrant areas with the function of sub-regional nodes.

The proposed Rural Service Centres in the rural areas would also introduce economic and social uses into the rural areas, although of appropriate nature and function to complement the rural character. Land use diversification in the rural areas should furthermore attract and promote tourism, while taking cognizance of the sensitive natural environment. Commercial farms and high crop yielding areas should however be protected from land use intensification, particularly subdivision, to protect the agricultural industry and valuable agricultural land.

The introduction of land reform programmes should promote diversity in agricultural activities and enable subsistence farmers to enter the commercial farming sector by focusing on export related produce with high demand. Opportunities have opened to export produce to duty-free to European Union and American markets, which should be exploited considering the Industrial Development Zone, Richards Bay Port and international airport. This would require cooperation between existing commercial farmers and aspiring farmers to achieve skills transfer and training in management and business matters. The extension of the water and electricity network to rural areas for basic service provision should support the expansion and diversification of agriculture and the processing of agricultural products, prior to the transport of produce to markets. The Rural Service Centres should also focus on the needs of the agricultural industry and could include co-operative centres and workshop areas, developed by the private sector.

The Spatial Development Framework sets aside land for proposed nodes and specific land uses to provide direction for physical growth and development. The management and stimulation of this growth is essential not only to protect certain uses, but to promote others as well. Specific projects and actions would be required as part of this goal, such as a land use management system and law enforcement.

The land use management system should support the Strategic Development Rationale and the Spatial Development Framework, through protecting the nodal structure, movement system and open space system.

Proactive measures should be taken to ensure that sensitive environmental areas are protected and that open spaces are taken up into the urban structure of the City of uMhlathuze. **Metropolitan Open Space Systems (MOSS)** has been identified for Empangeni and Richards Bay, but these should be extended to the rest of the area and incorporated in the Spatial Development Framework and the land use management system.

Promote the status of the City of uMhlathuze as an aspiring Metropolitan Area

The status of the City of uMhlathuze as an aspiring Metropolitan should be promoted to the benefit of the municipality and the citizens. Retaining powers and functions, particularly service provision is essential to maintain the income levels of the municipality and promote

the status. This requires intervention on all levels, from National to Provincial government and district level, to arrive at an amicable agreement regarding powers and functions for the aspiring metropolitan municipality.

Enhance the Tourism Potential of the City of uMhlathuze

The status of the City of uMhlathuze as a renowned destination for local and international tourists should be enhanced and promoted. This is the responsibility of all stakeholders in the city. The municipality plays a distinct but limited role in tourism promotion, but can implement other strategies to attract tourists and tourism enterprises. In this regard, a dedicated tourism strategy is proposed. The maintenance of existing engineering infrastructure and social services is also essential to promote the city as tourist attraction. Creating a safe and secure environment, through pro-active security measures and cooperation with civic initiatives, would also enhance the attractiveness of the area.

Specific facets of tourism, such as eco-tourism and Avi-tourism (bird-tourism) are becoming increasingly popular and the City of uMhlathuze should explore its potential in this regard through promoting itself in these niche markets. The City of uMhlathuze is believed to be located on what can become a globally important Avi-tourism destination, in particular water birds. This holds tremendous potential for attracting birding enthusiasts from all over the world and generating increased tourist spending. One of the advantages of this specific aspect of tourism is that birding is low impact, requires minimal development and also takes people to rural areas, with a positive effect on local communities. The tourism industry has tremendous potential for creating employment opportunities, particularly in rural areas and among communities with low education levels.

Eco-tourism enables communities to directly benefit from tourism, by directly involving them in tourism projects. The rich Zulu culture and tribal authority system hold potential for ecotourism development. While the importance of attracting international tourists should not be ignored, amenities such as conference centres and facilities for corporate breakaways should also be kept in mind, considering the large industries and corporations presented in the City of uMhlathuze. The colonial nature of large commercial farms offers the ideal opportunity for overnight facilities or weekend hideaways among the rolling hills and sugarcane characteristic of KwaZulu Natal.

The route from the City of uMhlathuze to Gauteng and Mpumalanga via Ulundi and Vryheid winds through the Kingdom of the Zulus (Ulundi) and the historic battlefields of the Anglo Boer War, with a plethora of under-rated tourism attractions. Cooperation between the City of uMhlathuze and these local authorities in promoting tourism attractions would be to the benefit of all the parties involved. The development of a tourism corridor from the City of uMhlathuze through these deep rural areas should be promoted.

Promote Local Economic Development Initiatives

The initiatives that need to be taken into consideration to further strengthen the LED. These are:

- ❖ Developing local Sustainable Infrastructure and Service Provision to create jobs and opportunities.
- ❖ Helping local business to grow.
- ❖ Creating new local businesses.
- ❖ Attracting new business, investment and resources.
- ❖ Plugging the leaks in the local economy.
- ❖ Helping local people to find jobs and discover hidden job opportunities.
- ❖ Marketing the community and making it more attractive.
- ❖ Education, Capacity Building and Training.

The implementation of dedicated poverty alleviation projects should enjoy priority as part of local economic development. Food projects and agricultural projects should be included as part of land reform and community up-liftment projects, to assist the indigent in creating a livelihood.

The Zululand Chamber of Business Foundation (ZCBF) is an organisation focused on promoting business development and creating job opportunities, particularly amongst SMME's and in formerly marginalised communities. The ZCBF has succeeded in attracting investment and economic injections into the area, *inter alia* in the form of hydroponics farms, where rural communities are trained and skilled into hydroponics farming methods.

The ZCBF, corporates and uMhlathuze Municipality will play a pivotal role in promoting local economic development, through the identification of specific projects and lobbying support and funding for these projects, from other levels of government and international funding agencies. The key to success for LED projects and job creation is the proactive and almost aggressive approach to marketing and attraction of investment.

"Soft infrastructure" for competitive advantage

uMhlathuze will build its competitive advantage by creating a business friendly environment in which enterprises of all sizes can prosper and grow. In this respect the priorities are:

- ❖ to formally establish a local economic development partnership representing the interests of all local stakeholders and with the capacity and credibility to lead the economic development of uMhlathuze,
- ❖ to gradually integrate the activities of LED role-players by information sharing, joint priority setting and planning, common training programmes and where appropriate shared staff or facilities

- ❖ to establish an industrial development zone (IDZ).
- ❖ to remove the constraints to growth and investment caused by a shortage of education and skills by identifying specific local needs and implementing a development programme to remedy the situation in partnership with DEC, DOL, NGOs and SETAs,
- ❖ to streamline procedures and remove unnecessary regulatory obstacles to local and external investment by small and medium enterprises in particular.
- ❖ to establishing BDC satellites in Esikhaleni, Ngwelezane and Nseleni,
- ❖ facilitate access to local and venture capital for business start up and expansion by researching good practice and encouraging or initiating the establishment of appropriate local institutions to develop a best practice programme for combating crime which currently inhibits growth and investment and thus contributes to the conditions that breed more crime.

Empangeni and Richards Bay currently collectively fulfil the function of regional nodes or service centres. These areas each have a distinct character and function and therefore can proceed to collectively carry out this function. Empangeni traditionally used to be the administrative service centre, while Richards Bay was characterized by the harbour and heavy industries. Empangeni is already diversifying and now also incorporates heavy industry. The commercial, professional and administrative functions have shown considerable expansion recently in Richards Bay, which should be encouraged.

Commercial and business activities are however mostly confined to Empangeni and Richards Bay. The introduction of designated nodes, with supportive infrastructure in Ngwelezane, Esikhaleni, Nseleni and Vulindlela will assist in attracting business and commercial uses to the area, although of lower order than the uses in the regional nodes. Commercial and business activities in these areas would be focused on consumables and services required on a daily basis and would alleviate the complete dependency of these areas on the regional nodes.

The Rural Service Centres in the Madlebe, Khoza, Dube and Mkhwanazi tribal areas would introduce economic activities and services in support of the primary and secondary economic sectors into rural areas. These Centres would also act as tourist attraction points and information centres on the tourism opportunities offered by the rural areas and Zulu culture.

Promote Primary Industrial Development

Industrial development is a very prominent component of the physical and economic development of the City of uMhlathuze. The city offers exceptional potential for further primary industrial development in Empangeni and Richards Bay, particularly in light of the expansion possibilities of the Port of Richards Bay as well as the railway line providing a link to Gauteng and Mpumalanga.

Primary industrial development should be promoted through the implementation of the Spatial Development Initiative (SDI) and Industrial Development Zone (IDZ). These initiatives would see considerable injection into the Regional Service Centres of Empangeni and Richards Bay. The intention of these initiatives is to attract investment, which would have economic spin-offs and create employment opportunities. Although the uMhlathuze Municipality is not directly responsible for these initiatives, it should play a coordinating and facilitative role in ensuring that these initiatives are implemented. The Municipality should also act on the best interests of the stakeholders of the City of uMhlathuze and ensure that the interests of all stakeholders are protected.

Industrial development should also be promoted in specific Sub-regional Nodes, namely Ngwelezane, Esikhaleni, Vulindlela and Nseleni to create an economic base in these areas and bring employment opportunities and residential areas in closer proximity, to limit travelling distances and high household expenditure on transport. The implementation Integrated Environmental Management principles and particularly an environmental management plan and policy would assist industry on a pro-active basis to take environmental aspects into consideration in the planning and development of new industries.

IV. Institutional Development and Transformation

Development Strategy 4: Institutional Development & Transformation

<u>Aim:</u>	To ensure institutional transformation as well as efficient and effective service delivery
<u>Goals:</u>	<ul style="list-style-type: none"> • Maintain and improve the Institutional Capacity of the uMhlathuze Municipality • Prepare IDP and facilitate annual review • Ensure continuous Organisational Analysis and Improvement in efficiency and effectiveness • Ensure efficient and effective Secretarial and Administrative Services to the Organization • Ensure efficient and effective Human Resource Management • Promote appropriate Information Management System/s for the Municipality

Maintain and improve the Institutional Capacity of the uMhlathuze Municipality

The municipality is currently in a healthy financial state, due to sound financial management and strong credit control policies applied by the former entities. The municipality also has considerable institutional capacity, in terms of human resources, physical assets and up to date technology and equipment. To retain this condition and ensure that the municipality has

the ability to let the city grow and prosper, it is essential to augment its financial and institutional capacity. There are a number of interventions in support of this, most importantly the protection of public and private investment and protection of the rates base.

Land use management, law enforcement and the proposed nodal hierarchy are important mechanisms in the protection of the existing rates base. The rates base should also be extended through the incorporation of properties from all former entities into the valuation roll. Strict credit control measures should also be kept in place and bad debt recovery measures instituted. Proactive measures for income recovery include the provision of additional pay points throughout the municipal area, particularly in the Rural Service Centres. Pay points should also serve as information and problem report centres for the municipality.

Additional sources of funding should be investigated, particularly grant funding and development aid available from national and provincial government and aid organizations. Projects utilizing this funding should be promptly executed, as this is a prerequisite for obtaining further funding. The possible collection of District Municipality levies should be explored, to augment the capacity to increase income levels.

Adequate human resource capacity is essential to maintain the municipality's financial status and service delivery. With the expanding jurisdictional area of the City of uMhlathuze and the status of an aspiring metropolitan area, the augmentation of human resource capacity becomes even more important.

There should be parity in the benefits for employees from different former entities and scope for growth and development within the structure, to ensure that the current strong human resource base can be maintained. The organizational structure and human resources should be aligned with the outcomes of the IDP, to ensure that the human resources are in place to implement the projects and actions put forward by the IDP.

The human resource base should further be augmented through training and skills development programmes and opportunities such as bursaries and study schemes. This will create investment in the human resource base and ensure that valuable personnel on all levels have future opportunities in the municipality. Continuous maintenance and repair is essential to protect assets and in the long term is less costly than replacement. This requires up to date technology and equipment to enable the municipality to fulfil its functions of service delivery, operation and maintenance.

Ensure continuous Organisational Analysis and Improvement in efficiency and effectiveness

The uMhlathuze Municipality has to be accountable to its stakeholders in terms of service delivery, decisions and performance. The Integrated Development Plan is the main tool for coordinating service delivery and directing service delivery towards the improvement of quality of life and the needs expressed by the community. Once adopted, the IDP becomes a statutory document binding the municipality in terms of expenditure, actions and decisions.

Performance management measures are however required to ensure that the municipality effectively implements the IDP. These should measure the overall performance of the organisation and also for individuals in the organisation, specifically the Municipal Manager and Heads of Departments. The latter will be measured in terms of Key Performance Areas identified from the IDP.

The overall performance of the organisation will be rated in terms of the successful implementation of the Integrated Development Plan, service delivery and maintenance of service standards.

V. Sound Financial Management

Development Strategy 5: Sound Financial Management

<u>Aim:</u>	To ensure a healthy municipal revenue base that is aligned with the IDP, in order to ensure efficient, effective and sustainable service delivery and meeting the needs of the City's inhabitants
<u>Goals:</u>	<ul style="list-style-type: none">• Ensure that Financial Planning, Budgeting & Expenditure aligns with the IDP• Increase the Municipal Revenue Base• Maintain high levels of Debt Control• Implement Revenue Enhancement measures

Ensure that Financial Planning, Budgeting & Expenditure aligns with the IDP

This is a legal requirement in terms of the Municipal Systems Act (No. 32 of 2002). In addition, the new Municipal Finance Management Act also reinforces this requirement. This ensures the efficient utilization of scarce resources to address priority issues as identified through the IDP and its processes.

Increase the Municipal Revenue Base

It is essential to protect the revenue base and investment through land use management, law enforcement, maintenance, repair and upgrading of services. Pro-active measures should also be taken to increase the revenue base to ensure that services can be delivered to the

larger jurisdictional area and to improve services. This includes the attraction of investment, business and industrial expansion, promotion of a nodal hierarchy with higher property values, agency agreements for debt collection and closer cooperation with stakeholders. The possible collection of District Municipality levies should be explored, to augment the capacity to increase income levels. An indigent policy should also be formulated to provide assistance to people who do not have the ability to pay for services. The indigent applications should then be reviewed on a regular basis.

Alignment between the uMhlathuze IDP Development Strategies, Programmes and Institutional Arrangements

	National Key Performance Area	IDP Strategy	IDP No	Programmes	IDP No	Sub Programmes	Projects
1	Good Governance & Public Participation	Good Governance	1.1	Community Facilitation			
			1.2	Corporate Services			
					1.2.1	Secretarial Services	
					1.2.2	Legal Support Services	
					1.2.3	Property Administration	
			1.3	Public Safety and Security Services			
					1.3.1	Fire & Rescue Services	
					1.3.2	Traffic	
					1.3.3	Crime Reduction / Prevention	
2	Basic Service Delivery & Infrastructure Development	Sustainable Infrastructure and Service Provision	1.4	Office of the Municipal Manager			
			1.5	Councillors			
			2.1	Water and Sanitation			
					2.1.1	Rural Development	
					2.1.2	Urban Core Development	
					2.1.3	Residential Development	
					2.1.4	Other	
			2.2	Electricity			
					2.2.1	Rural Development	
					2.2.2	Urban Core Development	
					2.2.3	Residential Development	
					2.2.4	Energy Sector Plan	
			2.3	Roads & Stormwater			
					2.3.1	Rural Development	
					2.3.2	Urban Core Development	
					2.3.3	Residential Development	
					2.3.4	Other	
			2.4	Solid Waste			
			2.5	Cemeteries & Crematoria			
			2.6	Vehicles & Plant			
			2.7	Communication Systems			
			2.8	Rail Network			
			2.9	Environmental Management			
					2.9.1	ISO 14001	
					2.9.2	MOSS	
					2.9.3	Air Quality	
					2.9.4	EIA's	
			2.10	Housing			
					2.10.1	Esikhawini - Vulindlela Corridor	
					2.10.2	Aquadene Super block	
					2.10.3	uMhlathuze Village	
					2.10.4	Hillview, Meerensee 5	
					2.10.5	Private development as per approved Spatial Framework	
			2.11	Public Facilities			
					2.11.1	Parks	
					2.11.2	Sport & Recreation	
					2.11.3	Community Halls	
					2.11.4	Libraries	
					2.11.5	Commuter Facilities	
					2.11.6	Museums	
			2.12	Health			
					2.12.1	Primary Health	
					2.12.2	Occupational Health	
					2.12.3	Environmental Health	

	National Key Performance Area	IDP Strategy	IDP No	Programmes	IDP No	Sub Programmes	Projects
3	Local Economic Development	Social and Economic Development	3.1	Local Economic Development			
					3.1.1	Community Capacity Building & Training	
					3.1.2	Business Support	
					3.1.3	Development & Support of markets	
					3.1.4	Economic Facilitation	
			3.2	Municipal Planning			
					3.2.1	LUMS	
					3.2.2	Spatial Development Framework	
					3.2.3	Building Control	
			3.3	Marketing & Tourism Development			
4	Municipal Institutional Development & Transformation	Institutional Development	4.1	Organisational Business Analysis & Efficiency			
					4.1.1	Performance Management	
			4.2	Integrated Development Planning			
					4.2.1	Strategic Planning, Business Planning, City Development Strategies	
			4.3	Information Management			
			4.4	Human Resource Services			
					4.4.1	Recruitment Strategy	
					4.4.2	HR Management Strategy	
5	Municipal Financial Viability & Management	Sound Financial Management	5.1	Financial Planning			
			5.2	Asset Management			
			5.3	Debt Control			
			5.4	Revenue Enhancement			

SECTION 3: SPATIAL DEVELOPMENT FRAMEWORK

3.1 Introduction

Chapter 5 of the Municipal Systems Act (Act No. 32 of 2000), provides for the development of an Integrated Development Plan (IDP).

Integrated Development Planning is a process through which municipalities prepare a strategic development plan, for a five-year period. The Integrated Development Plan (IDP) is a product of the integrated development planning process. The IDP is a principal strategic planning instrument, which guides and informs all planning, budgeting, management and decision-making in a municipality (IDP Guide Pack Volume 1)

Section 26 of the Systems Act describes the core components of an IDP. It states the following:

“An integrated development plan must reflect—

- a. the municipal council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
- b. an assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- c. the council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
- d. the council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- e. a spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;
- f. the council's operational strategies;
- g. applicable disaster management plans;
- h. a financial plan, which must include a budget projection for at least the next three years; and
- i. the key performance indicators and performance targets determined in terms of section 41.”

In terms of (e) above, a Spatial Development Framework (SDF) therefore forms a core component of the municipal IDP (Integrated Development Plan) and is a requirement in terms of the Municipal Systems Act, 2000. All municipalities, at both the district and the local level,

are required by national legislation (Municipal Systems Act, No. 32 of 2000) to prepare Integrated Development Plans (IDPs) and review them annually.

The SDF is a visual presentation that seeks to guide overall spatial distribution of current and desirable land uses within a municipality in order to give effect to the vision, goal and objectives of the municipal IDP and in keeping with the principles for land development as set out in the Development and Facilitation Act, 1995 (*Source: Department of Cooperative Governance and Traditional Affairs' Spatial Planning Guidelines, 2006*).

A Spatial Development Framework (SDF) should therefore identify desired patterns of land, directions of spatial growth, conservation of the natural and built environment and correction of past imbalances. It should also indicate areas where strategic intervention is required and should act as marketing tool to indicate where development could be promoted.

The objectives of an SDF can be described as follow:

- Strategic guidance on the location and nature of development.
- Set out basic guidelines for land use management.
- Discourage low density urban sprawl.
- Generate social and economic opportunities.
- Promote access to opportunities.
- Maximize resource efficiency by: (1) protecting sensitive environments, (2) protecting productive agricultural land and (3) enhancing the regional identity and character.
- (Source: Municipal Systems Act, No. 32 of 2000 – Regulations)

Furthermore, Section 2(4) of the Local Government Planning and Performance Management Regulations (2001) sets out the minimum requirements for municipal SDF's.

The strategies of the IDP that may have a spatial impact would mostly fall under Development Strategies 3 and 4.

The uMhlathuze SDF should therefore aim to give effect to this vision, mission and objectives and strategies contained in the uMhlathuze IDP.

3.2 City of uMhlathuze – Objectives and Principles for Planning and Development

The City of uMhlathuze has adopted the following objectives and principles for spatial planning and land development that aims to guide settlement in the area:

Planning for efficient use of land

Efficient use of land shall be facilitated through:

3.3 Planning for Concentration

- a. The Municipality should promote infill development. However, where infill development occurs on land zoned public open space, agriculture, conservation or undetermined, the environmental, social and spatial form impacts of a change in land use should be considered carefully.
- b. Future urban settlement should be located predominantly within the agreed development/growth areas and, as far as possible, comply with planned phasing of the growth areas and be serviced by existing infrastructure networks.
- c. Future development should be strategically planned by providing a timely release of adequate and appropriately located land.
- d. Provision of engineering services should be supported by the development of integrated sector-level plans.
- e. Future development should not contribute to ribbon/strip development nor impact on the safety and efficiency of the road system.
- f. Future development must promote efficient transport systems and a vibrant economic and social life through a diversity of land uses.
- g. Future development, particularly in the major centres, should be planned to effect a shift in the new dwelling mix to achieve 60% single dwellings and 40% medium density units.
- h. Where settlement is proposed outside agreed growth areas, it must be supported by a detailed need and desirability investigation, be located outside the Environmental Services Management Plan Level 1 and 2 areas, prove infrastructure efficiency and address any other requirements that Council may have.
- i. Residential and employment areas should be integrated to avoid long commuting distances. However, potential employment areas should not negatively affect the health and well-being of residents.

