

Table of Contents

SECTION A: EXECUTIVE SUMMARY	11
1 WHO ARE WE	11
1.1 SPATIAL LOCATION WITHIN KZN PROVINCE.....	11
1.1.1 <i>Demographics Trends and Characteristics</i>	15
1.2 INFRASTRUCTURE ANALYSIS	16
1.2.1 <i>Water</i>	16
1.2.2 <i>Sanitation</i>	17
1.3 LONG TERM VISION	18
1.3.1 <i>IDP Development Process, Phases And Key Timeframes</i>	18
1.4 KEY DEVELOPMENTAL CHALLENGES FACING THE MUNICIPALITY AND PROPOSED INTERVENTIONS	25
1.5 HIGH LEVEL MUNICIPAL PROGRAMMES AND MONITORING PROCESS.....	27
1.6 MUNICIPAL CATALYTIC PROJECTS.....	30
SECTION B: PLANNING AND DEVELOPMENT PRINCIPLES.....	32
2 PLANNING AND DEVELOPMENT PRINCIPLES	32
2.1 INTRODUCTION	32
2.2 LEGISLATIVE FRAMEWORK	32
2.3 ALIGNMENT WITH PROVINCIAL AND NATIONAL POLICIES	36
2.3.1 <i>National and Policy Framework</i>	36
2.3.2 <i>Medium Term Strategic Framework</i>	40
2.3.3 <i>Provincial Growth and Development Strategy</i>	40
2.3.4 <i>Back to Basics Programme</i>	42
2.3.5 <i>Operation Clean Audit</i>	43
2.3.6 <i>District Growth and Development Plan</i>	43
SECTION C: SITUATIONAL ANALYSIS	45
3 SITUATIONAL ANALYSIS	45
3.1 KWAZULU NATAL PROVINCIAL POPULATION SIZE	45
3.1.1 <i>Population by Districts</i>	46
3.1.2 <i>Population within the Local Municipalities</i>	47
3.1.3 <i>District Age and Gender Distribution</i>	48
3.1.4 <i>Locals Age and Gender Distribution</i>	49
3.1.5 <i>Total Population and Growth Rate</i>	50
3.1.6 <i>Population by Race</i>	50
3.1.7 <i>Sex Ratio</i>	51
3.1.8 <i>Dependency Ratio</i>	52
3.1.9 <i>Fertility Rate</i>	54
3.1.10 <i>Morbidity Rate</i>	55
3.1.11 <i>Mortality Rate</i>	57
3.1.12 <i>HIV Prevalence</i>	59
3.2 SPOKEN LANGUAGES	60
3.3 MIGRATION.....	61
3.4 DISABILITY STATUS WITHIN THE DISTRICT.....	62
3.5 KEY FINDINGS AND RESPONSIVE PROGRAMMES.....	63
4 CROSS CUTTING ANALYSIS	65
4.1 NODAL HIERARCHY	65

4.1.1	Primary Node	65
4.1.2	Rural Service Centre	66
4.1.3	Tourism and Recreational Node.....	67
4.2	CORRIDORS AND ROAD CONNECTIVITY	67
4.2.1	Primary Corridors	67
4.2.2	Secondary/Regional Corridors	68
4.2.3	Tertiary Corridors	68
4.2.4	Conclusion	68
4.3	PUBLIC TRANSPORTATION SYSTEM	69
4.4	SETTLEMENTS AND URBAN EDGES.....	69
4.4.1	Settlement Patterns	69
4.4.2	Settlement patterns and dynamics	70
4.4.3	Settlement focus areas within the UDM.....	70
4.4.4	Urban Edges.....	70
4.4.5	LOCAL AREA AND PRECINCT PLANS	71
4.4.6	INCLUSIONARY HOUSING FOCUS AREA	72
4.4.7	Spatial Master Plan 2035 Vision	73
4.5	COMPREHENSIVE RURAL DEVELOPMENT PROGRAMME (CRDP)	75
5	ENVIRONMENTAL MANAGEMENT	76
5.1	ENVIRONMENTAL MANAGEMENT FRAMEWORK (EMF).....	76
5.2	EMF DEVELOPMENT APPROACH	77
5.2.1	EMF Objectives.....	78
5.2.2	UDM EMF Driving Forces	79
5.2.3	Environmental Statutory Framework.....	79
5.2.4	Environmental Profile	80
5.2.5	Environmental management priorities	80
5.2.6	Transition from Status Quo to Desired State	81
5.2.7	Monitoring and Evaluation Tool	81
5.3	CLIMATE CHANGE	83
5.3.1	Climate change adaptation and mitigation strategy.....	84
5.3.2	Vulnerability Assessment	85
5.3.3	Developing a Greenhouse Gas Inventory	86
5.3.4	Developing a Climate Change Response Plan	86
5.3.5	Integration with IDPs	86
5.4	BIOPHYSICAL ENVIRONMENT	87
5.4.1	Geology.....	87
5.4.2	Geohydrology.....	89
5.4.3	Surface Water	89
5.5	RAINFALL	91
5.6	CONSERVATION AND PROTECTED AREAS	93
5.6.1	Protected Areas.....	93
5.6.2	Conservation Areas	93
5.6.3	KZN Protected Area Expansion	96
5.6.4	Fauna	96
5.6.5	Public Participation Process.....	96
5.6.6	Terrestrial Systematic Conservation Plan	97
5.6.7	AIR QUALITY.....	100
5.6.8	WATER SYSTEMS (DAMS AND RIVERS)	100
5.7	MINING ANALYSIS	101
5.7.1	Mineral and Petroleum Resources Development Act (Act 28 of 2002)	103