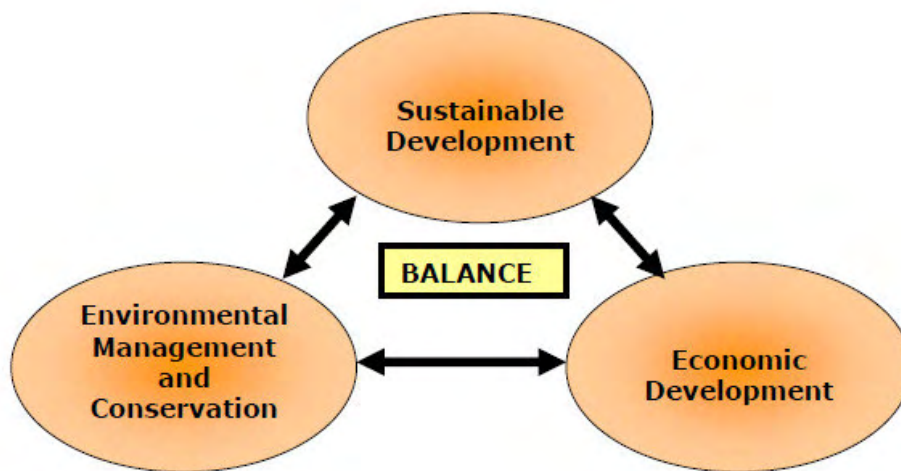
3.4 Planning for Continuity

- a. Planning for diverse opportunity nodes with high accessibility, since these areas have better opportunities for economic growth by increasing their market threshold. In urban areas, development nodes need to be supported by dense residential bases.
- b. Allow for efficient movement of vehicles, people, goods and services through well-planned services networks and open space systems that link opportunity nodes.
- c. Development within nodes or corridors should not negatively impact on existing services and opportunities located in other areas. Opportunity in terms of market-share should therefore be thoroughly supported by need and desirability.
- d. Place emphasis on the development and use of public transport facilities.
- e. Allow for movement of animals and organisms through a system of green spaces by mean of the implementation of the Environmental Services Management Plan.
- f. Allow for continuity in terms of agricultural land uses.

3.5 Planning for Sustainability

- a. Future development should be located on land that is suitable for the development and capable of supporting the proposed uses.
- b. Future development should avoid, as far as possible, areas of environmental significance (Environmental Services Management Plan Level 1 and 2 areas), significant economic resources (such as agriculture or mining), potential environmental or community hazard/risk, high landscape or cultural heritage value, or potential increased risk associated with impacts of climate change. Should development be proposed within these areas, clear mitigation or offset measures should be applied.
- c. Future development adjoining land with the above values should incorporate buffers as necessary to help protect those values and to avoid future land use conflict. In terms of environmental significance, these buffers have been identified in Council's Environmental Services Management Plan Level 3 areas.
- d. Future development should support a balanced approach, as indicated below:

Figure: 29: Planning balance Approach



- a. The disturbance of ecosystems and loss of biological diversity should be avoided or where they cannot be altogether avoided, minimized or impacts mitigated. These issues should be scoped through an appropriate Environmental Assessment.
- b. Future development should only be permitted where it can be provided with adequate, cost effective physical and social infrastructure to match the expected population for each settlement.

3.6 Governance

- a. Ensure alignment with the district and governmental organizations in the interest of promoting optimum planning and provision for development opportunities.
- b. Address the problem of uncontrolled development in Traditional Authority Areas.
- c. Prevent illegal occupation of land by ensuring that provision is made for the formalization of informal residential areas and enforcement of planning provisions.
- d. Aim for continuous improvement of planning processes and decision-making through the development and maintenance of planning guidelines, policies, etc.
- e. Future urban settlement and development should be supported by public involvement in decision-making.
- f. Need and desirability of applications should be proven.

3.7 Planning for a city that supports choice and quality of life

Access to Basic Services

- a. Quality of life is underpinned by access to basic services. Planning and development should therefore aim to promote access to basic services and access to community infrastructure in line with accepted guidelines.

Appropriate Spatial Form and Urban Design

- a. Future development should recognise, protect and be compatible with any unique topographic, natural or built cultural features essential to the visual setting, character, identity, or heritage significance of the area or settlement that it is to be located in. Such aspects should be incorporated into a system of open spaces, as appropriate, in order to ensure public access to recreation areas and visual amenity.
- b. Development should encourage a “*sense of community*” by aiming to provide a system of neighbourhoods, which would form larger villages and suburbs, connected by a system of open spaces and supported by a mix of land uses. The open space system should encourage pedestrian and cycling movement through the neighbourhood to public places, local shops, job opportunities, services, recreation and public transport.
- c. Future development should be appropriately located in relation to its scale, nature or type of development; the ability to provide the necessary infrastructure and services; the need for access and to ensure effective traffic management.
- d. The planning system should identify spatial form intervention areas, for instance where restructuring / urban renewal or densification / de-densification is required, etc.
- e. Future development should provide sufficient buffering distances and/or technological solutions between proposed development and existing or proposed major infrastructure, including landfill sites, cemeteries, major roads, rail corridors and airports.

- f. Future development, particularly at the residential/agricultural and the residential/industrial interfaces, should be planned for and managed so that any potential conflict is minimised in relation to adjacent land uses.
- g. Principles of Crime Prevention through Environmental Design should be applied in design.
- h. Planning should support intervention where need and opportunity exists.
- i. Future development outside agreed growth areas, but which aims to provide opportunities to enjoy and enhance areas of natural beauty, must be supported by a detailed need and desirability investigation, be located outside the Environmental Services Management Plan Level 1 and 2 areas, prove infrastructure efficiency and address any other requirements that Council may have.

Providing for Choice

- a. In the case of residential development, future development must provide for choice regarding a variety of dwelling types, location, form and affordability.
- b. In the case of transport, future development must provide for different means of transport through planning for an open space system, effective road hierarchy and public transport amenities (where applicable).
- c. Future development and planning should boost those economic sectors/activities that have the potential to grow and create employment and income. In this regard:
- d. Industrial land should be made available in a variety of locations to encourage new opportunities as they arise in all major centres to promote the principle of “*work where you live*”. However, location should recognise the interdependence on transport, cost effective provision of necessary services and infrastructure, access to markets and environmental or social impacts. Industrial land uses should, as far as possible, avoid impact on health and well-being, take into account Council’s adopted Air Quality Buffer areas, various Town Planning Scheme provisions and the outcome of environmental impact assessments.
- e. Commercial land (including office space) should be located in accordance with recognised guidelines so that it can be conveniently serviced, is accessible to, and is consistent in scale with the settlement it serves or is planned to serve. If commercial land expansion is not adjacent to, or adjoining, an existing centre then any new development should not undermine the existing centre(s) and should be at a scale and location only to serve the target neighbourhood/area.
- f. Future tourism development and growth in tourism should not occur at the expense of local environmental, economic and social values and efficient provision of engineering infrastructure. It should provide for a wide range of experience opportunities from the low cost family type tourism developments, such as in caravan parks and camping grounds, to large single destination development. It should aim to maintain public access.

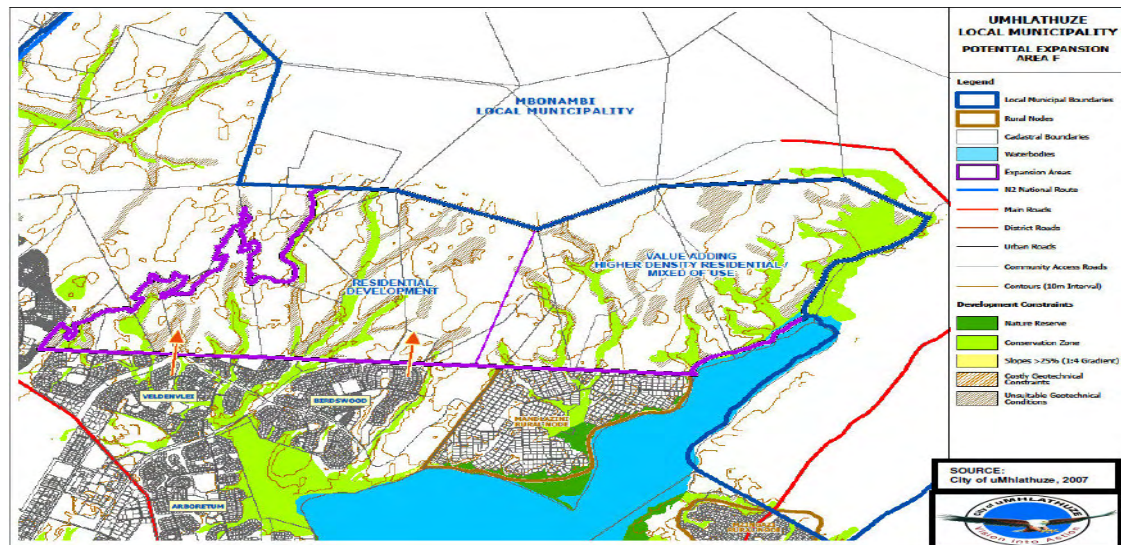
- g. Development of community infrastructure should be supported, subject to the development complying with accepted allocation guidelines (Red Book), the development not having a negative effect on the efficient provision of engineering infrastructure and the outcomes of an environmental impact assessment (if applicable).

Potential Expansion Area F	
Identification Criteria	<ul style="list-style-type: none"> ○ Areas with limited environmental conservation and environmental linkages zones. ○ Areas with minimal geotechnical constraints. ○ Slopes less than 25%. ○ Area is natural extension of Richards Bay in a north easterly direction. ○ Are development pressures for expansion from Birdswood, Mandlazini and Veld-en-Vlei. ○ Area beneath ridge area where expansion is constraint. ○ Area can be serviced with water and sanitation services.
Area Characteristics	<ul style="list-style-type: none"> ○ Total area: 2344.18Ha ○ Developable Area: 1580.77Ha ○ Area with minor constraints: 1580.77Ha
Potential Development Constraints	<ul style="list-style-type: none"> ○ Land is in state ownership but long terms leases have been entered into to use the land for commercial agricultural purposes. ○ Area located in zone that may potentially be threatened by odours and health risks associated with air quality problems. ○ No major access routes to area. Access to area from residential roads.
Area Potential	<ul style="list-style-type: none"> ○ Area has potential for residential expansion from Birdswood, Veld-en-vlei as well as Mandlazini. ○ Appropriate levels of community and commercial facilities will have to be provided. ○ Eastern portion of the area could accommodate value adding and a higher density residential development. ○ Proximity of area to RBM could contribute to the development of the area for not solely residential purposes as an economic hub already exists (although isolated) in the area. ○ Area could gain access (although poorly developed and maintained) via the Mbonambi Local Municipality to the N2. <p>In the context of the map attached at overleaf, the following calculations have been made:</p>

POTENTIAL USE	TOTAL AREA WITH NO RESTRICTIONS (Ha)	TOTAL AREA WITH MINOR CONSTRAINTS (Ha)	DEVELOPABLE AREA (Ha)	TOTAL AREA (Ha)
VALUE ADDING RESIDENTIAL	0.00	812.39 768.38	812.39 768.38	1237.77 1106.41
TOTAL	0.00	1580.77	1580.77	2344.18

Source: uMhlathuze SDF, 2010

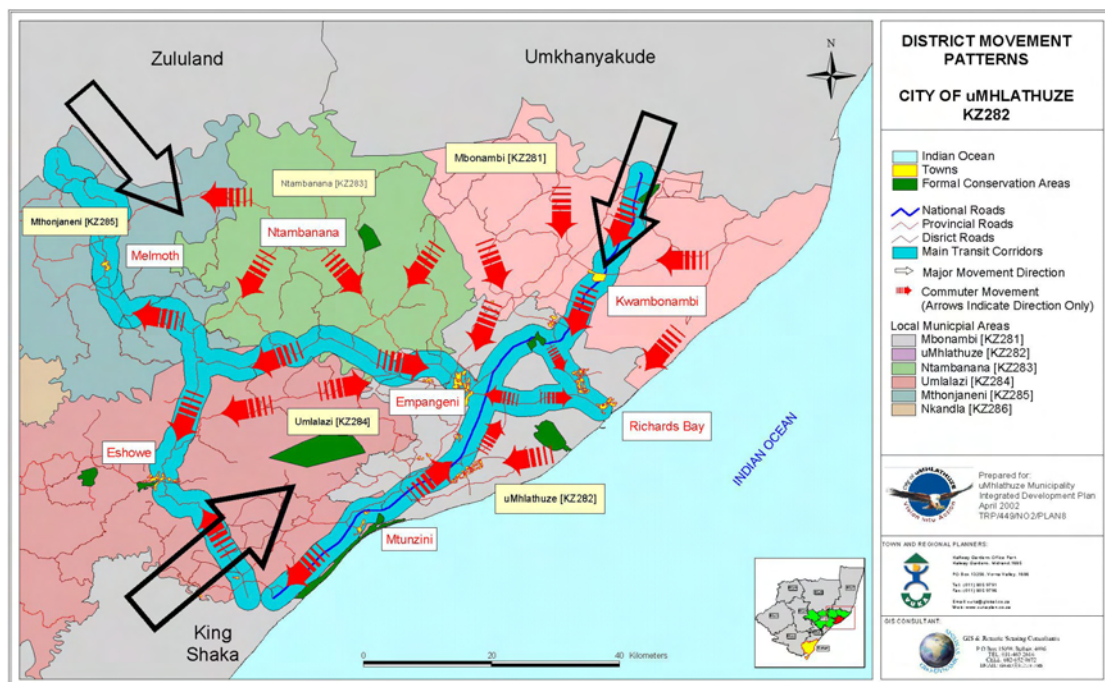
Figure 26- Detail relating to potential expansion area “f”



3.8 Intersection Nodes and Corridors

During 2002, the following District Movement patterns were identified, which are based on movement along the N2, the R34 and the MR231 roads.

Figure 27: District movement corridors



In terms of Public Transport Corridors, the uThungulu District Municipality during 2005 and in terms of their Integrated Transport Plan identified the same Primary Transport Links, focused on the N2, R34 and MR231.

It is therefore offered that these roads remain the main movement corridors within the uMhlathuze area, and as such present opportunities for development.

Intersection nodes along the N2 were therefore identified:

1. N2 and off-ramp to Esikhaleni/Vulindlela – This intersection forms an important gateway to Potential Expansion Area A.
2. N2 and R34 John Ross Highway – The John Ross Interchange Park development has already been considered and approved via the Development Facilitation Act route. Additional opportunities west of the intersection may be explored, but access to this area remain a concern and would therefore have to be addressed in detail.
3. N2 and the proposed future South Central Arterial (which would link up with P700) – the construction of this intersection would unlock opportunities in terms of Potential Expansion Areas C and D, and would also present opportunity for development of the area west of Lake Nsese. Such development in the vicinity of the Lake would have to be carefully planned and executed, since Lake Nsese is an important source of fresh water for the area. Development of this area may be in conflict with the conservation priority identified for this area.
4. N2 and the MR231 intersection at Nseleni – The Council has already considered a draft development proposal in this vicinity, which is subject to further refinement and consideration at an appropriate time.

The Objectives and Principles for Spatial Planning and Land Development under 3.3 lists a number of factors that must be taken into consideration in terms of nodal and corridor planning and development, the most important being:

- Future urban settlement should be located predominantly within the agreed growth areas and as far as possible, comply with planned phasing of the growth areas and be serviced by existing infrastructure networks.
- Future development should not contribute to ribbon/strip development nor impact on the safety and efficiency of the road system.
- Commercial land (including office space) should be located in accordance with recognised guidelines so that it can be conveniently serviced, is accessible to, and is consistent in
- scale with the settlement it serves or is planned to serve. If commercial land expansion is not adjacent to, or adjoining, an existing centre then any new development should not undermine the existing centre(s) and should be at a scale and location only to serve the target neighbourhood/area.

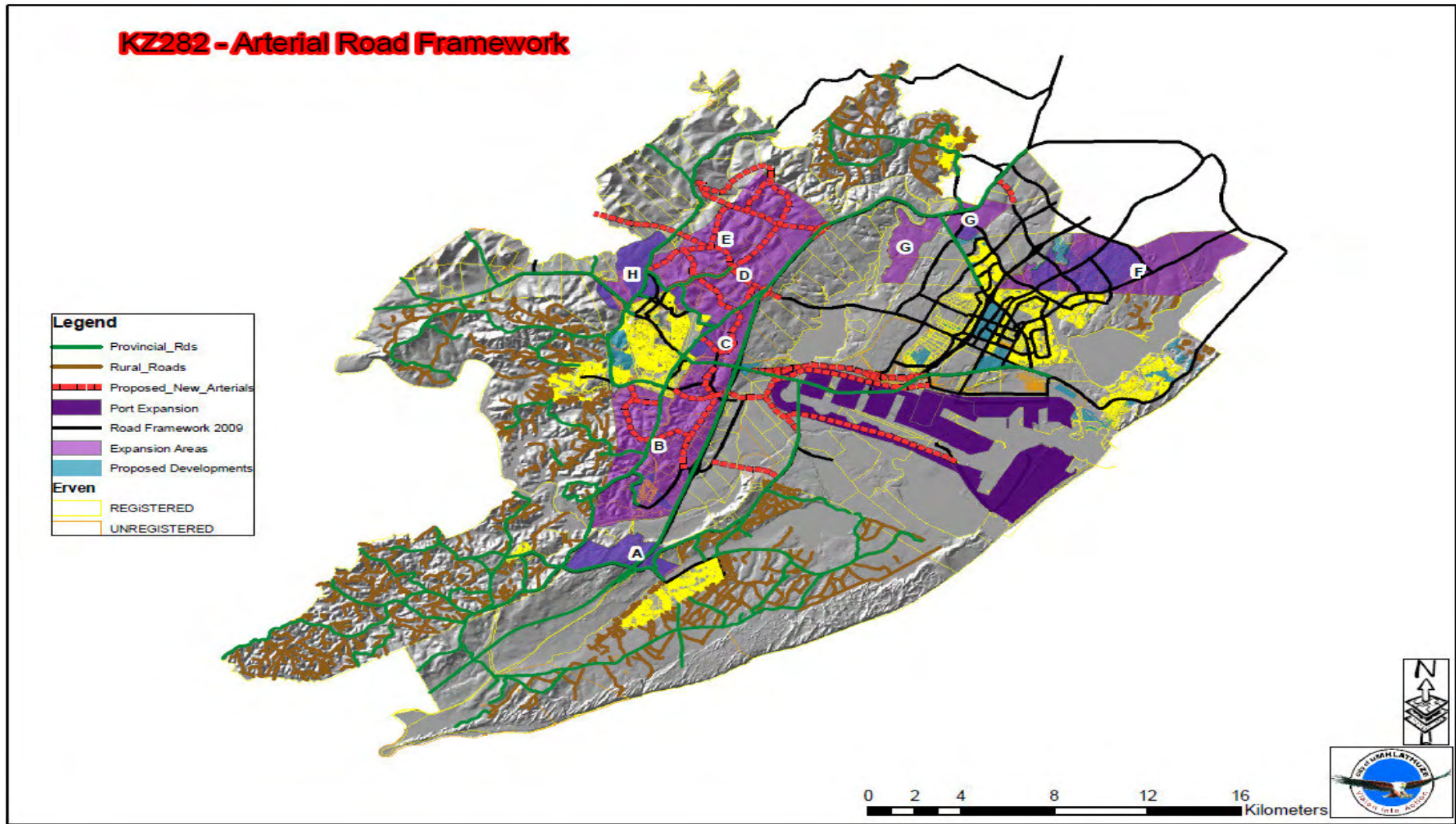
The following recommendations are made:

- Intersection nodes 1 to 4 (as depicted in Figure 27) be included in the 2010 SDF Review, and further detailed planning and phasing be developed to guide development proposals.

- **Opportunities relating to the Arterial Road and Rail Framework Plan**

In January 2009 uMhlathuze Municipality appointed Delca Systems to review the road framework plan to cover the whole of the municipal area and to support revised land use proposals in the Strategic Development. The outcome of the study was adopted by Council, and is depicted in Figure 28.

Figure 28: Arterial Road Framework Plan

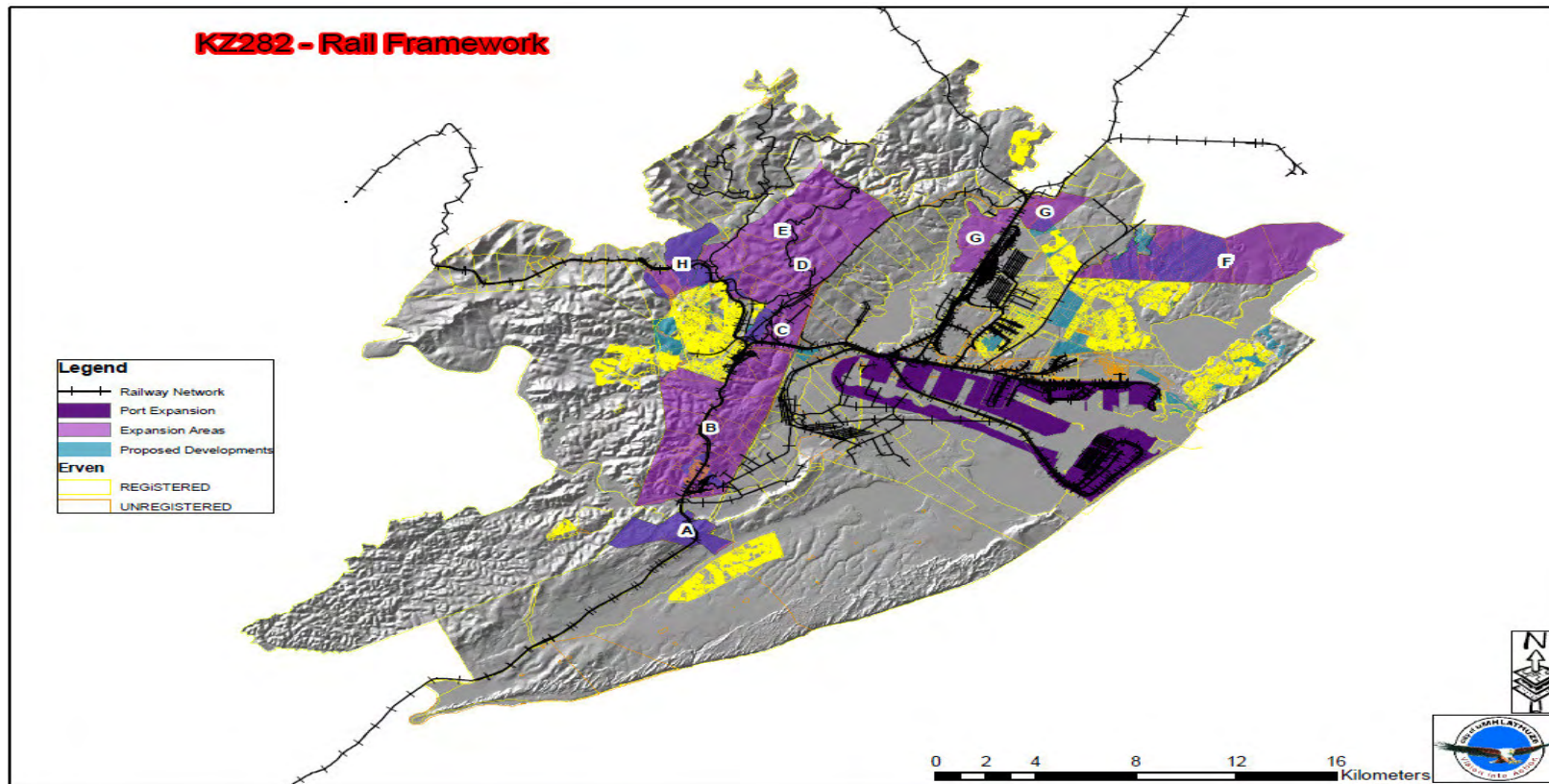


Rail framework planning dates back to the early 1980's when Robertson & Hitchins was appointed to undertake a Rail Framework Plan for Richards Bay, titled "Munisipaliteit van Richardsbaai: Hoofweg- en Spoorwegraamwerkplan : November 1984". This framework plan was revised during 1999.

Council adopted the revised Rail Framework Plan in accordance with Resolution 3183 of 29/02/2000. It is recommended that:

Additional rail requirements for the proposed expansion areas (Areas A, B, C, D and E) be investigated in future.

Figure 29 - UMhlatuze Rail Framework Plan



3.9 Opportunity for truck stop facilities

The City of uMhlathuhas analysed its Public Transport Amenities.

UWP Consulting was appointed during 2008 *inter alia* to:

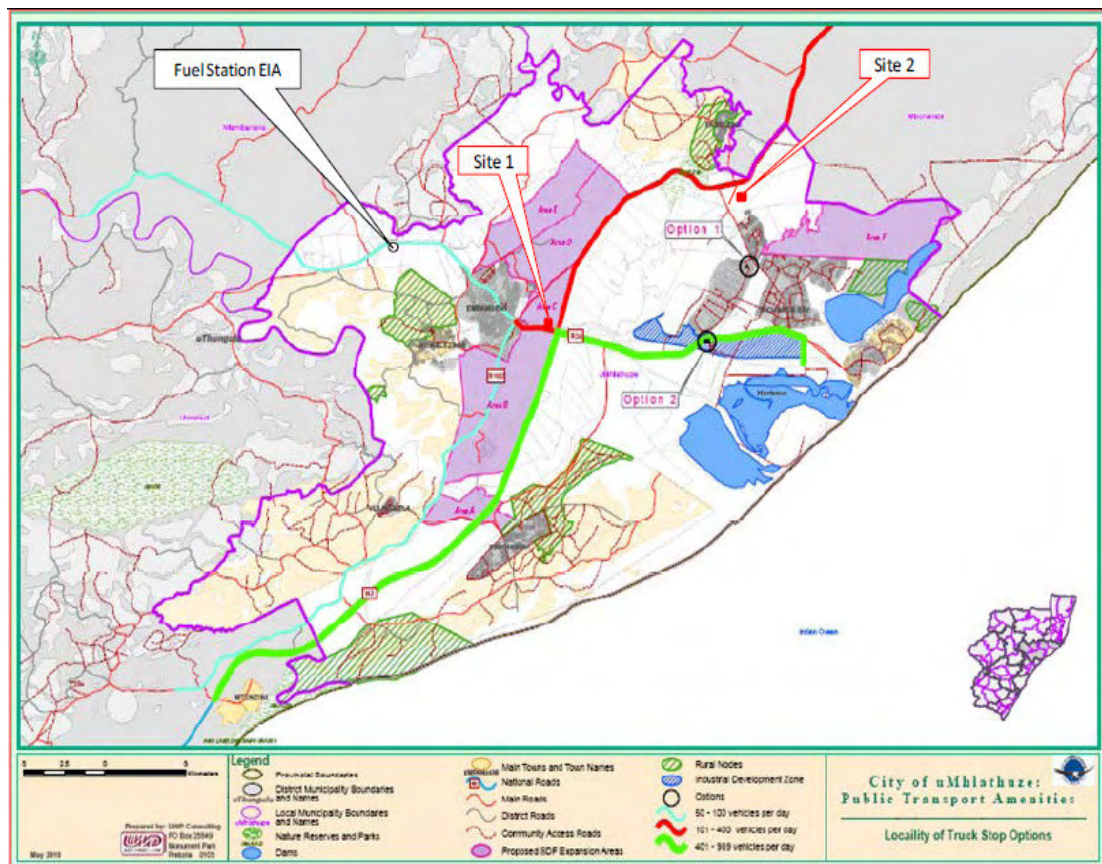
- Deliver a status quo analysis of public transport facilities in the City of uMhlathuze (bus/taxi stops, routes and ranks);
- Analyze the need for and possible location of a truck stop facility;
- Develop concept layouts for all bus/taxi ranks within the City.

The truck stop study identified the need for a truck stop site that would be able to accommodate approximately 150-200 trucks. The need could be provided for on one site in the Richards Bay area (approximately 5-10ha in size), or two sites that should accommodate approximately 90 trucks in Richards Bay and 60 trucks in Empangeni.

Proposed Site 1 (indicated below) refers to a possible site in close proximity to the John Ross/N2 interchange. Various issues will be experienced in formalizing a site in this vicinity, as access to the site and geotechnical constraints would be problematic.

Proposed Site 2 is located in the vicinity of the N2/MR231 interchange.

Figure 30 - Proposed truck stop sites



It is therefore recommended that the uMhlathuze SDF indicates an opportunity for a possible truck stop at Site 1 and/or Site 2 indicated above, but that it be noted that the study did not have access to complete information. It is therefore further recommended that the relevant stakeholders be engaged with the aim of commissioning a freight strategy in future, which would further inform planning decisions.

SECTION 4: SECTOR INVOLVEMENT

4.1 Introduction

This section addresses outlines key issues to be addressed by government sector departments, the expected outcomes to their planned programmes.

The uThungulu District Municipality invites all local municipalities of the district to engage with service providers (government departments) by way of one-on-one alignment sessions. The following provides details of the sessions that took place October/November 2010 with such service providers.

The following departments attended the sessions:

- Department of Education
- Department of Land Affairs
- Department of Agriculture, Environmental Affairs and Rural
- Development
- Department of Social Development
- Department of Health

The Department of Housing was not able to attend the above meeting and information was obtained from them on another occasion.

4.2 Department of Local Government and Traditional Affairs

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

Table 30: Funding transfers from sector departments to uMhlathuze

	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
RSC Levy, Casino taxes and 2010 Soccer Stadia	0	0	0	0	0
Environmental Health	0	206	222	238	251
Provincial Management Assistance Programme	0	0	0	0	0
Infrastructure Provision for Soccer Stadia	0	0	0	0	0
Spatial Development	0	0	0	0	0

	Audited 2007/08	Estimates 2008/09	Medium-term estimates		
			2009/10	2010/11	2011/12
Development Administration	0	0	0	0	0
Municipal Development Information Services	0	0	0	0	0
Centre Management Support	0	0	0	0	0
Local Economic Development Catalyst	0	0	0	0	0
Synergistic Partnerships	0	0	350	400	0
Corridor Development	0	0	1m	0	0
Strategic Support	0	0	0	0	0
Disaster Management	0	0	0	0	0
Discontinuation of Old Grants	0	0	0	0	0

4.3 Department of Agriculture, Environment and Rural Development

The environmental components of the Department of Agriculture, Environment and Rural Development provided the meeting with a very useful explanation of their various sections/divisions. Important aspects that were discussed are as follows:

- Environmental Planning and Information Management
- Environmental Impact Assessments
- Compliance Monitoring and Enforcements
- Pollution and Waste Management

The following information was obtained from the **agricultural component** of the Department of Agriculture, Environment and Rural Development:

Information was provided by the Department for the following project types:

Table 31: Agricultural Projects

Municipality	Project Name	Project Type	Project Budget
uMhlathuze	Vukuzitihathe	Infrastructure	500 000.00
uMhlathuze	Iniwe Widows Vegetable production	Infrastructure	800 000.00
uMhlathuze	Zamokuhle vegetable garden	Infrastructure	100 000.00

uMhlathuze	Sivukile Vegetable production	Infrastructure	500 000.00
uMhlathuze	Amantungwa Tunnels	Infrastructure	500 000.000
uMhlathuze	Kangaroo Poultry	Infrastructure	300 000.00
uMhlathuze	Gwabeni goat production	Infrastructure	300 000.00
uMhlathuze	Ukukhanya Poultry	uMhlathuze	3000.00

4.5 The Flagship Program/ Operation Sukuma Sakhe

- Champions at ward level are 30 ward councillors
- Administrative Champion is the Municipal Manager assisted by the steering committee consisting of representatives from different departments within the Municipality.
- Wards have been combined to 9 (nine) clusters for the purpose of smooth running of the programme, both Managers and Senior Managers are attached to the nine clusters.
- Clusters were developed according to the level of deprivation level.
- There are three categories of wards:
 - MOST DEPRIVED (15)
 - MEDIUM DEPRIVED (8)
 - LEAST DEPRIVED (7)
- For the Most Deprived there are 2 war rooms that have been •For the rest of the
- Ward Champion, Ward Committee Members and Izinduna are responsible for the recruitment of the cadres.
- Currently the steering committee members do visit wards for the briefing on the recruitment management
- Due to the vastness of our area we have trained the trainer where 30 master trainers have been trained to train the Cadres.
- Training took place on the 22nd to the 24th November 2010
- 35 Cadres were Recruited and trained
- Profiling was done by the Provincial Senior Managers deployed and the District Flagship Task Team.
- Launching of War Room (Nhlangenyuke Hall)
- 36 households were profiled on that week

- Cabinet of KZN approved celebration of Adult Learner Week
- Three programmes: ABET, ECD and Masifundisane
- 4 households were profiled and visited for intervention purposes.
- 71 certificates were handed over by DOE & The Mayor
- 25 Spectacles were handed over as short term intervention on those students

Programmes Launched

One Home One Garden 19 Nov 2010 (Ward 6)

- Partnership with RBCT and Agriculture on the organic Farming Project
- 65 Households were identified for Organic Farming training at Owen Sithole Agricultural College
- RBCT donated equipment and seedling for the 65 Households
- Launched by MEC Mrs Lydia Johnson
- The programme will also reward children treepreneurs
- More Children participation in greening through planting indigenous trees and increased number being awarded with fruit trees for sustainability.
- Children becoming the agents of changing their environment fighting soil erosion, pollution, saving energy, fighting destruction of environment, more children becoming ambassadors of spreading the message of REUSE, REDUCE and RECYCLE.

Situational Analysis- baseline Survey

- Community Driven Initiatives
- Home based intervention
- Capacity Building- peer education, life skills and parenting skills
- Counselling and testing-avail youth friendly centres and awareness campaigns
- Strengthen the coordinating Task Team that focus on prevention, education, awareness and openness programme

Big Brother Programme – Activity Targeting Men

- Circumcision / World AIDS Day Intervention
- 24 November 2010 14 and 36 at Richards Bay and Empangeni Clinics respectively.

Achievements

- Managed to institutionalise the flagship Programme (IDP and Budget Purpose)
- Managed to create our own pool of trainers which fast track the roll out of Cadres training
- Managed to bring on board Senior Management

Challenges

- Vastness of the area (30 Wards).
- Non-availability of the dedicated person at a coordinating level.
- Lack of mainstreaming of resources for Flagship programme

4.6 ESKOM

Table 32: ESKOM 3-Year Plan

DM_CODE Local Munic	LM_CODE	Project Name	Year	Ward No	Total Conns
DC28 uMhlathuze Municipality	KZ282	Enhlazeni Nsele Stage	08_09	26	202
		Empembeni	09_10	6	98
		Nkosazana	09_10	25	101

4.7 Department of Housing

The following details on current housing projects were provided:

Table 33: Housing Programmes

	Type Of Housing Development	Units
Umhlathuze Village Housing (Private Development)	Urban	1191
Aquadene Housing Project	Informal Upgrade	1000
Dube Housing and Slums Clearance	Rural	1000

4.8 Department of Education

An extensive project list was provided by the Department of Education for their 2009/2011 MTEF. Information was provided on the state of schools in the district in respect of the following:

- Electricity
- Mobiles
- Fencing
- Toilets
- Water and Sanitation

- New Schools
- Curriculum upgrades
- Upgrades and additions

The above details were distributed to all the local municipalities as well as those service providers who attended alignment sessions.

Education Facilities to be constructed for the uMhlathuze Municipal area.

Table 34: Proposed school developments

DEVELOPMENT PHASE	NEW SCHOOLS
On Site	Birdswood Secondary
On Site	Empangeni Rail Secondary
Planning Stage	Ehawini High
Planning Stage	Meerensee Sec
Planning Stage	Nzwakele PS
Planning Stage	Mhlathuze Village Sec
To be relocated	Dukaneni PS

4.9 Department of Social Development

Details available and obtained from the Department of Social Development (at municipal ward level) include:

- Local Municipality
- Ward name/number and councillor details
- Responsible Official and contact number
- Volunteer details
- Current Service Infrastructure
- Planned Services
- Beneficiary details

The above details were distributed to all the local municipalities as well as those service providers who attended alignment sessions.

4.10 Department of Health

The department's main objectives are as follows:

- Identify and motivate for accessible equitable and efficient Primary Health Care(PHC) facilities.
- Upgrade existing health facilities to meet the required standard.
- Consider mobile service where fixed clinics are not warranted and the nearest health facility is of a distance of more than 10km
- Process applications for new health facilities and provide feedback to relevant stakeholders.

Within the District we have the following number of health services provision:

- Regional Hospitals-2
- District Hospitals-6
- CHC-1
- Provincial PHC facilities-54
- Local Government clinics-5
- Health Post-4

In the uMhlathuze area the following can be found:

- Regional Hospitals-2
- Provincial clinics-9
- Health post-1
- Mobile Teams-4
- Mobile Points-64

Available clinics within the City

- Mkhontokayise Clinic which started to operate in May 2010. It was donated by RBM
- Khandisa, Thokozani Phaphamani and Ntuze clinics are in progress with repairs and renovations.

The department of health has proposed two new clinics in the uMhlathuze municipal area within the following areas:

- Mevamlhlophe
- Ngwelezane Gateway

4.8 THE PRIVATE SECTOR

Private sector projects

Table 34: Private Sector Projects

Project Name	Richards Bay Waterfront Development
App. Number of erven/units	Undetermined at this stage.
Project history	Study area – Bay area of Richards Bay.
	History - PV&E consultants were appointed to undertake the project in phases.
	Phase 1 - Concept Design was finalised and approved by Council in accordance with CR 6155 of 7 July 2009.
	Phase 2 – Specialist studies (Geotechnical Assessment, Traffic Assessment and urban economics) and further Town Planning and design was completed during the fourth quarter of 2009/2010.
	Phase 3 – Social Impact Assessment / Participation Planning Exercise (to be completed during 2010/2011)
	Phase 4 – Environmental Impact Assessment to be completed once the outcomes of the Social Impact

	Assessment are known.
	Phase 5 – Township Establishment and Marketing.
Current status	Draft tender specifications were developed and advertised for quotations. Quotations received exceeded R200 000, and could therefore not be awarded in line with Council's Supply Chain Management Policy.

Project Name	Richards Bay CBD South Extension
App. Number of erven/units	App. 75 Commercial Sites.
Project history	Study area – Between Guldengracht, Bullion Boulevard, John Ross Parkway and the new extension of East Central Arterial.
	History – Vuka Planning Africa were appointed in 2008 to finalise the Environmental Impact Assessment and Township Establishment processes to enable commercial development.
	Tender No. 8/2/1/393
	Vote No 245/616/02
Current status	A draft layout for the area was developed, taking into account the environmental limitations, and a "Background Information Document" was advertised for comment. KZN Wildlife submitted negative comments relating to the proposed layout and EIA process, and the environmental

	<p>consultants subsequently recommended a different approach in EIA, which had financial implications. The project came to a halt as a result.</p> <p>On 22 January 2010, officials met with the consultants to determine a way forward with the Environmental Impact Assessment process. The consultants submitted a motivation for deviation, and a deviation application was submitted to the CFO, which was subsequently approved on 23 June 2010.</p> <p>Environmental Consultants have initiated the Background Information Document for comment. A second draft layout has been developed, which would further be refined through the planning process.</p>
Challenges	The area is environmentally sensitive, which will complicate the EIA process and limit the number of erven that can be developed.
Way Forward	Finalise the EIA process and draft engineering layouts in order to further inform the draft layout and engineering designs. Costing for the provision of engineering services may render the project unfeasible at this stage..
Exp. End Date	EIA to be finalised by June 2011.

Project Name	Public Transport Amenities Study
Project history	Study area – KZ282

	History – UWP was appointed in 2008 to undertake a study relating to Public Transport Amenities in terms of their adequacy, space allocations, public transport movements and layout of the public transport ranks. Consultants were also to identify and recommend suitable areas for truck stops to alleviate the current problem of trucks not having clearly defined parking areas.
	Tender No. 8/2/1/253
	Vote No. 013/040/04
Current status	The status quo report was presented to the Planning and Environmental Affairs and Civil Engineering Portfolio Committees on 7 April 2010 in accordance with CR 6570 of 2 March 2010. The Seventh and Eighth Steering Committee Meeting took place during May 2010. Final draft documents were received.
Challenges	<p>The only identified and zoned “truck stop” site is in the process of being transferred to the IDZ Company. This was addressed in terms of Item 560 of 17 March 2010.</p> <p>Costing indications are high, and it is expected that affordability would be a restricting factor.</p>
Way Forward	<p>Three reports have been finalised for consideration by Council:</p> <p>Long term development of Empangeni A-Rank (including consideration of issues affecting Lot 63 and A-Rank overflow)</p> <p>Long term development of Richards Bay Taxi City</p>

	<p>Legal Framework for Public Transport</p> <p>The following reports will be submitted to Council in 2011:</p> <p>Outcomes of the truck stop investigation</p> <p>Outcomes of the bus / taxi stop assessment</p> <p>Long term development of various taxi/bus facilities in uMhlathuze</p>
Exp. End Date	Council adopted the project products by December 2010.

Project Name	Central Industrial Area (CIA)
App. Number of erven/units	App. 429 light industrial erven, including supporting uses.
Project history	Study area – Area between Dollar Drive and Ceramic Curve.
	<p>History – An environmental approval was secured in 2001 for the layout of the CIA area. The Township Establishment process continued, but was held up at a Provincial level for a period of app. 4 years. As a result, the environmental approval lapsed. (It should, however, be noted that an EIA would have had to be undertaken for the installation of services in any event.)</p> <p>The aim of this project is therefore to obtain environmental approval for the proposed layout and servicing of the CIA area.</p> <p>The Scoping Report was advertised for comment during January 2010. Period for comment closed, and the scoping</p>

	<p>report and Plan of Study for EIA was submitted to the Department of Agriculture and Environmental Affairs for approval.</p> <p>The Department approved the draft scoping report on 27 May 2010. Draft specialist studies were submitted for review during June 2010 and the draft Environmental Impact Assessment Report was submitted for review during July 2010. Comments were provided to the consultants, and the EIA Report was released for public comment on 30 August 2010. Period for comment closed on 8 October 2010.</p>
Current status	The Draft EIA comment period lapsed on 8 October, and the consultants are currently in the process of finalising the EIA Report for submission to the Department of Agriculture, Environmental Affairs and Rural Development.
Challenges	The presence of wetlands may necessitate a re-layout of the area as part of the EIA process.
Way Forward	Await completion of the EIA process, and continue with the Township Establishment process.

Project Name	Meerensee 5 / Mzingazi Village
App. Number of erven/units	App. 1000 special residential erven and ancillary uses.
Project history	Study Area – Meerensee 5.
	<p>History - A draft layout for the proposed Meerensee 5 development is available, but has been held up as a result of Land Claim issues.</p> <p>Mr Mnyah Dlamini and Mr Walter Silaule presented the</p>

	<p>restitution program in uMhlathuze Municipality to the Executive Committee on 17 February 2009 in accordance with CR 5891.</p> <p>Even though the Land Claim has been settled, The Land Claims Commissioner indicated the need for Council to suspend this project until further issues were resolved. Despite numerous letters to the Land Claims Commissioner, this issue is still unresolved.</p> <p>In the meantime, Council obtained funding to assist in the finalisation of township establishment for Meerensee 5 and Mzingazi Village.</p> <p>Project planning has therefore commenced, although Council is first awaiting the transfer of funding from the Department of Cooperative Governance and Traditional Affairs.</p>
Current status	Awaiting grant funding from the Department of Cooperative Governance and Traditional Affairs. Project planning has commenced.
Way Forward	Finalise updated aerial photography of the relevant area to assist in planning.
Exp. End Date	To be determined

Project Name	Revise the 2007 Spatial Development Framework
Project history	<p>History – Council approved its Spatial Development Framework in accordance with 4480 of 26 March 2007 and 5229 of 6 May 2008. Council also considered changes to the SDF in accordance with CR 5837 of 3 March 2009.</p> <p>The SDF should be reviewed as part of the 2011/2010 IDP Review process to include various factors.</p>
Current status	<p>Draft Reviewed SDF Status Quo document available</p> <p>Draft 2010 SDF being drafted</p>

Challenges	None at this stage
Way Forward	Establish a Steering Committee to consider the changes proposed.
Exp. End Date	June 2011

Project Name	The Ridge (Part of the 7 development opportunities project)
App. Number of erven/units	Not known at this stage.
Project history	Study area – “The Ridge”, Richards Bay.
	<p>History – During 2007, a tender was advertised for the development of “The Ridge”. The tender was allocated in accordance with CR 5048 of 12 February 2008, but complicated by three issues:</p> <p>The court case between Council and Mr Harvey;</p> <p>The fact that the house situated on Erf 31 is older than 60 years, and therefore protected from a cultural heritage point of view; and</p> <p>The economic downturn.</p> <p>The successful tenderer has indicated that he is no longer interested in development, and the tender allocation is therefore nul-and-void.</p> <p>A report was submitted to Council to find a way forward with the tender for “The Ridge” (CR 6569 of 2 March 2010).</p>

	Tender 8/2/1/244
Current status	<p>Consultants finalised the Heritage Assessment for Erf 31, and Council in terms of CR 6793 of 6 July 2010 considered the report.</p> <p>Council agreed to determine a “vision” for The Ridge in order to inform the Township Establishment process. Draft tender specifications were drafted, and are being advertised for quotations.</p>
Way Forward	<p>Finalise the “vision” for the Ridge and submit to Council for approval</p> <p>Initiate township establishment</p> <p>Alienate created erven</p>
Exp. End Date	Vision to be completed by December 2010.