5.7.2	National Heritage Resources Act (Act 25 of 1999).....	106
5.7.3	General Description of Heritage Resources in the District	106
5.7.4	Archaeological Resources Overview	106
5.7.5	Cemeteries	107
5.7.6	Historical and Cultural Resources	107
5.7.7	Significance of Heritage Resources	108
5.7.8	Conclusion.....	108
5.8	DISASTER MANAGEMENT	109
5.8.1	Status Of The Municipal Institutional Capacity.....	109
5.8.2	Risk Reduction and Planning.....	109
5.8.3	Operations and Interventions	110
5.8.4	Fire and Rescue Services	110
5.8.5	Call Centre.....	110
5.8.6	Risk Profile of UDM	111
5.8.7	Disaster Management Plan	112
5.8.8	Disaster Management Advisory Forum	119
5.8.9	Disaster Risk Assessment	119
5.8.10	Disaster Response and Recovery.....	120
5.8.11	Training and Awareness	120
5.8.12	Disaster Analysis.....	120
5.8.13	Disaster Risk Areas.....	121
5.8.14	Conclusion.....	122
5.9	ANALYSIS OF THE 2018/19 KEY PROGRAMMES AND PROJECTS	123
5.9.1	Cross Cutting SWOT Analysis	124
6	MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	125
6.1	HUMAN RESOURCE STRATEGY 2017-2022.....	125
6.2	CASCADING OF PMS TO LEVELS BELOW SECTION 56 MANAGERS.....	127
6.3	DEPARTMENTAL OUTLINE	127
6.3.1	Office of the Municipal Manager.....	128
6.3.2	Technical Services	129
6.3.3	Community Services.....	129
6.3.4	Planning and Economic Development	130
6.3.5	Corporate Services	131
6.3.6	Budget and Treasury.....	131
6.4	MUNICIPAL WORKFORCE.....	132
6.5	VACANCY RATE	133
6.6	EMPLOYMENT EQUITY PLAN.....	133
6.7	WORKPLACE SKILLS DEVELOPMENT PLAN	134
6.7.1	RETENTION STRATEGY	135
6.7.2	CAPACITY SUPPORT	135
6.7.3	POWERS AND FUNCTIONS	135
6.8	POLICIES.....	136
6.8.1	ICT FRAMEWORK	138
6.8.2	DEVELOPMENT PLANNING SHARED SERVICES.....	139
6.8.3	ANALYSIS OF THE 2018/19 KEY PROGRAMMES AND PROJECTS.....	139
6.8.4	MUNICIPAL INSITUTIONAL DEVELOPMENT AND TRANSFORMATION SWOT ANALYSIS	140
7	GOOD GOVERNANCE AND PUBLIC PARTICIPATION	141
7.1	BATHO PELE PRINCIPLES	141
7.1.1	Umzinyathi District Municipality upholds and abides by the following Batho Pele principles, in	