Project Name	Meerensee Retirement Village (Part of the 7 development opportunities project)
App. Number of erven/units	To be determined.
Project history	Study Area – As per CR 6569 of 6 April 2010.
	History - Tender 8/2/1/243 was allocated to Indlovu Partnership in November 2007 at a price of R24,4 million. On 12 June 2009, the tenderer informed Council that he is no longer in a position to continue with the development.
	Tender no 8/2/1/243

Current status	The way forward with this project was considered in accordance with CR 6569 of 6 April 2010. A report has been drafted for Council to consider initiating township establishment procedures.
Challenges	None at this stage
Way Forward	Closure of public streets and public places; PDA process for Township Establishment Marketing and Alienation
Exp. End Date	The PDA process is expected to be finalised by July 2011

Project Name	School site in Mzigazi Village	Reference No
Project history	Study Area – Proposed educational site in Meerensee 5.	
	History – A letter was received in March 2010 from the Department of Education, requesting a school site in Mzingazi Village.	
Current status	The City Development Department identified a site, which will be donated to the Department in accordance with CR 6819 of 20 July 2010.	RPT 148201 DMS 663157
Challenges	None	
Way Forward	Finalised	
Exp. End Date	Finalised from a planning point of view.	

Project Name	Coastal Dune Nodes
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App. Number of erven/units	App. 300 medium density sites
Project history	<p>An EIA process was completed during 2001 in order to rezone the nodes from “Undetermined” to “Civic 2” and “Special Residential 3” in accordance with Sections 21, 22 and 26 of the Environment Conservation Act, 1989.</p> <p>Draft engineering designs were subsequently completed, and an application for exemption from complying with the EIA legislation was lodged in accordance with EIA/5637. The township establishment process was initiated during 2004, and during 2005 it was determined that an EIA would not be necessary for the installation of services (DMS354223).</p> <p>During 2006, Council considered the impact of coastal erosion on the northern beaches of Richards Bay, and subsequently adopted the “Scenario 2” setback line for planning purposes. Also during 2006, new EIA Regulations were promulgated. Under the new EIA Regulations, a basic assessment was necessary for “the subdivision of portions of land 9 hectares or larger into portions of 5 hectares or less.”</p>

	<p>As a result of the impact of the setback lines and new EIA Regulations, it was decided during 2008 to cancel the application for township establishment.</p> <p>In August 2010, new EIA Regulations were promulgated, and subdivision processes no longer form part of the regulations.</p>
Current status	A report has been submitted to Council to determine a way forward with the township establishment procedures.
Challenges	None at this stage
Way Forward	After approval of the way forward, the City Development Department could commence with amending the SG Diagrams and subdivision of the various residential nodes.
Exp. End Date	PDA application finalised by June 2011

Project Name	Erf B1030, Ngwelezane
Project history	Study Area – Erf B1030, Ngwelezane.
	History – Various State owned properties, including Erf B1030 Ngwelezane, were erroneously transferred to Council. These properties are being transferred back to the various Departments. Erf B1030 Ngwelezane has however, been

	occupied to such an extent that it would be more effective to formalise a township layout on this site.
Current status	A report served before Council on 24/08/2010 to determine a way forward (CR6876).
Challenges	Funding for the Township Establishment processes.
Way Forward	The City Development Department will commence surveying dwellings, upon which a draft subdivision layout could be developed for consideration by the community.
Exp. End Date	2010/2011, depending on budget provision.

Environmental planning projects

Project Name	Environmental Services Management Plan (ESMP) and Promulgation of Nature Reserves	Reference No
Project history	Study Area – KZ282	
	History – The former Richards Bay TLC adopted a Municipal Open Space System (Richards Bay MOSS Plan). After the amalgamation of the Empangeni and Richards Bay TLC's, the MOSS Plan needed to be extended to cover the entire KZ282 area, and also identify biodiversity assets that should be conserved. Council adopted the Environmental Services Management Policy in accordance with CR 2969	DMS 311644 RPT 136891 DMS 352536

	<p>of 3 May 2005.</p> <p>At this stage, the conflict with eKZN Wildlife reached a climax during the IDZ, Tata Steel and Pulp United planning processes, and Council considered various items regarding removal of grasslands, biodiversity in general and the establishment of nature reserves in order to reach agreement with eKZNW. In 2008, a MoU was signed between Council and eKZNW, inter alia agreeing to the establishment of nature reserves.</p> <p>A consultant, namely Sustainable Development Projects, was appointed early in 2006 in order to assist Council in the preparation of zonation plans, legal documentation and a public participation exercise in order to launch the proclamation process for Lake Nseke and the Mhlathuze Estuary. An application process was followed, but frustrated by various stakeholders (see DMS 501584 dated March 2008). In accordance with CR 5556 of 7 October 2008, the establishment of nature reserves were put on hold pending the outcome of the Port Due Diligence process.</p> <p>The draft ESMP was completed in December 2007, and a fourth draft version of a Heads of</p>	<p>DMS 419952</p> <p>DMS 407085 DMS 412756 RPT 144105</p> <p>DMS 466633 DMS 515183</p>
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	<p>Agreement for the implementation of the ESMP was distributed to eKZN Wildlife, DWAF and DAEA for signature. The agreement between the parties was not concluded.</p> <p>Council did not adopt the ESMP due to three other initiatives that influenced and “overtook” the project – the establishment of Nature Reserves, the Port Due Diligence Study and the EMF project.</p>	
Current status	The Port Due Diligence Study has been finalised. Awaiting the outcome of the EMF.	
Way Forward	<p>Once the outcomes of the Port Due Diligence Study are known, the boundaries of the Mhlathuze Estuary Nature Reserve as well as the link between the estuary and Lake Nsese could be finalised. Negotiations between the relevant stakeholders described in DMS 501584 could then continue.</p> <p>The ESMP would then have to be updated to accommodate the nature reserve boundaries and outcomes of the EMF process.</p>	RPT 139317
Exp. End Date	To be determined.	

Peermont Hotels Casino Resorts

Officially launched the rebranded and renamed Umfolozi Hotel Casino Convention Resort at the end of January after completing a R115-million makeover of the original Tusk Umfolozi..accommodating more conferences and events, which will not only bring spin-offs to Peermont but also to the citizens of our City. In 2010, some of the requests to accommodate many people for meetings and conferences were declined because there was no such facility. The conference centre is an answer to such challenges. As the people of uMhlathuze. The new 3-star Peermont Metcourt Hotel features 44 comfortable select serviced rooms; 20 classic king rooms, 12 superior twin rooms, 7 superior king rooms, three suites and a special assistance room.

The state-of-the-art conference centre has facilities for 200 people and a multi-purpose arena able to accommodate up to 450 delegates, with two breakaway rooms available. In addition the Khikizela Action Park is a unique corporate event facility

Industrial Development Zone

Council is to amend the Conditions of Sale regarding the land for the Richards Bay Industrial Development Zone (RBIDZ) so that only two of the six identified sites are transferred to the RBIDZ. These sites the largest portions that have the least environmental constraints and can easily be fenced for import/export control purposes. According to Council's recommendation, the two portions of land that are to be transferred to the RBIDZ are Phase 1A Portions 55 and 56 of Erf 5333 and Phase 1F. Phase 1A is 95ha in extent and is situated adjacent to the harbour boundary and harbour northern entrance gate – an ideal location for the type of export-related industries that the RBIDZ would like to attract. Although 33ha of the area has environmental constraints, the balance of 62ha is still a sizeable portion that can be developed for light or service type industries.

Phase 1F is 121ha and is also favourable located next to the existing general industrial developments in Alton North. While 54ha may be affected by environmental issues, a sizeable 76ha would still be available for development. Ex mayor Zakhele Mnqayi commented that although Council needs the money from the sale of all the proposed portions of land for the IDZ, it also needs the RBIDZ to work, which it can only do if it has available land. Council reconsidered the sale agreement as the RBIDZ does not have the funds necessary to install infrastructure or provide the required financial guarantees, which has been an obstacle in finalising the land transfer. Amending the sale agreement will reduce the amount that is required to be guaranteed by the RBIDZ from R334 million to R86 million for Phase 1A and the guarantee for Phase 1F can be provided when the land is ready to be transferred.

Phase 1F is to be transferred at a later stage once the relevant township establishment procedures have been finalised.

The township establishment procedures for Phase 1F are to be fast-tracked in order to finalise the land sale agreement as soon as possible and the shareholding component of the sale agreement is to be finalized simultaneously with this transfer. The original deed of sale for the six portions was concluded in September 2007. It was valued at R252 million and consisted of a payment to Council by the RBIDZ of R151,2 million on transfer of the land. Council would also receive a 40% shareholding in the company to the value of R100,8 million.

The portions of land that were originally reflected in the IDZ Sale Agreement and that will remain in Council's ownership will be prioritised for alienation and development. They are as follows:

However, Council supports the proposed acquisition of Phase 1E by the RBIDZ subject to the company obtaining the required environmental approvals from KZN Wildlife and the Department of Agriculture and Environmental Affairs.

A business plan is to be submitted by the RBIDZC indicating how it will deal with Phase 1A and Phase 1F as well as future expansion plans beyond Phase 1F. Likewise a further report is to serve before Council advising on the business and legal risks as well as potential benefits relating to Council's shareholding in the RBIDZ. Meanwhile the first transfers that can be finalised are in respect of the Sale Agreements concluded between Council and Pulp United, Richards Bay Coal Distributors, Grinrod and Navitrade. These transfers can be finalised independently from the transfer of portions to the RBIDZ as separate agreements of sale.

SECTION 5: PROJECTS

5.1 CAPITAL PROJECTS

The projects identified for the uMhlathuze Municipality have emerged from the priority needs identified by the communities, the status quo of the area, the agreed vision, strategies and objectives for the future development.

The strategic programmes are derived from the following:

- Legislation (notably the Municipal Structures, Municipal Systems and Demarcation Acts) and policy that outlines the functions of local government, with specific reference to that of the District Council;
- The needs and key issues identified in the district through previous planning reports and research, through the public participation (Representative Forums) processes and the meetings and discussions with the Portfolio Committees and the Management Committees; and
- The key issues and developmental outcomes of the municipality.

The uMhlathuze Municipality ' priority projects have been derived from legislative requirements and include IDP requirements, as well as, projects that have resulted from needs and issues identified during the Integrated Planning Process. The projects as approved by Council have been considered and, were prioritised in alignment with the 2011/2012 capital budget. Funding for priority projects comprises capital and grant funding. The 2011/2012-priority/major capital projects are as follows:

The following is a summary list of projects of the municipality, and the projects already identified by the municipality for implementation over the next 5 years.

Project Description	2011/2012 TABLED BUDGET	ROLL-OVER/ ADDITIONAL PROJECT	2011/2012 ADOPTED BUDGET
	R'000	R'000	R'000
<u>Water Supply Services</u>			
Rural Areas (MIG Funding & Council Counter funding)	17 232	0	17 232
Water Meters / connections in rural areas	2 100	0	2 100
uThungulu/uMhlathuze Separation Nseleni Reservoir	1 050	0	1 050
All areas – General Water Network Improvements	8 700	0	8 700
Reservoirs – Structural Repairs	1 453	0	1 453
Reservoirs – Upgrade of Telemetry	750	0	750

Project Description	2011/2012 TABLED BUDGET	ROLL-OVER/ ADDITIONAL PROJECT	2011/2012 ADOPTED BUDGET
	R'000	R'000	R'000
<u>Water Supply Services (Contd.)</u>			
Consumer connections – Water Commercial/ Industrial (Public Funded)	1 500	0	1 500
Machinery & Equipment – Laboratory equipment	387	0	387
Bulk Water Master Plan	1 000	0	1 000
Water Loss intervention	2 500	0	2 500
Rural Household grant	0	4 000	4 000
uMhlathuze Village – Internal Services Phase 7	0	640	640
eSikhaleni Water treatment plant high lift pumpstation	0	1 525	1 525

Project Description	2011/2012 TABLED BUDGET	ROLL-OVER/ ADDITIONAL PROJECT	2011/2012 ADOPTED BUDGET
	R'000	R'000	R'000
<u>Streets and Storm water</u>			
eSikhaleni Mall Road Safety	1 900	0	1 900
Empangeni "A" Rank Access Roads	1 500	0	1 500
Rural Roads	8 000	0	8 000
Upgrading and widening main road through Empangeni	1 000	0	1 000
Physical Markers in Floodline areas	500	0	500
Traffic Calming	860	(860)	0
Civil Services - B 1030 Ngwelezane	6 000	0	6 000

Project Description	2011/2012 TABLED BUDGET	ROLL-OVER/ ADDITIONAL PROJECT	2011/2012 ADOPTED BUDGET
	R'000	R'000	R'000
<u>Electricity Supply Services</u>			
132 kV Supply to Cygnus Substation	1 072	0	1 072
uMhlathuze Village Reticulation Upgrade	1 400	0	1 400
Phoenix Supply to Alton North Phase 1	858	0	858
Alton North	1 500	0	1 500
Electricity System reinforcements	500	0	500
Mini-sub improvements	1 650	0	1 650
Consumer Connections (Public Funded)	6 000	0	6 000

Project Description	2011/2012 TABLED BUDGET	ROLL-OVER/ ADDITIONAL PROJECT	2011/2012 ADOPTED BUDGET
	R'000	R'000	R'000
<u>Electricity Supply Services (Contd.)</u>			
New connection from Eskom Felixton Substation (RBM Contribution)	6 000	0	6 000
Upgrade of Aquila substation	0	3 776	3 776
<u>Other Services</u>			
Central Sports Grounds – High Mast Lighting	1 000	0	1 000
eSikhaleni Hostels upgrade (Government Grant)	20 000	0	20 000
Transfer station eSikhaleni	1 200	0	1 200
Street lighting – All Areas	870	0	870

Project Description	2011/2012 TABLED BUDGET	ROLL-OVER/ ADDITIONAL PROJECT	2011/2012 ADOPTED BUDGET
	R'000	R'000	R'000
<u>Other Services (Contd.)</u>			
Street lighting – Main Road Empangeni intersections	1 451	0	1 451
Mandlazi Agri-Village Town Planning	132	528	792
Mzingazi Agri-Village Town Planning	783		73
Waterfront Development	0	212	212
CBD South (Urban Development Framework)	0	3 758	3 758
Planning – Various areas	1 358	0	1 358
Infrastructure & business of SMME's	0	611	611
Vehicle – 2 x 20m3 Rotopress	3 720	0	3 720

uMhlathuze 2011/2012 Service Delivery Budget Implementation Plan (SDBIP)

PROJECT NUMBER	VOTE	PROJECT NAME	DESCRIPTION	FINANCING	TYPE OF FUNDING	DEPT	WARD LOCATION	WARD BENEFITTING	IDP PROG	PLANNED START DATE	PLANNED COMPLETION DATE	DRAFT 2011/2012	DRAFT 2012/2013	DRAFT 2013/2014
PROJECTS UNDER THE RESPONSIBILITY OF THE SENIOR MANAGER: CITY DEVELOPMENT														
12/055	245 616 0	PLANNING	CENTRAL INDUSTRIAL AREA	EFF	INT	DPSD	1	ALL WARDS	3.2	Jul-11	Jun-12	758,200	-	-
12/056	245 616 01	PLANNING	MARINA DEVELOPMENT	EFF	INT	DPSD	ALL WARDS	ALL WARDS	3.2	Jul-11	Apr-12	600,000	-	-
12/057	245 616 05	PLANNING	MANDLAZINI AGRI-VILLAGE	EFF	INT	DPSD	ALL WARDS	ALL WARDS	3.2	Sep-11	Oct-11	132,000	-	-
12/058	245 616 06	PLANNING	MZINGAZI VILLAGE	EFF	INT	DPSD	ALL WARDS	ALL WARDS	3.2	Jul-11	Oct-11	763,400	-	-
12/026	228 832 0	LAND AND BUILDINGS	eSIKHALENI REFURBISH HOSTELS	GOV	EXT	DCFM	20,21	ALL WARDS	2.10	Jul-11	Jun-14	20,000,000	20,000,000	20,000,000
												22,253,600	20,000,000	20,000,000
PROJECTS UNDER THE RESPONSIBILITY OF THE SENIOR MANAGER: COMMUNITY SERVICES														
COMMUNITY SERVICES, HEALTH AND PUBLIC SAFETY														
12/002	205 632 02	LAND AND BUILDINGS	ESK FIRE STATION - PLAN & CONSTRUCT	EFF	INT	DCSH	19,20,21,22	ALL WARDS	1.3	Jul-12	Jun-13		1,934,000	-
12/006	219 632 32	LAND AND BUILDINGS	UPGRADE OF WASTE MANAGEMENT DEPOT AND OFFICES IN EMPANGENI	EFF	INT	DCSH	ALL WARDS	ALL WARDS	4.5	Sep-11	Oct-11	8,400	-	-
12/027	229 632 x	LAND AND BUILDINGS	eNSELENI - TAXI RANK	EFF	INT	CE	7,8	7,8	2.11	Jul-13	Jun-14		-	2,000,000
12/028	233 632 06	LAND AND BUILDINGS	TRANSFER STATION - eSIKHALENI	EFF	INT	DCSH	20,21	ALL WARDS	2.4	Jul-11	Jun-12	1,200,000	1,200,000	-
												1,208,400	3,134,000	2,000,000
RECREATION AND ENVIRONMENTAL SERVICES														
12/001	204 832 11	LAND AND BUILDINGS	RICHARDS BAY NEW LIBRARY	PUB	EXT	DCSH	ALL WARDS	ALL WARDS	2.11	Jul-12	Jun-13		30,000,000	-
12/003	216 632 x	LAND AND BUILDINGS	RURAL COMMUNITY CENTRES/HALLS - PLANS	EFF	INT	DCSH	L RURAL WAR	L RURAL WAR	2.11	Jul-12	Jun-13		400,000	-
12/004	216 632 x	LAND AND BUILDINGS	HLANGANANI HALL - PARKING	EFF	INT	DCSH	19	19	2.11	Jul-12	Jun-13		690,000	-
12/024	224 632 12	LAND AND BUILDINGS	CENTRAL SPORTS GROUNDS - HIGH MAST LIGHTING	EFF	INT	DCSH	ALL WARDS	ALL WARDS	2.11	Nov-11	Mar-12	1,000,000	-	-
12/025	224 632 x	LAND AND BUILDINGS	AQUADENE RECREATION FACILITIES	EFF	INT	DCSH	2	2	2.11	Jul-13	Jun-14		-	100,000
12/133	273 636 02	MACHINERY AND EQUIPMENT	REPLACEMENT RIDE-ON MOWERS	EFF	INT	DCSH	ALL WARDS	ALL WARDS	2.11	Oct-11	Dec-11	1,080,000	-	-
12/134	273 636 03	MACHINERY AND EQUIPMENT	REPLACEMENT SLASHER LAWNMOWERS	EFF	INT	DCSH	ALL WARDS	ALL WARDS	2.11	Oct-11	Nov-11	50,000	-	-
12/135	273 636 05	MACHINERY AND EQUIPMENT	VARIOUS	EFF	INT	DCSH	ALL WARDS	ALL WARDS	2.11	Dec-11	Jan-12	100,000	-	-
												2,230,000	31,090,000	100,000
												3,438,400	34,224,000	2,100,000
PROJECTS UNDER THE RESPONSIBILITY OF THE SENIOR MANAGER: CORPORATE SERVICES														
ADMINISTRATION														
12/005	219 632 27	LAND AND BUILDINGS	EXTENSION TO CARPORTS ELECTRICAL WORKSHOP	EFF	INT	CEE	ALL WARDS	ALL WARDS	4.5	Jul-12	Jun-13		500,000	-
12/094	258 632 x	LAND AND BUILDINGS	ATTAINMENT OF INTERNATIONAL STATUS - RICHARDS BAY AIRPORT	EFF	INT	DCS	ALL WARDS	ALL WARDS	3.3	Jul-13	Jun-14		-	6,025,000
												-	500,000	6,025,000
12/136	277 636 x	MACHINERY AND EQUIPMENT	VARIOUS	EFF	INT	CS	ALL WARDS	ALL WARDS	4.4	Jul-13	Jun-14		-	12,800
12/137	277 644 x	OFFICE FURNITURE	VARIOUS	EFF	INT	CS	ALL WARDS	ALL WARDS	4.4	Jul-13	Jun-14		-	36,000
12/138	282 632 x	LAND AND BUILDINGS	DESKTOP, SERVER & NETWORK MANAGEMENT SOFTWARE	EFF	INT	CS	ALL WARDS	ALL WARDS	4.3	Jul-13	Jun-14		-	600,000
12/139	282 632 x	LAND AND BUILDINGS	DATA CENTRE ENHANCEMENTS & UPGRADES	EFF	INT	CS	ALL WARDS	ALL WARDS	4.3	Jul-13	Jun-14		-	1,291,100
12/140	282 636 09	MACHINERY AND EQUIPMENT	NEW & REPLACEMENT OF IT RELATED EQUIPMENT	EFF	INT	CS	ALL WARDS	ALL WARDS	4.3	Jul-11	Jun-12	1,500,000	-	650,000
12/142	282 636 14	MACHINERY AND EQUIPMENT	GIS DATABASE ENHANCEMENTS & CAPTURING	EFF	INT	CS	ALL WARDS	ALL WARDS	4.3	Sep-11	Dec-11	500,000	-	437,300
12/141	282 636 15	MACHINERY AND EQUIPMENT	GIS - CITY ELECTRICAL ENGINEER	EFF	INT	CE	ALL WARDS	ALL WARDS	4.3	Sep-11	Feb-12	700,000		

PROJECT NUMBER	VOTE			PROJECT NAME	DESCRIPTION	FINANCING	TYPE OF FUNDING	DEPT	WARD LOCATION	WARD BENEFITTING	IDP PROG	PLANNED START DATE	PLANNED COMPLETION DATE	DRAFT 2011/2012	DRAFT 2012/2013	DRAFT 2013/2014
12/143	282	636	16	MACHINERY AND EQUIPMENT	MOBILE GIS	EFF	INT	CS	ALL WARDS	ALL WARDS	4.3	Sep-11	Feb-12	1,500,000	-	-
														4,200,000	-	3,027,200
														4,200,000	500,000	9,052,200
PROJECTS UNDER THE RESPONSIBILITY OF THE SENIOR MANAGER: FINANCIAL SERVICES																
12/043	240	632	x	LAND AND BUILDINGS	SUNDRY REPLACEMENT	EFF	INT	FS	ALL WARDS	ALL WARDS	5.1	Jul-13	Jun-14		-	76,400
12/044	240	632	x	LAND AND BUILDINGS	SUNDRY ALTERATIONS	EFF	INT	FS	ALL WARDS	ALL WARDS	5.1	Jul-13	Jun-14		-	100,000
12/114	266	632	x	LAND AND BUILDINGS	SECOND FLOOR - STORES	EFF	INT	FS	ALL WARDS	ALL WARDS	5.1	Jul-13	Jun-14		-	2,796,100
														-	-	2,972,500
PROJECTS UNDER THE RESPONSIBILITY OF THE SENIOR MANAGER: INFRASTRUCTURE AND TECHNICAL SERVICES																
CIVIL ENGINEERING																
12/007	219	632	33	LAND AND BUILDINGS	UPGRADE ABULUTION FACILITIES - MECH WORKSHOP	EFF	INT	CEE	ALL WARDS	ALL WARDS	4.5	Aug-11	Nov-11	550,000		
12/008	222	672	29	STREETS AND STORMWATER	BUS SHELTERS & LAYBYES - ALL AREAS	EFF	INT	CE	ALL WARDS	ALL WARDS	2.3	Jul-12	Jun-13		261,300	-
12/009	222	672	36	STREETS AND STORMWATER	RURAL AREAS	EFF	INT	CE	ALL WARDS	ALL WARDS	2.3	Jul-12	Jun-14		5,000,000	5,000,000
12/018	222	672	36	STREETS & STORMWATER	RURAL ROADS	EFF	INT	CE	L RURAL WARD	L RURAL WARD	2.3	Sep-11	Jun-12	8,000,000		
12/019	222	672	44	STREETS & STORMWATER	UPGRADING AND WIDENING MAIN ROAD THROUGH EMPANGENI	EFF	INT	CE	ALL WARDS	ALL WARDS	2.3	Oct-11	Dec-11	1,000,000		
12/010	222	672	48	STREETS AND STORMWATER	EAST CENTRAL ARTERIAL - JOHN ROSS TO SALIGNA	EFF	INT	CE	ALL WARDS	ALL WARDS	2.3	Jul-12	Jun-13		680,000	-
12/011	222	672	49	STREETS AND STORMWATER	NCA-PREMIUM PROMENADE TO BRACKENHAM	EFF	INT	CE	ALL WARDS	ALL WARDS	2.3	Jul-13	Jun-14		-	17,612,500
12/012	222	672	49	STREETS AND STORMWATER	NCA FROM PREMIUM PROMENADE TO BRACKENHAM	EFF	INT	CE	ALL WARDS	ALL WARDS	2.3	Jul-13	Jun-14		-	25,000,000
12/013	222	672	55	STREETS AND STORMWATER	eSIKHALENI MALL ROAD SAFETY	EFF	INT	CE	15-22	15-22	2.3	Aug-11	Dec-11	1,900,000	1,900,000	-
12/014	222	672	59	STREETS AND STORMWATER	EMPANGENI "A" TAXI RANK	EFF	INT	CE	ALL WARDS	ALL WARDS	2.3	Sep-11	Nov-11	1,500,000	3,150,000	-
12/015	222	672	60	STREETS AND STORMWATER	CANALISATION OF eSIKHALENI STORMWATER	EFF	INT	CE	IKHALENI WARD	IKHALENI WARD	2.3	Jul-12	Jun-13		23,700	-
12/016	222	672	64	STREETS AND STORMWATER	UMHLATHUZE VILLAGE - BUS ROUTE	EFF	INT	CE	26	26	2.3	Jul-12	Jun-13		600,000	-
12/017	222	672	65	STREETS AND STORMWATER	RICHARDS BAY TAXI CITY - ADDITIONAL BUS PARKING & GENERAL IMPROVEMENT TO SURROUNDING AREAS	EFF	INT	CE	ALL WARDS	ALL WARDS	2.3	Jul-12	Jun-13		600,000	-
12/020	222	672	66	STREETS AND STORMWATER	PHYSICAL MARKERS IN FLOODLINE AREAS	EFF	INT	CE	ALL WARDS	ALL WARDS	2.3	Sep-11	Feb-12	500,000		
12/022	222	672	67	STREETS AND STORMWATER	CIVIL SERVICES - B1030 NGWELEZANE	EFF	INT	CE	27	27	2.3	Sep-11	Apr-12	6,000,000		
12/023	222	672	68	STREETS AND STORMWATER	CIVIL SERVICES - INFILL AREAS (J2 & H2 AREA ESIKHALENI)	EFF	INT	CE	16,17,19,21,22	16,17,19,21,22	2.3	Sep-11	Apr-12	8,000,000		
12/021	222	672	x	STREETS AND STORMWATER	STREET REHABILITATION - TANNER ROAD	EFF	INT	CE	ALL WARDS	ALL WARDS	2.3	Jul-12	Jun-13		4,114,300	-
12/021	222	672	x	STREETS AND STORMWATER	TRAFFIC CALMING	EFF	INT	CE	ALL WARDS	ALL WARDS	2.3	Sep-11	Nov-11	860,000	-	-
12/029	234	632	11	LAND AND BUILDINGS	RURAL SANITATION (COUNTER FUNDING)	EFF	INT	CE	RURAL WARDS	RURAL WARDS	2.1	Jul-11	Jun-14	6,143,500	18,500,000	18,500,000
12/030	234	632	14	LAND AND BUILDINGS	REPLACEMENT OF PIPES	EFF	INT	CE	RURAL WARDS	RURAL WARDS	2.1	Sep-11	Nov-11	2,959,600	-	-
12/031	234	632	15	LAND AND BUILDINGS	RENEWAL OF eSIKHALENI RISING MAIN	EFF	INT	CE	RURAL WARDS	RURAL WARDS	2.1	Jul-12	Jun-14		9,000,000	9,750,000
12/034	234	632	16	LAND AND BUILDINGS	MZINGAZI VILLAGE SEWER PROJECT (COUNTER FUNDING)	EFF	INT	CE	RURAL WARDS	RURAL WARDS	2.1	Jul-11	Jun-14	1,200,000	2,500,000	2,500,000
12/032	234	632	20	LAND AND BUILDINGS	MANDLAZINI VILLAGE SANITATION	EFF	INT	CE	4	4	2.1	Dec-10	Jun-13	395,000	8,000,000	-
12/033	234	632	21	LAND AND BUILDINGS	EMERGENCY PIPELINE TO LAKE QUBU	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Dec-10	Jun-11	185,000		
12/035	234	832	01	LAND AND BUILDINGS	RURAL SANITATION	MIG	EXT	CE	RURAL WARDS	RURAL WARDS	2.1	Jul-11	Jun-14	52,591,300	60,380,200	60,380,200
12/036	234	832	03	LAND AND BUILDINGS	RURAL SANITATION - MZINGAZI VILLAGE SEWER	MIG	EXT	CE	RURAL WARDS	RURAL WARDS	2.1	Jul-11	Jun-14	2,000,000	8,739,800	8,739,800
12/037	238	636	x	MACHINERY AND EQUIPMENT	VARIOUS	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Jul-13	Jun-14		-	104,895
12/038	238	636	x	MACHINERY AND EQUIPMENT	VARIOUS	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Jul-13	Jun-14		-	104,895
12/039	238	636	x	MACHINERY AND EQUIPMENT	VARIOUS	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Jul-13	Jun-14		-	105,210
12/040	238	644	x	OFFICE FURNITURE	VARIOUS	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Jul-13	Jun-14		-	31,835

PROJECT NUMBER	VOTE	PROJECT NAME	DESCRIPTION	FINANCING	TYPE OF FUNDING	DEPT	WARD LOCATION	WARD BENEFITTING	IDP PROG	PLANNED START DATE	PLANNED COMPLETION DATE	DRAFT 2011/2012	DRAFT 2012/2013	DRAFT 2013/2014
12/041	238 644	x OFFICE FURNITURE	VARIOUS	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Jul-13	Jun-14		-	31,835
12/042	238 644	x OFFICE FURNITURE	VARIOUS	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Jul-13	Jun-14		-	31,830
12/051	243 632	0 LAND AND BUILDINGS	UPGRADING MACERATOR STATIONS	EFF	INT	CE	26	26	2.1	Jul-11	Jun-14	1,340,400	250,000	250,000
12/052	243 632	04 LAND AND BUILDINGS	REFURBISHMENT PUMPSTATION - ELECTRICAL	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Jul-11	Jun-14	800,000	400,000	400,000
12/053	243 632	07 LAND AND BUILDINGS	MS 2 PUMPSTATION TOTAL UPGRADE (M/SEE)	EFF	INT	CE	1	1	2.1	Jul-11	Apr-12	6,000,000	-	-
12/054	243 636	04 MACHINERY AND EQUIPMENT	UPGRADING OF TELEMETRY	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Jul-11	Jun-14	750,000	400,000	450,000
12/059	246 608	0 CONSUMER CONNECTIONS	RURAL AREAS	EFF	INT	CE	L RURAL WARD	L RURAL WARD	2.1	Sep-11	Oct-11	650,000		
12/060	246 636	01 MACHINERY AND EQUIPMENT	WATER METERS - RURAL AREAS	EFF	INT	CE	L RURAL WARD	L RURAL WARD	2.1	Sep-11	Jun-14	1,500,000	1,500,000	1,500,000
12/061	246 684	05 WATER SUPPLY	RURAL AREAS - DUBE TRIBAL AREA NORTH BULK WATER SUPPLY LINE (COUNTER FUNDING)	EFF	INT	CE	L RURAL WARD	L RURAL WARD	2.1	Aug-11	Sep-11	500,000	-	-
12/062	246 684	06 WATER SUPPLY	RURAL AREAS - MKHWANAZI NORTH PHASE 5 WATER SUPPLY (COUNTER FUNDING)	EFF	INT	CE	L RURAL WARD	L RURAL WARD	2.1	Aug-11	Jun-14	2,500,000	3,520,000	3,520,000
12/063	246 884	02 WATER SUPPLY	RURAL AREAS - DUBE TRIBAL AREA NORTH BULK WATER SUPPLY LINE	MIG	EXT	CE	L RURAL WARD	L RURAL WARD	2.1	Sep-11	Nov-11	1,232,100		
12/064	246 884	03 WATER SUPPLY	RURAL AREAS - MKHWANAZI NORTH PHASE 5 WATER SUPPLY	MIG	EXT	CE	L RURAL WARD	L RURAL WARD	2.1	Jul-11	Jun-14	13,000,000	15,000,000	15,000,000
12/065	246 908	01 CONSUMER CONNECTIONS	RURAL AREAS	PUBS	INT	CE	L RURAL WARD	L RURAL WARD	2.1	Jul-12	Jun-14		700,000	700,000
12/095	259 632	10 LAND AND BUILDINGS	UTHUNGULU/ UMHLATHUZE SEPERATION ENSELENI RESERVOIR SITE	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Aug-11	Sep-11	1,050,000	-	-
12/096	259 632	11 LAND AND BUILDINGS	RESERVOIRS - STRUCTURE REPAIRS	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Aug-11	Oct-11	1,452,900	-	2,000,000
12/097	259 636	03 MACHINERY AND EQUIPMENT	UPGRADING OF TELEMETRY (RESERVOIRS)	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Aug-11	Sep-11	750,000	-	850,000
12/098	260 620	09 DISTRIBUTION	RICHARDS BAY - WATER NETWORK IMPROVEMENTS	EFF	INT	CE	DS BAY URBAN	DS BAY URBAN	2.1	Nov-11	Dec-11	3,000,000	3,000,000	3,000,000
12/099	260 620	10 DISTRIBUTION	RICHARDS BAY - WATER NETWORK IMPROVEMENTS	EFF	INT	CE	LL R293 WARD	LL R293 WARD	2.1	Sep-11	Jun-14	7,000,000	3,000,000	3,000,000
12/100	260 620	11 DISTRIBUTION	RICHARDS BAY - WATER NETWORK IMPROVEMENTS	EFF	INT	CE	WGENI URBAN	WGENI URBAN	2.1	Oct-11	Jun-14	3,000,000	3,000,000	3,000,000
12/101	260 636	03 MACHINERY AND EQUIPMENT	REPLACE OLD WATER METERS	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Jul-13	Jun-14		-	2,000,000
12/102	260 684	16 WATER SUPPLY	BULK WATER MAIN IMPROVEMENTS - ALL AREAS	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Oct-11	Jun-14	2,000,000	2,000,000	1,786,800
12/103	260 836	04 MACHINERY AND EQUIPMENT	DOMESTIC METER REPLACEMENTS	EFF	INT		ALL WARDS	ALL WARDS	2.1	Nov-11	Jun-14	800,000	850,000	900,000
12/104	260 908	03 CONSUMER CONNECTIONS	URBAN - COMMERCIAL/INDUSTRIAL	PUBS	INT	CE	ALL WARDS	ALL WARDS	2.1	Oct-11	Jan-12	1,500,000	-	-
12/105	260 908	x CONSUMER CONNECTIONS	URBAN - COMMERCIAL/INDUSTRIAL	EFF	INT		ALL WARDS	ALL WARDS	2.1	Jul-12	Jun-14		1,500,000	1,600,000
12/108	262 636	01 MACHINERY AND EQUIPMENT	ONLINE METERS EFFLUENT QUALITY MONITORING METERS	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Dec-11	Jan-12	300,000	-	-
12/111	262 636	05 MACHINERY AND EQUIPMENT	LABORATORY EQUIPMENT	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Aug-11	Feb-12	387,000		
12/106	262 636	06 MACHINERY AND EQUIPMENT	REMOTE WATER LOSS CONTROL SYSTEMS (COUNTER FUNDING)	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Jul-12	Jun-14		150,000	150,000
12/107	262 636	06 MACHINERY AND EQUIPMENT	REMOTE WATER LOSS CONTROL SYSTEMS (COUNTER FUNDING)	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Jul-12	Jun-14		150,000	150,000
12/109	262 636	x MACHINERY AND EQUIPMENT	VARIOUS	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Jul-13	Jun-14		-	179,000
12/110	262 636	x MACHINERY AND EQUIPMENT	VARIOUS	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Jul-13	Jun-14		-	179,000
12/112	262 684	01 WATER SUPPLY	BULK WATER MASTER PLAN	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Jul-11	Jun-12	1,000,000		
12/113	262 684	02 WATER SUPPLY	WATER LOSS INTERVENTION	EFF	INT	CE	ALL WARDS	ALL WARDS	2.1	Jul-11	Jun-12	2,500,000		
												146,796,800	158,869,300	188,507,900
ELECTRICAL ENGINEERING														
12/045	241 676	01 STREETLIGHTING	GENERAL IMPROVEMENT	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.2	Jul-11	Jun-14	500,000	400,000	400,000
12/046	241 676	10 STREETLIGHTING	RURAL AREAS	EFF	INT	CEE	L RURAL WARD	L RURAL WARD	2.2	Jul-12	Jun-14		500,000	500,000
12/047	241 676	14 STREETLIGHTING	EMPANGENI - REPLACEMENT OF STREETLIGHTS	EFF	INT	CEE	9,23,26	9,23,26	2.2	Jul-11	Jun-14	200,000	100,000	100,000
12/048	241 676	18 STREETLIGHTING	REPLACEMENT OF STREETLIGHTS AND RUSTED BRACKETS AT BRACKENHAM	EFF	INT	CEE	2	2	2.2	Jul-11	Jun-13	170,000	170,000	-
12/049	241 676	19 STREETLIGHTING	EMPANGENI - MAIN ROAD INTERSECTIONS	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.2	Sep-11	Jan-12	1,450,600		
12/050	241 676	16 STREETLIGHTING	RICHARDS BAY TAXI CITY LIGHTING	EFF	INT	CEE	4	4	2.2	Jul-13	Jun-14		-	460,000
12/066	255 632	09 LAND AND BUILDINGS	QUALITY OF SUPPLY	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.2	Jul-13	Jun-14		-	50,000
12/067	255 632	27 LAND AND BUILDINGS	eSIKHALENI - REPLACE XLPE MEDIUM VOLTAGE CABLE WITH PAPER INSULATED CABLE	EFF	INT	CEE	20,21	20,21	2.2	Jul-13	Jun-14		-	1,800,000
12/068	255 632	29 LAND AND BUILDINGS	REFURBISHMENT OF SUBSTATION BUILDING HYDRA & POLARIS	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.2	Jul-13	Jun-14		-	500,000
12/069	255 632	30 LAND AND BUILDINGS	REFURBISHMENT OF SCORPIO - HERCULES LINE	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.2	Jul-13	Jun-14		-	600,000