<i>providing better services to the community.</i>	141
7.1.2 2018/19 IDP REVIEW MEC COMMENTS.....	142
7.1.3 IDP ORGANISATIONAL AND INSTITUTIONAL ARRANGEMENTS	165
7.1.4 COMMUNICATION POLICY	168
7.1.5 Public Participation	169
7.1.6 Customer Satisfaction Survey	169
7.2 INTERGOVERNMENTAL RELATIONS FRAMEWORK	169
7.2.1 AUDIT COMMITTEE	174
7.2.2 BID COMMITTEES.....	174
7.2.3 INTERNAL AUDITORS	175
7.2.4 PORTFOLIO COMMITTEES.....	175
7.2.5 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE	175
7.2.6 OPERATION SUKUMA SAKHE	176
7.2.7 GOVERNANCE	176
7.2.8 LAND USE MANAGEMENT	177
7.2.9 ANALYSIS OF THE 2018/19 KEY PERFORMANCE AREA PROGRAMMES AND PROJECTS.....	177
7.2.10 good governance and public participation swot analysis.....	178
8 SERVICE DELIVERY & INFRASTRUCTURE INVESTMENT.....	179
8.1 ACCESS TO INFRASTRUCTURE SERVICES	179
8.1.1 Water	179
8.1.2 Sanitation.....	181
8.1.3 Electricity	183
8.1.4 Solid Waste Management	185
8.1.5 Housing.....	186
8.2 2017 WATER AND SANITATION STRATEGY	187
8.3 CAPITAL INVESTMENT PLAN	190
8.3.1 EXPANDED PUBLIC WORKS PROGRAMME.....	190
8.3.2 DROUGHT PROGRAMME	191
8.3.3 2018/19 REDUCTION OF WATER AND SANITATION BACKLOGS	192
8.3.4 OPERATIONS AND MAINTENANCE.....	198
8.4 SECTOR PLANS	199
8.4.1 Water Services Development Plan	199
8.4.2 Integrated Waste Management Plan	199
8.4.3 Integrated Public Transportation / Rural Road Asset Management System	199
8.5 WATER CONSERVATION AND DEMAND MANAGEMENT (NON REVENUE WATER).....	200
8.5.1 FREE BASIC SERVICES	200
8.5.2 GREEN AND BLUE DROP STATUS	201
8.5.3 WATER INFRASTRUCTURE VERIFICATION PROJECT	201
9 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT.....	205
9.1 2019/20 DRAFT BUDGET	205
9.2 FREE BASIC SERVICES	226
9.3 REVENUE ENHANCEMENT / COLLECTION RATE	226
9.4 DEBT IMPAIREMENT AND WRITE OFF POLICY.....	226
9.4.1 PERCENTAGE OF THE CAPITAL BUDGET SPENT	227
9.4.2 MUNICIPAL CONSUMER DEBT POSITION.....	227
9.4.3 PERCENTAGE OF THE MUNICIPAL REVENUE INCOME	227
9.4.4 EMPLOYEE RELATED COSTS	227
9.4.5 PRIOR YEAR OPERATIONAL BUDGET.....	228
9.5 STATUS OF THE CURRENT BORROWINGS AND PLANNED BORROWINGS	228

9.5.1	PERCENTAGE OF THE EMPLOYEE RELATED COSTS	228
9.5.2	TECHNICAL SERVICES	228
9.5.3	BUDGET AND TREASURY OFFICE.....	228
9.5.4	BUDGET AND REPORTING.....	229
9.6	SUPPLY CHAIN MANAGEMENT	229
9.6.1	ASSET MANAGEMENT.....	230
9.6.2	REPAIRS AND MAINTENANCE	231
9.6.3	FINANCIAL RATIOS	231
9.6.4	DEBTORS AGE ANALYSIS	234
9.7	REPORT OF THE AUDITOR GENERAL TO THE KWAZULU – NATAL PROVINCIAL LEGISLATURE AND COUNCIL OF UMZINYATHI DISTRICT MUNICIPALITY (2016/17).....	235
9.7.1	Report on the financial statements.....	235
9.8	REPORT OF THE AUDITOR GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATURE AND COUNCIL OF UMZINYATHI DISTRICT MUNICIPALITY (YEAR UNDER REVIEW 2017/18)	242
9.8.1	UNDER REVIEW – 2017/18).....	242
9.8.2	ACTION PLAN TO ADDRESS THE AUDIT QUERIES.....	253
9.9	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT SWOT ANALYSIS	278
10	LOCAL ECONOMIC DEVELOPMENT -	279
10.1	ECONOMIC STATUS QUO	279
10.1.1	Economic structure and trends	279
10.1.2	EDUCATION PROFILE.....	280
10.1.3	Education Levels vs Economically active population.....	280
10.1.4	Unemployment Rate	282
10.1.5	Employment by Sector	284
10.1.6	Employment Status (Formal and Informal).....	285
10.1.7	Employment status of economically active population	286
10.1.8	Economically Active Population	288
10.1.9	Gross Value Added.....	289
10.1.10	Poverty Index	290
10.1.11	Main Economic Contribution in Umzinyathi	292
10.2	LED STRATEGY.....	294
10.2.1	MARKETING AND INVESTMENT PROMOTION	294
10.2.2	INDUSTRIAL ECONOMIC HUBS.....	295
10.2.3	DISTRICT ECONOMIC DEVELOPMENT AGENCY.....	296
10.2.4	AGRICULTURAL SECTOR.....	297
10.2.5	Skills development	299
10.3	EXPENDED PUBLIC WORKS PROGRAMME (EPWP)	300
10.4	AGRI PARKS PROGRAMME.....	302
10.4.1	Agrarian transformation.....	304
10.4.2	Food security.....	304
10.4.3	radical soci economic transformation(RASET)	305
10.5	TOURISM SECTOR	305
10.6	SOCIAL DEVELOPMENT	306
10.6.1	Poverty eradication master plan (PEMP).....	306
10.6.2	People with disability.....	307
10.6.3	Youth Development:	308
10.6.4	Women & Gender Programmes.....	309
10.6.5	Early Childhood Development (ECD)	309
10.6.6	Social Development SWOT analysis	312
10.7	FACILITY BREAKDOWN WITHIN THE DISTRICT	312

10.8	KEY LED PROGRAMMES	314
10.9	LOCAL ECONOMIC DEVELOPMENT SWOT ANALYSIS	317
SECTION D: VISION, GOALS, OBJECTIVES AND STRATEGIES		318
11	VISION, MISSION, MOTTO, CORE VALUES, KEY DEVELOPMENTAL PRIORITIES.....	318
11.1	VISION.....	318
11.1.1	Mission.....	318
11.1.2	Core Values	319
11.1.3	KEY DEVELOPMENTAL PRIORITIES	319
12	STRATEGIC MAPPING	320
12.1	POPULATION DISTRIBUTION & TRAVELLING DISTANCE TO SOCIAL AMENITIES.....	320
12.1.1	Population Distribution.....	320
12.1.2	Household Status	320
12.1.3	Tourism Facilities within the district	326
12.2	ENVIRONMENTAL AND AGRICULTURAL ASPECTS	328
12.2.1	Vegetation Threatened Ecosystem	330
12.2.2	Protected Areas and Stewardship.....	330
12.2.3	Grazing Capacity.....	330
12.2.4	Critical Biodiversity Areas	332
12.2.5	Vegetation Status	332
12.2.6	Vegetation Conservation Status	332
12.2.7	Land Restitution and Land Claims.....	338
12.2.8	Geology.....	338
12.3	STRUCTURING ELEMENTS.....	338
12.3.1	Access to Electricity Services	338
12.3.2	Mining Potential	338
12.3.3	Transport Mobility	338
13	CHALLENGES PER NATIONAL KEY PERFORMANCE AREA (NKPA).....	343
14	DEVELOPMENTAL STRATEGIES	361
SECTION E 2: IMPLEMENTATION PLAN		372
15	IMPLEMENTATION PLAN	372
16	CAPITAL INFRASTRUCTURE INVESTMENT PROGRAMME FOR 2019/20 FINANCIAL YEAR 390	
17	DISTRICT GROWTH AND DEVELOPMENT PLAN IMPLEMENTATION PLAN	392
SECTION F: FINANCIAL PLAN.....		428
18	FINANCIAL PLAN.....	428
18.1	FINANCIAL STRATEGY OVERVIEW	428
18.1.1	Overview of Municipal Budget.....	429
18.1.2	Capital funding and expenditure per grant.....	430
18.1.3	Capital and Operational Financial Strategies	431
18.1.4	Revenue Raising Strategies.....	431
18.1.5	Asset Management Strategies.....	431
18.1.6	Cost Activities Strategies.....	431
18.1.7	Policy Development and Refinement Strategy.....	432