PROJECT NUMBER	VOTE			PROJECT NAME	DESCRIPTION	FINANCING	TYPE OF FUNDING	DEPT	WARD LOCATION	WARD BENEFITTING	IDP PROG	PLANNED START DATE	PLANNED COMPLETION DATE	DRAFT 2011/2012	DRAFT 2012/2013	DRAFT 2013/2014
12/070	255	632	34	LAND AND BUILDINGS	UPGRADE AQUILA, AQUARIUS & ALTAIR SUBSTATIONS	EFF	INT	CEE	16,17,20,21,22	16,17,20,21,22	2.2	Jul-13	Jun-14		-	4,000,000
12/071	255	632	36	LAND AND BUILDINGS	MINISUB LOAD MONITORING	EFF	INT	CEE	4	4	2.2	Jul-11	Jan-12	300,000	-	1,000,000
12/072	255	632	39	LAND AND BUILDINGS	INSTALLATION RISK LOCKING MECHANISMS 200 MINIATURE SUBSTATION PRIMARY AND SECONDARY DOORS	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.2	Jul-11	Nov-11	500,000	-	-
12/073	255	632	41	LAND AND BUILDINGS	REPLACE LV 185MM RING CABLE BOTTLE BRUSH BEND VELDENVLEI	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.2	Sep-11	Oct-11	850,000	-	-
12/074	255	632	x	LAND AND BUILDINGS	REBUILD NGWELEZANE SUBSTATION - BUILDING AND SWITCHGEAR	EFF	INT	CEE	9,26	9,26	2.2	Jul-13	Jun-14		-	2,500,000
12/075	255	632	x	LAND AND BUILDINGS	PANTOGRAPH REPLACEMENT AT SCORPIO AND HERCULES SUBSTATIONS	EFF	INT	CEE	1-4	1-4	2.2	Jul-13	Jun-14		-	5,500,000
12/076	255	632	x	LAND AND BUILDINGS	NEW INCOMERS & BUS COUPLER FOR HYDRA SUBSTATION	EFF	INT	CEE	2	2	2.2	Jul-13	Jun-14		-	7,500,000
12/077	255	636	0	MACHINERY AND EQUIPMENT	REPLACEMENT OF METERS	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.2	Oct-11	Nov-11	50,000	-	300,000
12/078	255	672	07	ELECTRICITY SUPPLY	132KV SUPPLY TO CYGNUS SUBSTATION	EFF	INT	CEE	12-22, 30	12-22, 30	2.2	Sep-11	Jun-14	1,072,000	-	40,000,000
12/079	255	672	09	ELECTRICITY SUPPLY	UMHLATHUZE VILLAGE ELECTRIFICATION	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.2	Aug-11	Nov-11	1,400,000	-	-
12/080	255	672	13	ELECTRICITY SUPPLY	IDT AREA - NGWELEZANE	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.2	Jul-13	Jun-14			1,500,000
12/081	255	672	14	ELECTRICITY SUPPLY	ALTON NORTH	EFF	INT	CEE	4	4	2.2	Sep-11	Jun-14	1,500,000	1,000,000	500,000
12/082	255	672	15	ELECTRICITY SUPPLY	IDZ PHASE 1D - 132KV LEO SUBSTATION (COUNCIL CONTRIBUTION)	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.2	Jul-13	Jun-14		-	10,000,000
12/083	255	672	16	ELECTRICITY SUPPLY	PHOENIX SUPPLY TO ALTON PHASE 1	EFF	INT	CEE	2 & 4	2 & 4	2.2	Jul-11	Jun-14	858,000	2,500,000	2,500,000
12/084	255	679	0	STRUCTURE PLAN	GENERAL	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.2	Jul-13	Jun-14		-	50,000
12/085	255	679	02	STRUCTURE PLAN	ELECTRICITY SYSTEM REINFORCEMENTS	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.2	Sep-11	Oct-11	500,000	-	-
12/086	255	679	02	STRUCTURE PLAN	ELECTRICITY SYSTEM REINFORCEMENTS	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.2	Jul-12	Jun-14		500,000	1,000,000
12/087	255	872	05	ELECTRICITY SUPPLY	IDZ PHASE 1D - 132KV LEO SUBSTATION (PULP)	PUB	EXT	CEE	2	2	2.2	Jul-12	Jun-14		10,000,000	20,000,000
12/088	255	872	06	ELECTRICITY SUPPLY	MADIDA PHASE III ELECTRIFICATION	GOV	EXT	CEE	28	28	2.2	Jul-12	Jun-14		3,500,000	5,000,000
12/089	255	872	10	ELECTRICITY SUPPLY	NEW CONNECTION FROM ESKOM FELIXTON SUBSTATION (RBM CONTRIBUTION)	PUB	EXT	CEE	12-22	12-22	2.2	Sep-11	Nov-11	6,000,000	6,000,000	-
12/090	255	872	x	ELECTRICITY SUPPLY	NEW SUPPLY TO RBM SOUTH DUNES (RBM CONTRIBUTION)	PUB	EXT	CEE	12-22	12-22	2.2	Jul-13	Jun-14		-	28,000,000
12/091	255	910	01	CONSUMER CONNECTIONS	DOMESTIC	PUBS	INT	CEE	ALL WARDS	ALL WARDS	2.2	Jul-11	Jun-12	2,000,000		
12/092	255	910	02	CONSUMER CONNECTIONS	URBAN - COMMERCIAL/INDUSTRIAL	PUBS	INT	CEE	ALL WARDS	ALL WARDS	2.2	Jul-11	Jun-12	4,000,000		
12/093	257	636	0	MACHINERY AND EQUIPMENT	VARIOUS	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.2	Jul-11	Aug-11	6,000	-	-
12/117	270	650	x	REPLACEMENT PLANT	CABLE DRUM TRAILER - REPLACE SCRAPPED UNIT	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.6	Jul-13	Jun-14		-	125,000
12/119	270	650	x	REPLACEMENT PLANT	REPLACE PLANT	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.6	Jul-13	Jun-14		-	941,000
12/116	270	650	x	REPLACEMENT PLANT	V0934, V0936 & V 0946 - 3 X MATERIAL TRAILERS (CE)	EFF	INT	CE	ALL WARDS	ALL WARDS	2.6	Jul-13	Jun-14		-	114,000
12/118	270	650	x	REPLACEMENT PLANT	V1510 - 4 X 4 TRACTOR LOADER BACKHOE (CE)	EFF	INT	CE	ALL WARDS	ALL WARDS	2.6	Jul-13	Jun-14		-	650,000
12/115	270	650	x	REPLACEMENT PLANT	V0760 & V0761 - 2 X LAWN MOWER TRAILER (CE & DPSR)	EFF	INT	CE/DCSH	ALL WARDS	ALL WARDS	2.6	Jul-13	Jun-14		-	70,000
12/120	271	600	94	VEHICLE	MECH LIFT 220 MECHANISM (V0483)	EFF	INT	DCSH	ALL WARDS	ALL WARDS	2.6	Oct-11	Nov-11	127,000		
12/121	271	600	95	VEHICLE	20 m3 ROTOPRESS	EFF	INT	DCSH	ALL WARDS	ALL WARDS	2.6	Nov-11	Apr-12	3,720,000	1,900,000	
12/122	271	600	x	REPLACEMENT VEHICLE	V0063 - 1 TON LWB LDV CANOPY TOWBAR ROOF RACK (CEE)	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.6	Jul-13	Jun-14		-	150,000
12/123	271	600	x	REPLACEMENT VEHICLE	V1005 - 1 TON LWB LDV CANOPY TOWBAR ROOF RACK (CEE)	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.6	Jul-13	Jun-14		-	150,000
12/126	271	600	x	REPLACEMENT VEHICLE	V0097 - 2 TON DOUBLE CAB 4X4 (CEE)	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.6	Jul-13	Jun-14		-	400,000
12/124	271	600	x	REPLACEMENT VEHICLE	V0456 - PERSONNEL CARRIER TRUCK (DCSH)	EFF	INT	DCSH	ALL WARDS	ALL WARDS	2.6	Jul-13	Jun-14		-	300,000
12/130	271	600	x	REPLACEMENT VEHICLE	V0464 - 20M3 ROTOPRESS REFUSE COMPACTOR TRUCK	EFF	INT	DCSH	ALL WARDS	ALL WARDS	2.6	Jul-13	Jun-14		-	1,700,000
12/131	271	600	x	REPLACEMENT VEHICLE	V0214 - 20M3 ROTOPRESS REFUSE COMPACTOR TRUCK	EFF	INT	DCSH	ALL WARDS	ALL WARDS	2.6	Jul-13	Jun-14		-	1,700,000
12/127	271	600	x	REPLACEMENT VEHICLE	V0395 - 10000L WATER TANKER TRUCK	EFF	INT	CE	ALL WARDS	ALL WARDS	2.6	Jul-13	Jun-14		-	700,000
12/128	271	600	x	REPLACEMENT VEHICLE	V0369 - 13000L WATER TANKER TRUCK	EFF	INT	CE	ALL WARDS	ALL WARDS	2.6	Jul-13	Jun-14		-	1,300,000
12/129	271	600	x	REPLACEMENT VEHICLE	V0817 - 6X4 TRUCK FITTED WITH SEWER JET MACHINE	EFF	INT	CE	ALL WARDS	ALL WARDS	2.6	Jul-13	Jun-14		-	1,350,000

PROJECT NUMBER	VOTE			PROJECT NAME	DESCRIPTION	FINANCING	TYPE OF FUNDING	DEPT	WARD LOCATION	WARD BENEFITTING	IDP PROG	PLANNED START DATE	PLANNED COMPLETION DATE	DRAFT 2011/2012	DRAFT 2012/2013	DRAFT 2013/2014
12/125	271	600	x	REPLACEMENT VEHICLE	V0390 - 3 TON HIGHSIDE TIPPER TRUCK (DPSR)	EFF	INT	DCSH	ALL WARDS	ALL WARDS	2.6	Jul-13	Jun-14		-	350,000
12/132	272	636	0	MACHINERY AND EQUIPMENT	VARIOUS	EFF	INT	CEE	ALL WARDS	ALL WARDS	2.2	Sep-11	Apr-12	431,000	-	-
														25,634,600	26,570,000	143,760,000
														172,431,400	185,439,300	332,267,900
TOTAL CAPITAL BUDGET														202,323,400	240,163,300	366,392,600

5.2 IMPLEMENTATION PLAN

At overleaf, the three-year Implementation Plan with committed human & financial resources (IDP Framework) detailing the projects and funding, in line with the multi-year budget for the financial years 2011/12 to 2013/14, is attached.

The 3-year Implementation Plan shows a summary of the total revenue and expenditure, as well as a detailed indication of the projects (operational or capital), the funding sources as well as the total funded project budgets for the years 2012/13 to 2014/15.

A summary of the Multi Term Expenditure Framework illustrated in the following:

The 2011/2012 Capital Budget amounting to R220, 7 million will be financed from the following sources:

SOURCES OF FINANCE	TABLED 2011/2012 BUDGET	ROLLED OVER/ ADDITIONAL 2010/2011 BUDGET	ADOPTED 2011/2012 BUDGET
	R	R	R
External Loans	100 000 000	0	100 000 000
Capital Replacement Reserve (CRR)	0	6 652 200	6 652 200
Public Contribution	13 500 000	0	13 500 000
Other Government Grants and Subsidies	20 000 000	7 758 000	27 758 000
Municipal Infrastructure Grant	68 823 400	600	68 824 000
Housing Reserve	0	4 000 000	4 000 000
TOTAL FINANCING	202 323 400	18 410 800	220 734 200

The 2011/2012 Operational Budget amounting to **R1 859 685** comprises of the following elements:

EXPENDITURE PER CATEGORY	ADOPTED ADJUSTMENT BUDGET 2010/2011	TABLED ORIGINAL BUDGET 2011/2012	% OF BUDGET	ADOPTED ORIGINAL BUDGET 2011/2012	% OF BUDGET
	R'000	R'000		R'000	
Employee related costs	360 814	407 642	21,9%	407 861	21,9%
Remuneration of Councillors	15 198	15 587	0,8%	15 587	0,8%
Debt Impairment	934	646	0,0%	646	0,0%
Bulk Purchases – Electricity	591 723	804 610	43,1%	804 610	43,3%
Bulk Purchases – Water	57 031	68 437	3,7%	68 437	3,7%
Contracted Services	89 502	79 285	4,3%	79 164	4,3%
Other Expenditure	296 778	356 652	19,1%	323 853	17,4%
Transfers and grants	2 215	1 530	0,1%	1 530	0,1%
Repairs and maintenance	192 633	225 449	12,1%	226 309	12,2%
Finance Charges	91 407	95 843	5,1%	95 844	5,2%
Depreciation and Offsetting of depreciation	67 014	69 560	3,7%	69 751	3,8%
Contributions to Capital Replacement Reserve (CRR)	23 175	34 450	1,8%	32 444	1,7%
Contributions Other	69 075	93 123	5,0%	93 123	5,0%
Recharged	(331 396)	(388 028)	(20,8%)	(359 473)	(19,3%)
TOTAL	1 526 103	1 864 786	100 %	1 859 685	100 %

The table below depicts explanations for the changes in the summarised budgeted expenditure from the tabled to the adopted stage:

The table below depicts explanations for the changes in the summarised budgeted expenditure from the tabled to the adopted stage:

EXPENDITURE PER CATEGORY	TABLED ORIGINAL BUDGET 2011/2012	DIFFERENCE	ADOPTED ORIGINAL BUDGET 2011/2012	EXPLANATIONS
	R'000	R'000	R'000	
Employee related costs	407 642	218	407 861	Additional expenditure due to further vacant posts identified by departments to be budgeted for.
General expenses	453 699	(32 920)	420 780	Decrease in internal charges (R36 million). Increase in conditional grant expenditure (R3,2) due to the grant of R2,6 million gazetted for the provincialisation of libraries as well as grant expenditure of R570 000 provided for the CCTV project funded by the Business Against Crime organisation. Decrease in outsourcing due to the rural metro services being over-budgeted for (R120 200). Decrease in programming material (R4 000). Increase in licences and permits due to no provision being made for subscriptions to Lexis Nexis (R73 500). Increase in subs and travelling (R31 100).
Bulk Purchases – Electricity	804 610	0	804 610	No change
Bulk Purchases – Water	68 437	0	68 437	No change
Repairs and Maintenance	225 449	860	226 309	Speed humps were originally budgeted for on capital. However, a decision was taken at the Budget Steering Committee to include this expenditure in the operating budget.
Finance Charges	95 843	1	95 844	Under budgeted for at tabled budget stage.
Depreciation and Offsetting of depreciation	69 560	192	69 751	Minimal increase in depreciation due to the re-prioritising of capital projects by user departments. This directly effects depreciation as calculations are based on the useful life of the asset.
Contributions to Capital Replacement Reserve (CRR)	34 450	(2 006)	32 444	Decrease in provision for future funding on capital projects.
Contributions Other	93 123	0	93 123	No change
Recharged	(388 028)	28 555	(359 473)	Increase in internal charges.
TOTAL	1 864 786	(5 101)	1 859 685	

The sources of funding the above comprise of the following revenue categories:

Table 35: Multi Year Budget Summary

KZN282 uMhlatuze - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)											
Strategic Objective	Goal	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Good Governance	Community Facilitation		10,448	8,268	9,431	13,003	12,935	12,935	15,190	18,424	21,511
	Corporate Services		5,418	4,419	5,363	1,799	1,745	1,745	1,648	1,747	1,852
	Public Safety and Security Services		11,398	11,160	11,233	11,838	10,712	10,712	10,488	10,543	11,178
	Office of the Municipal Manager		---	---		---	---	---	---	---	---
	Councillors		1,411	61	275	754	754	754	795	805	905
Infrastructure and Service Provision	Water and Sanitation Services		234,422	281,194	344,295	324,412	330,392	330,392	384,289	443,294	510,230
	Electricity		339,411	473,875	616,158	888,385	838,500	838,500	1,089,683	1,587,215	1,983,768
	Roads and Stormwater		6,944	3,952	14,051	237	240	240	131	138	145
	Solid Waste		35,968	41,394	45,262	52,770	52,865	52,865	59,310	64,465	69,382
	Cemeteries and Crematoria		1,064	1,032	1,117	252	402	402	399	423	449
	Vehicle and Plant		1,969	129	163	340	189	189	199	208	218
	Communication Systems		393	304	275	256	305	305	299	317	337
	Rail Network		565	672	874	737	737	737	730	774	820
	Environmental Management		100	61	72	81	76	76	69	73	78
	Housing		59,680	7,140	9,986	1,407	793	793	1,290	1,367	1,450
	Public Facilities		5,394	12,218	61,217	4,816	4,797	4,797	6,880	7,765	10,583
	Health		4,064	6,836	5,757	5,938	5,938	5,938	10	11	11

Social and Economic Development	Local Economic Development		320	290	293	278	313	313	301	319	338
	Municipal Planning		1,444	882	1,050	1,175	1,108	1,108	1,002	1,063	1,127
	Marketing and Tourism development		166	172	165	148	178	178	174	184	195
Institutional Development	Organisational Business Analysis and Efficiency		---	---	---	---	---	---	---	---	---
	Integrated Development Planning		149	91	109	122	115	115	104	110	117
	Information Management		814	582	152	158	229	229	240	252	265
	Human Resources Services		---	---		---					
	Municipal Offices/Depots		1,763	1,890	1,894	1,868	1,613	1,613	858	910	964
	Education, Capacity Building and Training		967	1,434	1,433	1,136	1,078	1,078	1,071	1,104	1,171
Sound Financial Management	Financial Planning, Management and Control		186,080	146,454	167,492	232,995	230,739	230,739	271,096	329,167	384,570
	Asset Management		10,283	8,096	9,267	12,852	12,756	12,756	15,016	18,240	21,313
	Debt Control		---	---	---	---	---	---	---	---	---
	Revenue Enhancement		---	---	---	---	---	---	---	---	---
Total Revenue (excluding capital transfers and contributions)		1	920,585	1,012,606	1,307,384	1,557,757	1,509,509	1,509,509	1,861,272	2,488,918	3,022,977
References											
1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)											
check op revenue balance			0	0	(0)	(0)	23,175	23,175	32,446	85,171	135,580

KZN282 uMhlathuze - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective			Goal	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
R thousand					Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Good Governance	Community Facilitation Corporate Services Public Safety and Security Services Office of the Municipal Manager Councillors		10,448	8,268	9,431	13,003	12,935	12,935	15,190	18,424	21,511		
			5,418	4,419	5,363	1,799	1,745	1,745	1,648	1,747	1,852		
			11,398	11,160	11,233	11,838	10,712	10,712	10,488	10,543	11,178		
			–	–	–	–	–	–	–	–	–		
			1,411	61	275	754	754	754	795	805	905		
Infrastructure and Service Provision	Water and Sanitation Services Electricity		234,422	281,194	344,295	324,412	330,392	330,392	384,289	443,294	510,230		
			339,411	473,875	616,158	888,385	838,500	838,500	1,089,683	1,587,215	1,983,768		
	Roads and Stormwater Solid Waste		6,944	3,952	14,051	237	240	240	131	138	145		
			35,968	41,394	45,262	52,770	52,865	52,865	59,310	64,465	69,382		
	Cemeteries and Crematoria Vehicle and Plant		1,064	1,032	1,117	252	402	402	399	423	449		
			1,969	129	163	340	189	189	199	208	218		
	Communication Systems Rail Network		393	304	275	256	305	305	299	317	337		
			565	672	874	737	737	737	730	774	820		
	Environmental mnagement Housing		100	61	72	81	76	76	69	73	78		
			59,680	7,140	9,986	1,407	793	793	1,290	1,367	1,450		
	Public Facilities		5,394	12,218	61,217	4,816	4,797	4,797	6,880	7,765	10,583		
			4,064	6,836	5,757	5,938	5,938	5,938	10	11	11		
Social and Economic Development	Local Economic Development Municipal Planning		320	290	293	278	313	313	301	319	338		
			1,444	882	1,050	1,175	1,108	1,108	1,002	1,063	1,127		

Institutional Development	Marketing and Tourism development	1	166	172	165	148	178	178	174	184	195
	Organisational Business Analysis and Efficiency		–	–	–	–	–	–	–	–	–
	Integrated Development Planning		149	91	109	122	115	115	104	110	117
	Information Management		814	582	152	158	229	229	240	252	265
Human Resources Services	–		–	–	–	–	–	–	–	–	–
Municipal Offices/Depots	1,763		1,890	1,894	1,868	1,613	1,613	858	910	964	
Education, Capacity Building and Training	967		1,434	1,433	1,136	1,078	1,078	1,071	1,104	1,171	
Sound Financial Management	Financial Planning, Management and Control		186,030	146,454	167,492	232,995	230,739	230,739	271,096	329,167	384,570
Asset Management	10,283		8,096	9,267	12,852	12,756	12,756	15,016	18,240	21,313	
Debt Control	–		–	–	–	–	–	–	–	–	–
Revenue Enhancement	–	–	–	–	–	–	–	–	–	–	
Total Revenue (excluding capital transfers and contributions)		1	920,585	1,012,606	1,307,384	1,557,757	1,509,509	1,509,509	1,861,272	2,488,918	3,022,977

References
1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

check op revenue balance	0	0	(0)	(0)	23,175	23,175	32,446	85,171	135,580
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Table 36: Link between MTEF Departmental Projects with the IDP Strategies

DESCRIPTION	IDP STRATEGY	IDP PROG	DRAFT 2011/2012	DRAFT 2012/2013	DRAFT 2013/2014
PROJECTS UNDER THE RESPONSIBILITY OF THE SENIOR MANAGER: CITY DEVELOPMENT					
CENTRAL INDUSTRIAL AREA	3	3.2	758 200	-	-
MARINA DEVELOPMENT	3	3.2	600 000	-	-
MANDLAZINI AGRICULTURAL VILLAGE	3	3.2	132 000	-	-
MZINGAZI VILLAGE	3	3.2	763 400		
eSIKHALENI REFURBISH HOSTELS	2	2.10	20 000 000	20 000 000	20 000 000
			22 253 600	20 000 000	20 000 000
PROJECTS UNDER THE RESPONSIBILITY OF THE SENIOR MANAGER: COMMUNITY SERVICES					
COMMUNITY SERVICES, HEALTH AND PUBLIC SAFETY					
ESK FIRE STATION - PLAN & CONSTRUCT	1	1.3		1 934 000	-
UPGRADE OF WASTE MANAGEMENT DEPOT AND OFFICES IN EMPANGENI	4	4.5	8 400		
eNSELENI - TAXI RANK	2	2.11		-	2 000 000
TRANSFER STATION - eSIKHALENI	2	2.4	1 200 000	1 200 000	-
			1 208 400	3 134 000	2 000 000
RECREATION AND ENVIRONMENTAL SERVICES					
RICHARDS BAY NEW LIBRARY	2	2.11		30 000 000	-
RURAL COMMUNITY CENTRES/HALLS - PLANS	2	2.11		400 000	-
HLANGANANI HALL - PARKING	2	2.11		690 000	-
CENTRAL SPORTS GROUNDS - HIGH MAST LIGHTING	2	2.11	1 000 000		
AQUADENE RECREATION FACILITIES	2	2.11		-	100 000
REPLACEMENT RIDE-ON MOWERS	2	2.11	1 080 000	-	-
REPLACEMENT SLASHER LAWNMOWERS	2	2.11	50 000	-	-

DESCRIPTION	IDP STRATEGY	IDP PROG	DRAFT 2011/2012	DRAFT 2012/2013	DRAFT 2013/2014
VARIOUS	2	2.11	100 000	-	-
			2 230 000	31 090 000	100 000
TOTAL COMMUNITY SERVICES			3 438 400	34 224 000	2 100 000
PROJECTS UNDER THE RESPONSIBILITY OF THE SENIOR MANAGER: CORPORATE SERVICES					
ADMINISTRATION					
EXTENSION TO CARPORTS ELECTRICAL WORKSHOP	4	4.5		500 000	-
ATTAINMENT OF INTERNATIONAL STATUS - RICHARDS BAY AIRPORT	3	3.3		-	6 025 000
			-	500 000	6 025 000
VARIOUS	4	4.4		-	12 800
VARIOUS	4	4.4		-	36 000
DESKTOP, SERVER & NETWORK MANAGEMENT SOFTWARE	4	4.3		-	600 000
DATA CENTRE ENHANCEMENTS & UPGRADES	4	4.3		-	1 291 100
NEW & REPLACEMENT OF IT RELATED EQUIPMENT	4	4.3	1 500 000	-	650 000
GIS DATABASE ENHANCEMENTS & CAPTURING	4	4.3	500 000	-	437 300
GIS - CITY ELECTRICAL ENGINEER	4	4.3	700 000		
MOBILE GIS	4	4.3	1 500 000	-	-
			4 200 000	-	3 027 200
TOTAL CORPORATE SERVICES			4 200 000	500 000	9 052 200
PROJECTS UNDER THE RESPONSIBILITY OF THE SENIOR MANAGER: FINANCIAL SERVICES					
SUNDRY REPLACEMENT	5	5.1		-	76 400
SUNDRY ALTERATIONS	5	5.1		-	100 000
SECOND FLOOR - STORES	5	5.1		-	2 796 100