SECTION G: ANNUAL OPERATIONAL PLAN (SDBIP)	433
19 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN	433
SECTION H: ORGANISATIONAL AND INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM	434
20 ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM	434
21 INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM	436
21.1 CASCADING OF PERFORMANCE MANAGEMENT SYSTEM	436
SECTION I: ANNEXURES	437
SECTION J: APPENDIXES	438

LIST OF FIGURES

FIGURE 1: PGDS STRATEGIC FRAMEWORK	41
FIGURE 2: AGE AND GENDER	48
FIGURE 3: LOCALS AGE AND GENDER DISTRIBUTION	49
FIGURE 4: TOTAL BIRTHS IN FACILITY	54
FIGURE 5: DELIVERY IN FACILITY UNDER 18 YEARS	55
FIGURE 6: PAEDIATRIC MORBIDITY PROFILE 2015/16	56
FIGURE 7: ADULT MORBIDITY PROFILE 2015/16	56
FIGURE 8: DE REGISTERED ART PATIENT LOSS TO FOLLOW UP	57
FIGURE 9: PAEDIATRIC MORTALITY PROFILE 2015/16	58
FIGURE 10: ADULT MORTALITY PROFILE 2015/16	58
FIGURE 11: ENVIRONMENTAL FEATURES ASSESSED DURING THE EMF STATUS QUO PHASE	80
FIGURE 12: RISK PROFILE	112
FIGURE 13: DISASTER RISK ASSESSMENT	119
FIGURE 14: POSITIVE POLARITY LIGHTNING	121
FIGURE 15: TOTAL LIGHTNING RISKS	122
FIGURE 16: WATER PROVISION	179
FIGURE 17: ACCESS TO PIPED WATER	180
FIGURE 18: SANITATION PROVISION	181
FIGURE 19: CSS 2016 SANITATION PROVISION	182
FIGURE 20: ELECTRICITY PROVISION	183
FIGURE 21: CSS 2016 ELECTRICITY PROVISION	184
FIGURE 22: SOLID WASTE MANAGEMENT	185
FIGURE 23: PRIORITISED ECD CRECHES	312
FIGURE 24 : FACILITIES BREAKDOWN	313
FIGURE 25 : PHC FACILITIES BREAKDOWN	313
FIGURE 26: 3 YEAR SYNOPSIS OF MUNICIPAL BUDGET	429

LIST OF MAPS

MAP 1: PROVINCIAL CONTEXT	11
MAP 2: DISTRICT CONTEXT	12
MAP 3: LIGHTNING HAZARD PROBABILITY	113
MAP 4: VELD FIRE HAZARD PROBABILITY	114
MAP 5: STRUCTURAL FIRE HAZARD PROBABILITY	115
MAP 6: DROUGHT HAZARD PROBABILITY	116

TABLE 18: DELIVERY IN FACILITY UNDER 18 YEARS	55
TABLE 19: MORTALITY RATE.....	57
TABLE 20: HIV/AIDS PREVALENCE DISTRIBUTION BY DISTRICT AMONG 15-49 YEARS ANTENATAL WOMEN IN 2013.	60
TABLE 21: MIGRATION BY PROVINCE OF BIRTH	62
TABLE 22: DISABILITY STATUS	63
TABLE 23: KEY FINDINGS AND RESPONSIVE PROGRAMMES	63
TABLE 24: STRATEGIC OBJECTIVES OF THE HDP PLAN.....	126
TABLE 25: DEPARTMENTAL OUTLINE	128
TABLE 26: STAFF DISTRIBUTION.....	132
TABLE 27 : EMPLOYMENT EQUITY PLAN TARGETS	133
TABLE 28: COMMUNITY SKILLS DEVELOPMENT PROJECTS.....	134
TABLE 29: ORGANISATIONAL SKILLS DEVELOPMENT PROJECTS.....	135
TABLE 30: LIST OF POLICIES	136
TABLE 31: BATHO PELE PRINCIPLES.....	141
TABLE 32: INTERGOVERNMENTAL RELATIONS STRUCTURES.....	170
TABLE 33: FIVE YEAR WATER TARGETS.....	196
TABLE 34: FIVE YEAR SANITATION TARGETS.....	196
TABLE 35: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT SWOT ANALYSIS.....	204
TABLE 36 : EDUCATION LEVELS IN THE DISTRICT.....	280
TABLE 37: EMPLOYMENT STATISTICS OF THE DISTRICT	282
TABLE 38: SUB SECTOR EMPLOYMENT PERCENTAGE FOR UMZINYATHI	284
TABLE 39: EMPLOYMENT SKILLS LEVEL	285
TABLE 40: UDM LED PROGRAMMES AIMED AT SKILLS DEVELOPMENT	299
TABLE 41 : EXPANDED PUBLIC WORKS PLAN	301
TABLE 42 : HIGHEST LEVEL OF EDUCATION	310
TABLE 43: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	343
TABLE 44: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	343
TABLE 45: LOCAL ECONOMIC DEVELOPMENT.....	344
TABLE 46: GOOD GOVERNANCE AND PUBLIC PARTICIPATION.....	344
TABLE 47: FINANCIAL VIABILITY AND MANAGEMENT	345
TABLE 48: CROSS CUTTING.....	346

LIST OF ANNEXURES

ANNEXURE I.1	GOVERNMENT AND PUBLIC SECTOR PARTICIPATION, PRIVATE SECTOR AND COMMUNITY INVOLVEMENT REPORT
ANNEXURE I.2	SPATIAL DEVELOPMENT FRAMEWORK
ANNEXURE I.3	DISASTER MANAGEMENT SECTOR PLAN
ANNEXURE I.4	ORGANISATIONAL SCORECARD
ANNEXURE I.5	ORGANISATIONAL ORGANOGRAM
ANNEXURE I.6	BACK TO BASICS SUPPORT PLAN
ANNEXURE I.7	RURAL DEVELOPMENT PLAN

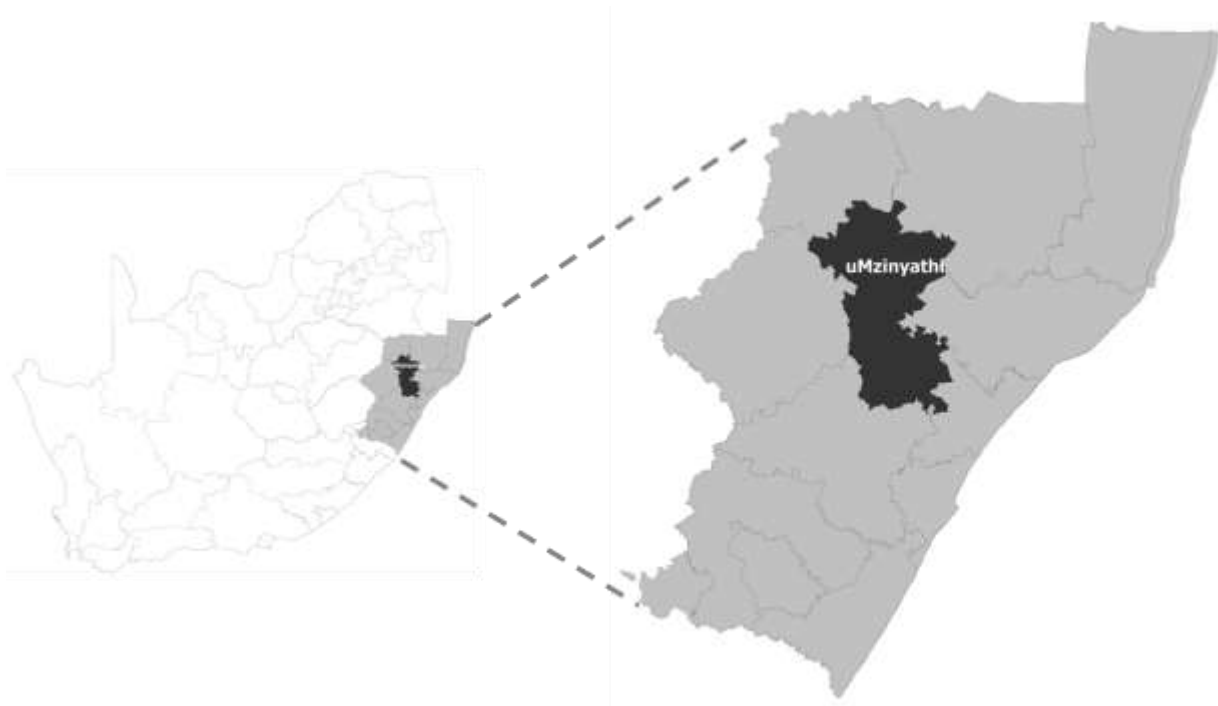
SECTION A: EXECUTIVE SUMMARY

1 WHO ARE WE

1.1 Spatial Location Within KZN Province

The Umzinyathi District Municipality (DC24) is one of the ten districts of KwaZulu-Natal. The Municipality is bordered in the north by the aMajuba Municipality, in the west by the uThukela