DESCRIPTION	IDP STRATEGY	IDP PROG	DRAFT 2011/2012	DRAFT 2012/2013	DRAFT 2013/2014
TOTAL FINANCIAL SERVICES			-	-	2 972 500
PROJECTS UNDER THE RESPONSIBILITY OF THE SENIOR MANAGER: INFRASTRUCTURE AND TECHNICAL SERVICES					
CIVIL ENGINEERING					
UPGRADE ABULUTION FACILITIES - MECH WORKSHOP	4	4.5	550 000		
BUS SHELTERS & LAYBYES - ALL AREAS	2	2.3		261 300	-
RURAL AREAS	2	2.3		5 000 000	5 000 000
RURAL ROADS	2	2.3	8 000 000		
UPGRADING AND WIDENING MAIN ROAD THROUGH EMPANGENI	2	2.3	1 000 000		
EAST CENTRAL ARTERIAL - JOHN ROSS TO SALIGNA	2	2.3		680 000	-
NCA:PREMIUM PROMENADE TO BRACKENHAM	2	2.3		-	17 612 500
NCA FROM PREMIUM PROMENADE TO BRACKENHAM	2	2.3		-	25 000 000
eSIKHALENI MALL ROAD SAFETY	2	2.3	1 900 000	1 900 000	-
EMPANGENI "A" TAXI RANK	2	2.3	1 500 000	3 150 000	-
CANALISATION OF eSIKHALENI STORMWATER	2	2.3		23 700	-
UMHLATHUZE VILLAGE - BUS ROUTE	2	2.3		600 000	-
RICHARDS BAY TAXI CITY - ADDITIONAL BUS PARKING & GENERAL IMPROVEMENT TO SURROUNDING AREAS	2	2.3		600 000	-
PHYSICAL MARKERS IN FLOODLINE AREAS	2	2.3	500 000		
CIVIL SERVICES - B1030 NGWELEZANE	2	2.3	6 000 000		
CIVIL SERVICES - INFILL AREAS (J2 & H2 AREA ESIKHALENI)	2	2.3	8 000 000		
STREET REHABILITATION - TANNER ROAD	2	2.3		4 114 300	-

DESCRIPTION	IDP STRATEGY	IDP PROG	DRAFT 2011/2012	DRAFT 2012/2013	DRAFT 2013/2014
TRAFFIC CALMING	2	2.3	860 000	-	-
RURAL SANITATION (COUNTER FUNDING)	2	2.1	6 143 500	18 500 000	18 500 000
REPLACEMENT OF PIPES	2	2.1	2 959 600	-	-
RENEWAL OF eSIKHALENI RISING MAIN	2	2.1		9 000 000	9 750 000
MZINGAZI VILLAGE SEWER PROJECT (COUNTER FUNDING)	2	2.1	1 200 000	2 500 000	2 500 000
MANDLAZINI VILLAGE SANITATION	2	2.1	395 000	8 000 000	-
EMERGENCY PIPELINE TO LAKE QUBU	2	2.1	185 000		
RURAL SANITATION	2	2.1	52 591 300	60 380 200	60 380 200
RURAL SANITATION - MZINGAZI VILLAGE SEWER	2	2.1	2 000 000	8 739 800	8 739 800
VARIOUS	2	2.1		-	104 895
VARIOUS	2	2.1		-	104 895
VARIOUS	2	2.1		-	105 210
VARIOUS	2	2.1		-	31 835
VARIOUS	2	2.1		-	31 835
VARIOUS	2	2.1		-	31 930
UPGRADING MACERATOR STATIONS	2	2.1	1 340 400	250 000	250 000
REFURBISHMENT PUMPSTATION - ELECTRICAL	2	2.1	800 000	400 000	400 000
MS 2 PUMPSTATION TOTAL UPGRADE (M/SEE)	2	2.1	6 000 000	-	-
UPGRADING OF TELEMTRY	2	2.1	750 000	400 000	450 000
RURAL AREAS	2	2.1	650 000		
WATER METERS - RURAL AREAS	2	2.1	1 500 000	1 500 000	1 500 000
RURAL AREAS - DUBE TRIBAL AREA NORTH BULK WATER SUPPLY LINE (COUNTER FUNDING)	2	2.1	500 000	-	-
RURAL AREAS - MKHWANAZI NORTH PHASE 5 WATER SUPPLY (COUNTER FUNDING)	2	2.1	2 500 000	3 520 000	3 520 000
RURAL AREAS - DUBE TRIBAL AREA NORTH BULK WATER SUPPLY LINE	2	2.1	1 232 100		
RURAL AREAS - MKHWANAZI NORTH PHASE 5 WATER SUPPLY	2	2.1	13 000 000	15 000 000	15 000 000

DESCRIPTION	IDP STRATEGY	IDP PROG	DRAFT 2011/2012	DRAFT 2012/2013	DRAFT 2013/2014
RURAL AREAS	2	2.1		700 000	700 000
UTHUNGULU/ UMHLATHUZE SEPERATION ENSELENI RESERVOIR SITE	2	2.1	1 050 000	-	-
RESERVOIRS STRUCTURE REPAIRS	2	2.1	1 452 900	-	2 000 000
UPGRADING OF TELEMETRY (RESERVOIRS)	2	2.1	750 000	-	850 000
RICHARDS BAY - WATER NETWORK IMPROVEMENTS	2	2.1	3 000 000	3 000 000	3 000 000
R293 TOWNS WATER NETWORK IMPROVEMENTS	2	2.1	7 000 000	3 000 000	3 000 000
EMPANGENI - WATER NETWORK IMPROVEMENTS	2	2.1	3 000 000	3 000 000	3 000 000
REPLACE OLD WATER METERS	2	2.1		-	2 000 000
BULK WATER MAIN IMPROVEMENTS - ALL AREAS	2	2.1	2 000 000	2 000 000	1 786 800
DOMESTIC METER REPLACEMENTS	2	2.1	800 000	850 000	900 000
URBAN COMMERCIAL/INDUS TRIAL	2	2.1	1 500 000	-	-
URBAN COMMERCIAL/INDUS TRIAL	2	2.1		1 500 000	1 600 000
ONLINE METERS EFFLUENT QUALITY MONITORING METERS	2	2.1	300 000	-	-
LABORATORY EQUIPMENT	2	2.1	387 000		
REMOTE WATER LOSS CONTROL SYSTEMS (COUNTER FUNDING)	2	2.1		150 000	150 000
REMOTE WATER LOSS CONTROL SYSTEMS (COUNTER FUNDING)	2	2.1		150 000	150 000
VARIOUS	2	2.1		-	179 000
VARIOUS	2	2.1		-	179 000
BULK WATER MASTER PLAN	2	2.1	1 000 000		
WATER LOSS INTERVENTION	2	2.1	2 500 000		
			146 796 800	158 869 300	188 507 900
ELECTRICAL ENGINEERING					
GENERAL IMPROVEMENT	2	2.2	500 000	400 000	400 000
RURAL AREAS	2	2.2		500 000	500 000
EMPANGENI - REPLACEMENT OF	2	2.2	200 000	100 000	100 000

DESCRIPTION	IDP STRATEGY	IDP PROG	DRAFT 2011/2012	DRAFT 2012/2013	DRAFT 2013/2014
STREETLIGHTS					
REPLACEMENT OF STREETLIGHTS AND RUSTED BRACKETS AT BRACKENHAM	2	2.2	170 000	170 000	-
EMPANGENI - MAIN ROAD INTERSECTIONS	2	2.2	1 450 600		
RICHARDS BAY TAXI CITY LIGHTING	2	2.2		-	460 000
QUALITY OF SUPPLY	2	2.2		-	50 000
eSIKHALENI - REPLACE XLPE MEDIUM VOLTAGE CABLE WITH PAPER INSULATED CABLE	2	2.2		-	1 800 000
REFURBISHMENT OF SUBSTATION BUILDING HYDRA & POLARIS	2	2.2		-	500 000
REFURBISHMENT OF SCORPIO - HERCULES LINE	2	2.2		-	600 000
UPGRADE AQUILA, AQUARIUS & ALTAIR SUBSTATIONS	2	2.2		-	4 000 000
MINISUB LOAD MONITORING	2	2.2	300 000	-	1 000 000
INSTALLATION RISI LOCKING MECHANISMS 200 MINIATURE SUBSTATION PRIMARY AND SECONDARY DOORS	2	2.2	500 000	-	-
REPLACE LV 185MM RING CABLE BOTTLE BRUSH BEND VELDENVLEI	2	2.2	850 000	-	-
REBUILD NGWELEZANE SUBSTATION - BUILDING AND SWITCHGEAR	2	2.2		-	2 500 000
PANTOGRAPH REPLACEMENT AT SCORPIO AND HERCULES SUBSTATIONS	2	2.2		-	5 500 000
NEW INCOMERS & BUS COUPLER FOR HYDRA SUBSTATION	2	2.2		-	7 500 000
REPLACEMENT OF METERS	2	2.2	50 000	-	300 000
132KV SUPPLY TO CYGNUS SUBSTATION	2	2.2	1 072 000	-	40 000 000
UMHLATHUZE VILLAGE ELECTRIFICATION	2	2.2	1 400 000	-	-
IDT AREA - NGWELEZANE	2	2.2			1 500 000
ALTON NORTH	2	2.2	1 500 000	1 000 000	500 000

DESCRIPTION	IDP STRATEGY	IDP PROG	DRAFT 2011/2012	DRAFT 2012/2013	DRAFT 2013/2014
IDZ PHASE 1D - 132KV LEO SUBSTATION (COUNCIL CONTRIBUTION)	2	2.2		-	10 000 000
PHOENIX SUPPLY TO ALTON PHASE 1	2	2.2	858 000	2 500 000	2 500 000
GENERAL	2	2.2		-	50 000
ELECTRICITY SYSTEM REINFORCEMENTS	2	2.2	500 000	-	-
ELECTRICITY SYSTEM REINFORCEMENTS	2	2.2		500 000	1 000 000
IDZ PHASE 1D - 132KV LEO SUBSTATION (PULP)	2	2.2		10 000 000	20 000 000
MADIDA PHASE III ELECTRIFICATION	2	2.2		3 500 000	5 000 000
NEW CONNECTION FROM ESKOM FELIXTON SUBSTATION (RBM CONTRIBUTION)	2	2.2	6 000 000	6 000 000	-
NEW SUPPLY TO RBM SOUTH DUNES (RBM) CONTRIBUTION)	2	2.2		-	28 000 000
DOMESTIC	2	2.2	2 000 000		
URBAN COMMERCIAL/INDUS TRIAL	2	2.2	4 000 000		
VARIOUS	2	2.2	6 000	-	-
CABLE DRUM TRAILER - REPLACE SCRAPPED UNIT	2	2.6		-	125 000
REPLACE PLANT	2	2.6		-	941 000
V0934, V0936 & V0946 - 3 X MATERIAL TRAILERS (CE)	2	2.6		-	114 000
V1510 - 4 X 4 TRACTOR LOADER BACKHOE (CE)	2	2.6		-	650 000
V0760 & V0761 - 2 X LAWN MOWER TRAILER (CE & DPSR)	2	2.6		-	70 000
MECH LIFT 220 MECHANISM (V0483)	2	2.6	127 000		
20 m3 ROTOPRESS	2	2.6	3 720 000	1 900 000	
V0063 - 1 TON LWB LDV CANOPY TOWBAR ROOF RACK (CEE)	2	2.6		-	150 000
V1005 - 1 TON LWB LDV CANOPY TOWBAR ROOF RACK (CEE)	2	2.6		-	150 000
V0097 - 2 TON DOUBLE CAB 4X4 (CEE)	2	2.6		-	400 000
V0456 - PERSONNEL	2	2.6		-	300 000

DESCRIPTION	IDP STRATEGY	IDP PROG	DRAFT 2011/2012	DRAFT 2012/2013	DRAFT 2013/2014
CARRIER TRUCK (DCSH)					
V0464 - 20M3 ROTOPRESS REFUSE COMPACTOR TRUCK	2	2.6		-	1 700 000
V0214 - 20M3 ROTOPRESS REFUSE COMPACTOR TRUCK	2	2.6		-	1 700 000
V0395 - 10000L WATER TANKER TRUCK	2	2.6		-	700 000
V0369 - 13000L WATER TANKER TRUCK	2	2.6		-	1 300 000
V0817 - 6X4 TRUCK FITTED WITH SEWER JET MACHINE	2	2.6		-	1 350 000
V0390 - 3 TON HIGHSIDE TIPPER TRUCK (DPSR)	2	2.6		-	350 000
VARIOUS	2	2.2	431 000	-	-
			25 634 600	26 570 000	143 760 000
TOTAL INFRASTRUCTURE AND TECHNICAL SERVICES			172 431 400	185 439 300	332 267 900
TOTAL CAPITAL BUDGET			202 323 400	240 163 300	366 392 600

KZN282 uMhlathuze - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding										
Vote Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<u>Capital expenditure - Vote</u>										
<u>Multi-year expenditure to be appropriated</u>	2									
City Development - City Development		24	298	212	2,608	300	300	2,254	2,600	1,110
City Development - Communication and Public Participation		214	4,865	10,856	16,284	11,240	11,240	20,000	20,000	23,000
Community Services - Community Services, Health and Public Safety		3,942	551	675	1,200	–	–	1,200	200	2,660
Community Services - Recreation and Environmental Services		10,552	20,723	3,272	31,250	33	33	1,230	1,925	3,880
Corporate Services - Administration		13,230	13,274	17,832	2,356	3,521	3,521	619	1,500	3,039
Corporate Services - Human Resources		7,850	14,970	3,227	1,500	300	300	2,700	1,200	2,939
Financial Services - Financial Services		21	304	–	–	–	–	40	–	2,796
Infrastructure and Technical Services - Electrical Engineering		39,064	79,449	29,094	29,009	20,999	20,999	27,833	57,570	96,799
Infrastructure and Technical Services - Civil Engineering		135,246	150,814	173,356	128,751	73,029	73,029	150,340	169,325	157,914
Office of the City Manager - Office of the City Manager		–	9	1	–	–	–	–	–	22
Capital multi-year expenditure sub-total	7	210,143	285,257	238,525	212,958	109,422	109,422	206,216	254,320	294,159
<u>Single-year expenditure to be appropriated</u>	2									
City Development - City Development		510	4	1,156	1,050	1,225	1,225	4,498	–	–
City Development - Communication and Public Participation		–	–	193	–	–	–	–	–	–
Community Services - Community Services, Health and Public Safety		722	2,164	172	–	–	–	–	–	7
Community Services - Recreation and Environmental Services		10,256	29,154	68,476	100	1,622	1,622	1,000	–	1,606

Corporate Services - Administration		526	6,122	315	–	327	327	550	–	1,090
Corporate Services - Human Resources		1,141	2,854	943	–	1,600	1,600	2,020	–	1,316
Financial Services - Financial Services		31	915	154	–	717	717	300	–	–
Infrastructure and Technical Services - Electrical Engineering		25,213	44,686	7,993	4,187	35,700	35,700	1,578	–	3,118
Infrastructure and Technical Services - Civil Engineering		(6,863)	41,651	19,288	16,532	18,829	18,829	4,572	–	1,050
Office of the City Manager - Office of the City Manager		12	188	35	–	–	–	–	–	–
Capital single-year expenditure sub-total		31,548	127,738	98,725	21,869	60,020	60,020	14,518	–	8,187
Total Capital Expenditure - Vote		241,691	412,995	337,250	234,827	169,442	169,442	220,734	254,320	302,346
<u>Capital Expenditure - Standard</u>										
<i>Governance and administration</i>		28,774	54,203	7,963	5,158	4,142	4,142	15,658	3,800	10,330
Executive and council		3,699	574	412	–	–	–	–	–	124
Budget and treasury office		46	206	–	–	717	717	340	–	–
Corporate services		25,029	53,423	7,551	5,158	3,425	3,425	15,318	3,800	10,206
<i>Community and public safety</i>		38,264	77,814	101,070	53,380	16,764	16,764	25,720	26,195	50,093
Community and social services		15,239	25,761	29,911	33,206	4,386	4,386	1,169	1,500	3,902
Sport and recreation		15,447	42,956	59,368	500	1,118	1,118	2,230	1,925	5,064
Public safety		7,209	4,180	743	3,390	20	20	2,321	2,770	18,094
Housing		214	4,865	11,048	16,284	11,240	11,240	20,000	20,000	23,000
Health		155	52	–	–	–	–	–	–	33
<i>Economic and environmental services</i>		48,993	65,408	41,992	15,846	11,579	11,579	29,300	13,650	9,408

Planning and development		24	39	–	–	–	–	–	–	10
Road transport		48,969	65,369	41,992	15,846	11,579	11,579	29,300	13,650	9,398
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		125,658	215,569	186,225	160,443	136,957	136,957	150,056	210,675	231,490
Electricity		42,576	87,638	35,578	29,806	56,679	56,679	23,243	54,800	81,724
Water		61,348	88,923	119,306	59,737	22,745	22,745	48,194	51,500	43,922
Waste water management		18,088	38,260	31,341	69,700	57,533	57,533	77,419	104,175	105,644
Waste management		3,646	748	–	1,200	–	–	1,200	200	200
Other		–	–	–	–	–	–	–	–	1,025
Total Capital Expenditure - Standard	3	241,689	412,994	337,250	234,827	169,442	169,442	220,734	254,320	302,346
Funded by:										
National Government		28,069	45,666	45,834	61,332	61,332	61,332	68,824	84,120	88,895
Provincial Government		4,820	9,012	6,813	15,000	14,577	14,577	27,758	30,000	30,000
District Municipality		(1,009)	6,281	56,467	–	–	–	–	–	–
Other transfers and grants		–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	31,880	60,959	109,114	76,332	75,909	75,909	96,582	114,120	118,895
Public contributions & donations	5	7,271	13,540	4,971	32,950	43,271	43,271	13,500	30,200	63,450
Borrowing	6	151,849	170,433	176,560	119,591	16,147	16,147	100,000	50,000	60,000
Internally generated funds		50,688	168,062	46,606	5,954	34,115	34,115	10,652	60,000	60,000
Total Capital Funding	7	241,688	412,994	337,251	234,827	169,442	169,442	220,734	254,320	302,345

Capital Projects

KZN282 uMhlathuze - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand												
Good Governance	Community Facilitation	A		12	51	10	–	–	–	–	–	22
	Corporate Services	B		326	276	231	–	–	–	–	–	–
	Public Safety and Security Services	C		715	2,628	1,140	–	–	–	–	–	1,934
	Office of the Municipal Manager	D		–	146	26	–	–	–	–	–	–
	Councillors	E		133	478	386	–	–	–	–	–	124
Infrastructure and Service Provision	Water and Sanitation Services	F		79,704	132,052	161,697	145,721	91,518	91,518	145,613	175,675	172,666
	Electricity	G		49,206	90,233	35,469	33,196	56,699	56,699	25,564	57,570	97,893
	Roads and Stormwater	H		48,893	65,340	41,991	15,846	11,579	11,579	29,300	13,650	9,298
	Solid Waste	I		3,646	748	–	1,200	–	–	1,200	200	200
	Cemeteries and Crematoria	J		3,559	4,767	9,814	850	425	425	–	–	–
	Vehicle and Plant	K		14,656	33,838	1,618	–	–	–	3,847	–	2,024
	Communication Systems	L		415	63	–	–	–	–	–	–	–
	Rail Network	M		–	–	–	–	–	–	–	–	–
	Environmental Management	N		3,565	(49)	–	–	–	–	–	–	–

Social and Economic Development	Housing	O		-	-	-	-	-	-	-	-	-
	Public Facilities	P										
	Health	Q		17,366	45,260	61,935	30,500	1,230	1,230	2,230	1,925	5,986
				209	176	24	20	40	40	-	-	33
	Local Economic Development	Q		30	1,401	1,086	1,167	914	914	611	1,500	1,500
	Municipal Planning	Q			264	1,369	3,658	1,525	1,525	6,751	2,600	1,100
	Marketing and Tourism development	Q		-	1,385	1	-	-	-	-	-	1,025
	Organisational Business Analysis and Efficiency	Q		-	-	-	-	-	-	-	-	-
	Integrated Development Planning	Q		24	39	-	-	-	-	-	-	10
	Information Management	Q		8,943	17,822	4,170	1,500	1,900	1,900	4,720	1,200	4,216
Institutional Development	Human Resources Services	Q		48	3	-	-	-	-	-	-	39
	Municipal Offices/Depots	Q		9,677	14,854	16,131	1,169	2,895	2,895	558	-	1,480
	Education, Capacity Building and Training	Q		-	-	-	-	-	-	-	-	-
	Financial Planning, Management and Control	Q		51	1,219	154	-	717	717	340	-	2,796
	Asset Management	Q		-	-	-	-	-	-	-	-	-
	Debt Control	Q		-	-	-	-	-	-	-	-	-
	Revenue Enhancement	Q		-	-	-	-	-	-	-	-	-
		Q										
Sound Financial Management												
			1	241,689	412,993	337,250	234,827	169,441	169,441	220,734	254,320	302,345

5.3 Process used to integrate the review of the IDP and preparation of the budget

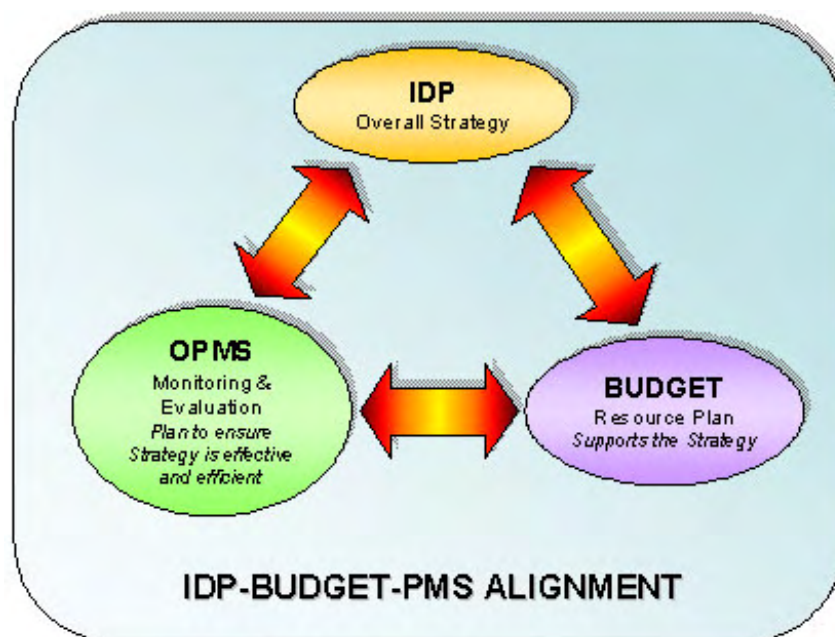
The annual review of the IDP is a legislative requirement in terms of Section 34 of the Municipal Systems Act No.32 of 2000. It stipulates that a Municipal Council must review its integrated plan annually in accordance with an assessment of its performance measurements in terms of Section 41; and to the extent that changing circumstances so demand; and may amend its integrated development plan in accordance with a prescribed process. The Annual Budget and the IDP are inextricably linked to one another, something that has been formalised through the promulgation of the Municipal Finance Management Act (2004).

The IDP when implemented correctly is a good tool for promoting the redistribution of income and an effective instrument to strengthen the relationship between local government and the local community. The IDP and Budget Public Participation Processes are an arena for co-management in which the community and government decide together where and how the city's resources and investments will be allocated. Public discussion and decision making concerning the priority areas of government investment has been making it possible to highlight priorities, insisting on administrative transparency and changing the way residents relate to their municipality.

The IDP in uMhlathuze sets the basis for translating into financial terms and activities that which will deliver services. The overall objectives of budget planning cycle of the municipality has managed to co-ordinate the implementation of the IDP, which needs to ensure that the budget is affordable to deliver on the expectations of the community.

The IDP consultation process involved the clustering of a few wards in order to afford an opportunity for a hearing of the needs that will be presented later. The attendance of these meetings ensures that the IDP priorities are allocated, programmes and projects for service delivery planned. The budget and IDP processes involve/links the monitoring process throughout the year to ensure the IDP priorities are being achieved. The graph below shows the link between the IDP and budget planning processes that has created a complex and dynamic management environment for the municipality.

Figure: The integration of the IDP, Budget and PMS



The detailed policies are not included in this IDP document. However they are available on request by councillors and made publicly available at all council offices within the City of uMhlathuze and on the website www.richemp.org.za.

5.4 Budget Related Policies

Below is a schedule of Council's budget related policies:

Table 35: Budget rELated Policies

Name of Policy	Type	Reference	Date of Council adoption
Tariff of charges	Draft	DMS 705773	In progress To serve at Council with draft and final 2011/12 Medium Term Revenue and Expenditure Framework (MTREF) in March 2011 and May 2011 respectively.
Credit Management Policy	Current	RPT 141442 RPT142617 (Bylaws)	Council Resolution 4650 dated 3 July 2007. Further proposed amendments in this report. Policy review to be finalised in the 2011/2012 financial year
Supply Chain Management Policy	Current	RPT 137944 RPT 145110	Council Resolution 3386 dated 4 October 2005

Name of Policy	Type	Reference	Date of Council adoption
		DMS 439330 (review)	Council Resolution 6174 dated 4 August 2009
Investment and Cash Management Policy	Current	RPT 141398 DMS 454662 DMS 458007 Review	Council Resolution 4600 dated 3 July 2007 Council Resolution 6336 dated 3 November 2009
Indigent Policy	Current	RPT 147125 DMS 586841	In progress. To serve at Council with the final Budget 2010/2011
Tariff policy	Current	DMS 418186	Council Resolution 4169 dated 7 November 2006
Rates Policy	Current	DMS 473856 (2008/2009) DMS 566699 (2009/2010) DMS 637432 (2010/2011) DMS 701131 (2011/2012)	Council Resolution 4169 dated 29 May 2008 Council Resolution 4914 dated 4 December 2009 Council Resolution 6686 dated 08 June 2010 Council Resolution pending
Fraud Prevention Policy	Current	RPT 143608 DMS 497798	Council Resolution 6084 dated 9 June 2009.
Virement Policy (transfers of funds)	Current	RPT 147986 DMS 635065	Council Resolution 6737 dated 6 July 2010
Fixed asset management Policy	Current	RPT 145981 DMS 562968	Council Resolution 6048 dated 9 June 2009.

5.5 Rates and Services Charges

Tariff increases for the 2011/2012 financial year are already included in the above estimates.

From the various tariff increases and the restructuring thereof revenue is increased by the following percentages as per the table below:

SERVICE	PROPOSED INCREASE
Rates	12.5%
Refuse Residential	13%
Refuse Other	14%
Sewerage	12.5%
Electricity	Separate Table
Water: Purified Domestic	10%
Water: Purified Other Consumers	14,5%
Water: Clarified	12%
General	6,0%

ELECTRICITY	Percentage
Residential – High (1500kwh)	24,16%
Residential – Medium (900kwh)	19,10%
Residential – Low (450kwh)	6,89%
High Season (June-August)-	
Business – High and Medium	24,52%
Large Industry - High	26,72%
Low Season (Sept-May)-	
Business – High and Medium	24,52%
Large Industry - High	26,72%

Tariff of charges as reflected in **Annexure A (DMS 705773)** (Can be requested from Finance Department)

Examples of the effect of the above-mentioned tariff increases will have on the monthly consumer account

5.5 Grants and Subsidies

All allocations in terms of the Division of Revenue Act, 2010, have been included in the 2011/2012 Multi-year Operating Budget.

This includes Council's Equitable Share allocation and other allocations from National Government. These allocations are based on the Division of Revenue Act, 2010 as the 2011 Bill has not yet been promulgated.

The Equitable Share is considered an unconditional grant, and municipalities are free to regard it as general revenue. However, municipalities should prioritise their expenditure budget towards poor households and national priorities such as free basic services.

Type of Grant	Amount
	R
Local Government Financial Management Grant	1 450 000
Municipal Systems Improvement Programme Grant	840 000
Project Management Unit Allocation	2 580 000
Equitable Share	165 170 000
Museums Subsidy	78 000
Primary Health Subsidy	4 886 000
Recapitalisation of libraries	570 000
Total Operating Grants and Subsidies	175 574 000

SECTION 6: ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

6.1 Introduction

UMhlathuze Municipality strives to be a place in which there is an advancement of community development, personal growth and social mobility so that at the end of the day challenges pertaining to poverty and vulnerability, inequality and social exclusion are addressed. Some of these issues are as follows:

A Performance Management System (PMS) is a framework that describes and represents how the municipality's processes of performance planning, monitoring, measurement review, reporting and improvement will be conducted and managed. The PMS also forms the basis of aligning the IDP with the operational business plans of the various departments through the prioritisation and monitoring of key performance areas (KPAs) and key performance indicators (KPIs). The IDP Review process in fact fulfils the "planning" stage of performance management as it identifies the key development targets and informs the subsequent KPIs set by the municipality. The performance management system evaluates is to reflect the status quo of Performance Management and any other progress that has been made in the past year.

6.2 Background

The legislative framework for local government has established new demands on the performance of municipal staff members to ensure that the objectives of local government are met. This process seeks municipalities to improve and monitor their functioning and accountability on an ongoing basis for meeting the unique circumstances that exist.

Special directives and assistance to municipal administration are therefore essential in order to ensure a more efficient, customer orientated and developmentally creative local government dispensation. Proper performance management within all municipal administrations is a prerequisite for creating proper performance management within municipal administration. Performance management is seen as a strategic tool that encourages new attitudes, skills and competencies within local government.

If municipal management is implemented correctly, the municipality should be able to deliver quality services in a cost-effective, efficient and accountable manner. The aim of the municipality's performance management is to:

- assess the overall state of the municipality
- monitor the effectiveness of development and delivery strategies of municipalities and ensure that scarce resources are utilized efficiently
- provide early warning signals
- allow for performance comparison between municipalities across the country
- identify successful approaches or best practices
- provide a national set of performance

The performance management system and any other regulations and guidelines suggest the incorporation and provision for the following:

- setting appropriate key performance indicators (KPIs) as a yardstick for measuring municipal performance, including outcomes and impact, with regard to the municipality's development priorities and objectives set out in its IDP
- setting measurable performance targets for each of the development priorities and objectives
- monitoring performance and measuring and reviewing performance at least once a year against the development priorities and KPIs
- taking steps to improve performance where targets have not been met
- establishing a process of regular reporting to the council, political structures, office bearers, staff, the public and appropriate organs of state

uMhlathuze Municipality has ensured full alignment between the Performance Management Systems and the IDP during 2010/2011 in terms gaps identified during 2009/2010 by the Audit Committee. uMhlathuze's Performance Management System has structured reporting in line with the performance management regulation, namely, Municipal Finance Management Act and Municipal Systems Act.

The following performance related information reports will be prepared:

From a compliance point of view the system should be in line with Chapter 6 and Section 34 of the Municipal Systems Act.

- Monthly reporting (in terms of Section 71 of Municipal Finance Management Act . MFMA);
- Quarterly reporting (in terms of the Municipal Planning and Performance Management Regulations 2001. (MPPMR);
- Bi-Annual Reports (In terms of the Municipal Systems Act. MSA, Section 46 and 47)

The following templates will be implemented /populated in respect of Performance Information Reporting.

- Organisational Scorecard
- Departmental Scorecard
- Quarterly, ½ Yearly and Annual Performance Reports.

Municipal/Organisational Key Performance Indicators are developed in terms of the uMhlathuze's IDP and the municipal/organizational scorecard perspectives, and are also aligned to the KZN COGTA scorecard criteria as reflected in the Annual Performance Report template.

6.3 Individual Performance (Section 57) Measurement:

uMhlathuze's Municipality Individual Performance Measurement for Section 57 Managers is managed in strict accordance to the Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers dated 1 August 2006.

Performance Agreements for Section 57 Managers:

Each Section 57 Manager enters into a: Performance Pack consisting of a Performance Agreement, Performance Plan, Personal Development Plan, Code of Conduct and Financial Declaration by latest 31 July of every year.

Quarterly Performance Panel Assessments:

The performance of Section 57 Managers is assessed on a quarterly basis. In terms of the Municipal Performance Regulations only the half yearly (2nd quarter) and full year (4th quarter) assessments must be treated as formal assessments. However, in the case of uMhlathuze, all 4 quarters are treated as formal, with panel assessments carried out for each quarter.

6.4 Performance Panels

Performance panels are duly constituted in accordance to the regulations 27 (1)(d) and (e) of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers,(2006). The Performance Panel has been reconstituted in the 2009/10 financial year for a new 2 year term of office.

6.5 Performance Audit Committee

The Performance Audit Committee has also been reconstituted during the 2009/10 financial year for a new 2 year term of office, strictly in accordance to legislation where the committee consists of two external members with performance management skills, and one internal member. The Performance Audit Committee conducts its business in accordance to a Performance Audit Committee Charter and meets at least four times in a financial year.

Internal Audit Reporting on Performance Measurement: Messrs Pricewaterhouse Coopers has successfully been appointed by public tender process and conducts an internal audit review after every quarterly performance assessment, after which the internal audit report with its findings is submitted to the Performance Audit Committee. A report of the Performance Audit Committee then serves at EXCO and Council.

6.6 2011/2012 Organisation Performance Management System (OPMS) Scorecard

Organisational scorecard that ensures that it's the objectives and strategies that have been identified in the IDP have an over link between the, IDP, PMS and BUDGET

Table 38: 2011/2012 Organisational Performance Management System Scorecard (OPMS)

UMHLATHUZE ORGANISATIONAL PERFORMANCE SCORECARD 2011/2012													
IDP Ref	National KPA	Strategic Objective	Measurable Objective/Output	Performance Measure / Indicator (Unit of Measure)	Baseline 2008/2009		2009/2010		2010/2011		Responsible Department	2011/2012	
					Target	Actual	Annual		Annual			Annual	
							Target	Actual	Target	Actual		Target	Actual
1.1	Good Governance, Community Participation and Ward Committee Systems	Public Participation	Public meetings	Number of meetings	18	18	13	13	22		Office of the ACM (idp) Financial Services	22	
1.1		Stakeholder Liaison	Stakeholder meetings	Number of meetings	3	3	3	3	3		Office of the ACM	3	
1.2		Policy Development	Compliance with all legal prescripts	Percentage of compliance	100%	100%	100%	100%	100%		All	100%	
2.1	Basic Service Delivery and Infrastructure Development	Access to Water	Households with access to basic water	Number of Households	68832	70836	73542	71660	72260		Technical Services	72660	
			% Households with access to basic water	% Households with access to basic water	95.4%	96.5%	96.5%	96.5%	97.30%		Technical Services	90%	
2.1			New Water Connections	Number of new connections	5381	6176	3259	1756	600		Technical Services	400	
2.1		Access to Sanitation	Households with access to basic sanitation	Number of Households	38475	38763	42806	44129	45113		Technical Services	45133	
2.1			% Households with access to basic sanitation	% Households of with access to basic sanitation	51.8%	52.2%	57.6%	59.4%	59.93%		Technical Services	56%	
2.1			New sanitation connections	Number of new connections	5475	6158	10506	5366	TBA		Technical Services	0	
2.2		Access to Electricity	Households with access to electricity	Number of Households	32000	32876	34388	34110	31000		Technical Services	29600	
2.2			New Electrical Connections	Number of new connections	1109	1985	1512	1234	TBA		Technical Services	120	
2.4		Access to Solid Waste	Households with access to waste disposal services	Number of Households	51914	54400	56265	56770	58673		Community Services	59412	
2.4			% Households with access to waste disposal services	% Households	69.90%	73.5%	75%	76.44%	79%		Community Services	73%	
2.4			New households with access to weekly waste disposal services	Number of new households	2 734	1 634	1 600	2 100	1686		Community Services	1200	
2.1		Free Basic Services	Households with access to free basic water	Number of Households	68832	70836	73242	71660	72260		Technical Services	72660	
2.1			Households with access to free basic sanitation	Number of Households	5475	6158	10006	11524	12508		Technical Services	19908	
2.4			Households with access to free electricity	Number of Households	700	709	300	324	TBA		Technical Services	570	
2.3		Access to roads	Kilometres of tarred roads established	Number of km	6.4	6.4	6.4	6.4	1.2	1.2	Technical Services	0	
2.3			Kilometres of gravel roads established	Number of km	36	36	36	28.2	16	22.5	Technical Services	25	
2.3			Kilometres of roads maintained	Number of km	800	800	800	794	800	750	Technical Services	950	
2.115	Community and Public Facilities	New facilities provided	Number of facilities	4	1	4	3	0		Community Services	3		
2.115		Upgraded facilities provided	Number of facilities	13	9	6	4	0		Community Services	0		
2.1	Human Settlements	Number of Hostel units refurbished	Number of units	36	36	108	108	45		City Development	90		

UMHLATHUZE ORGANISATIONAL PERFORMANCE SCORECARD 2011/2012													
IDP Ref	National KPA	Strategic Objective	Measurable Objective/Output	Performance Measure / Indicator (Unit of Measure)	Baseline 2008/2009		2009/2010		2010/2011		Responsible Department	2011/2012	
					Target	Actual	Annual		Annual			Annual	
							Target	Actual	Target	Actual		Target	Actual
3.1	Local Economic Development	Economic growth	Targeted spend achieved	Percentage Achieved							Office of ACM	TBA	
3.1.1		Development of Prioritised Groups	Capacity Building Initiatives undertaken	Number of Initiatives	4	5	3	15	12		City Development	4	
3.1		Special Projects	Special projects planned	Number of projects							Office of ACM	6	
3.1.3		Promotion of Local Economy	Jobs created through the municipality's LED initiatives	Number of jobs	200	282	300	400	265		City Development	265	
3.1			Jobs created through the municipality's Capital Projects	Number of jobs	750	99	500	547	750		City Development	750	
4.6	Municipal Transformation and Institutional Development	Human Resources Management	Number of black staff employed in management	Number of black staff	69	46	72	49	78		Corporate Services	79	
4.6			Women employed by the municipality	Number of women	854	563	854	608	870		Corporate Services	881	
4.6			Youth employed by the municipality	Number of youth	0	112	0	141	TBA		Corporate Services	TBA	
4.6			Disabled staff employed by the municipality	Number of staff	0	1	0	1	TBA		Corporate Services	40	
4.6			Annual Approved Workplace Skills Plan	Date							Corporate Services	TBA	
4.6			Budget Spent on Workplace Skills Plan	Percentage Spent on budgeted amount	85.0%	85.0%	85.0%	94.64%	85.0%		Corporate Services	100%	
4.6			% Operating Budget spent on implementing Workplace Skills Plan	Skills levy / Salaries budget x 100 = percentage (Target 1.00% p.a.)	1.0%	0.73%	1.0%	0.84%	1.00%		Corporate Services	1.00%	
4.1.1		Batho Pele Principles	Community Surveys conducted	Number of surveys	1	1	0	0	0		Corporate Services	1	
4.1.1		Performance Management Systems	SS7 Performance Agreements	Number of agreements	10	10	7	7	6		Corporate Services	7	
4.5		Municipal Turn Around Strategy	Implementation of the National Municipal Turnaround Strategy	% Implemented	0	0	New	Adopted	100%		All	100%	
5.4	Financial Viability and Financial Management	Revenue Enhancement	Cash collected from customers	R value of revenue collected	910,054,200	800,908,993	964,000,000	952,119,367	1,192,000,000		Financial Services	1,500,000,000	
5.4			Amount invoiced/billed to customers	R value of invoices raised	780,131,594	811,520,884	985,888,926	964,699,613	1,240,000,000		Financial Services	1,559,000,000	
5.1		Financial management	Debt service payments	R value	186,996,900	144,786,701	159,737,000	153,946,501	165,475,430		Financial Services	182,648,857	
5.1			Total revenue received from grants and subsidies	R value	153,421,600	168,234,222	183,438,700	236,022,744	232,855,000		Financial Services	266,485,000	
5.1			Total of grants and subsidies spent	Total grants and subsidies spent / Total grants and subsidies received x 100 = Percentage spent	100%	100%	100%	100%	100%		Financial Services	100%	

UMHLATHULIZE ORGANISATIONAL PERFORMANCE SCORECARD 2011/2012													
IDP Ref	National KPA	Strategic Objective	Measurable Objective/Output	Performance Measure / Indicator (Unit of Measure)	Baseline 2008/2009		2009/2010		2010/2011		Responsible Department	2011/2012	
					Target	Actual	Annual		Annual			Annual	
							Target	Actual	Target	Actual		Target	Actual
5.3	Financial Viability and Financial Management	Debt Control	Debt coverage ratio	(Total operating revenue received - operating grants) / debts service payments (interest & redemption due for the year)	(1269305700 - 155504800) / 186996900 = 5.96	(1076357961 - 102059927) / 144786701 = 6.73	(1054914000 - 174154000) / 159737000 = 5.51	(1222132556 - 122102991) / 153946501 = 7.1	(1557757000 - 156947000) / 170205000 = 8.23		Financial Services	9.26	
5.3			Outstanding service debtors to revenue	Outstanding service debtors / revenue actually received for services	84000000 / 832052454 = 0.10	70386682 / 800448949 = 0.09	90000000 / 900000000 = 0.10	86641274 / 943186501 = 0.09	120088721 / 1271066100 = 0.09		Financial Services	130000000 / 1392000000 = 0.09	
5.3			Cost coverage ratio	(Available cash at particular time + Investments) / Monthly fixed operating expenditure	94406000 / 917841000 = 0.11	106038312 / 1064971000 = 0.10	76205000 / 982126000 = 0.078	41190772 / 243826000 = 0.20	(-81897000) / 116996000 = (-0.70)		Financial Services	0.02	
5.1		Budgeting and reporting	Total operating budget	R value	1,278,507,400	1,012,605,510	1,183,579,600	1,307,384,287	155,757,100		Financial Services	1,861,269,600	
5.1			Total Salaries and Wages budget (including benefits)	R value	316,745,200	286,893,254	330,254,400	322,178,326	360,814,200		Financial Services	407,860,500	
5.1			Compliance with MFMA requirements	Percentage compliance	100%	90% (Asset management outstanding)	100%	100%	100%		Financial Services	100%	
5.1		Expenditure control	Percentage Capital Budget spent on Capital project i.t.o. IDP	Capital Budget amount spent on Capital Projects / Total Capital Budget x 100 = Percentage spent	90.00%	81.60%	90.00%	115.56%	90.00%		Financial Services	90%	Figures required how % is calculated
5.1			Total Operating expenditure	R value	1,278,507,400	1,083,298,607	1,299,766,400	1,422,542,758	1,526,102,800		Financial Services	1,859,685,200	
		KEY FOR THE MEASURABLE OBJECTIVES: Priority Vuna Additional /Departmental											

6.7 Insight to the Section 46 Report (Annual Performance Report)

uMhlathuze Municipality adopted its Annual Report for the year that ended in June 2010. This Annual Report included the Auditor General's report for the same period. The Auditor General conducted UMhlathuze audit in accordance with the International Standards on auditing which read with General Notice 616 of 2008, issued in Government Gazette No. 31057 of May 2008. Some of the findings of the Auditor General were as follows:

“ The integrated development plan of uMhlathuze Municipality did not include the key performance indicators and performance targets determined in terms of its performance management system, as required by section 26(i) and 41(1)(b) of the MSA and regulation 12 of the Local Government: Municipal Planning and Performance Management Regulations, 2001”

The above query has yet been resolved within the 2010/2011 IDP.

SECTION 7: ANNEXURES

Annexure	Plan
A.	Spatial Development Framework (SDF)
B	Housing Chapter
C	Turn Around Strategy
D	Water Management Services Plan
E	Local Economic Development and Implementation Plan
F	Turn Around Strategy