Municipality, in the south west by the uMgungundlovu Municipality, in the south east by the iLembe Municipality and in the east by King Cetshayo District Municipality, as shown on the Map 1 below:

Map 1: Provincial Context

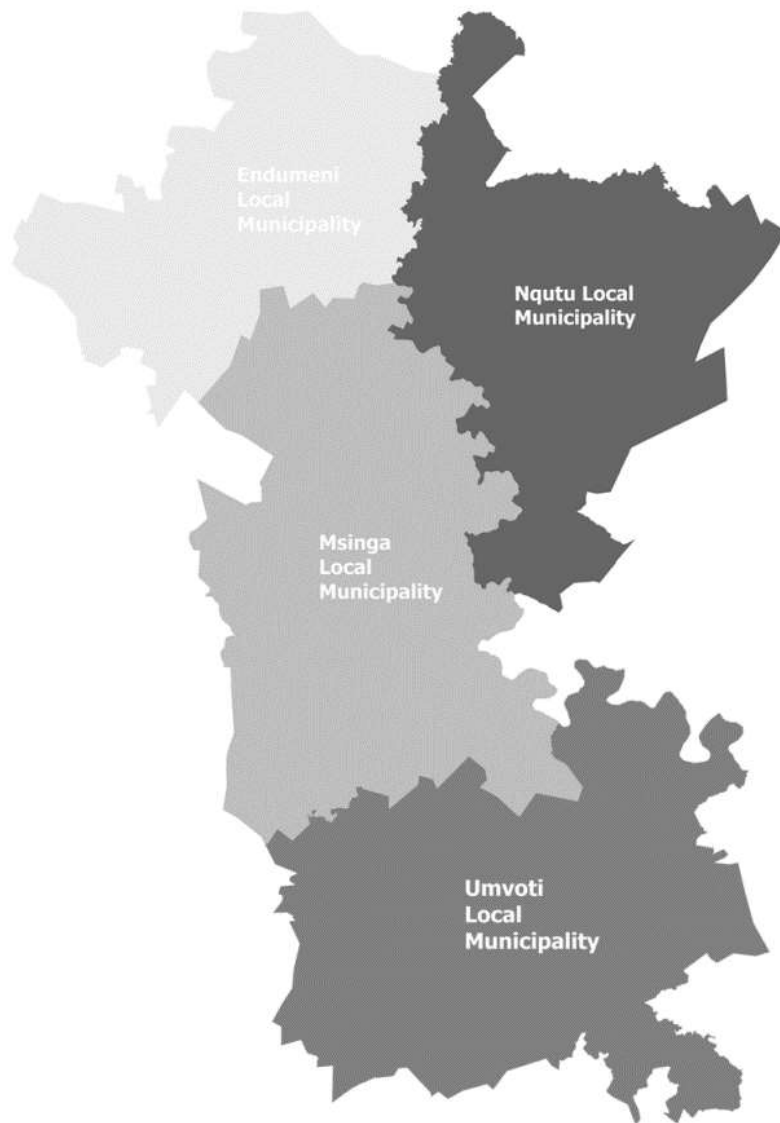


The district consists of four Local Municipalities, namely:

- Endumeni (KZ 241)
- Nquthu (KZ 242)
- Msinga (KZ 244)
- Umvoti. (KZ 245)

The Map 2 below shows the location of the local municipalities within the district:

Map 2: District Context



Source: Umzinyathi DM EMF 2017

The municipal area is 8079 km² and has extensive grasslands in the north supporting the primary agricultural sector based on cattle ranching for beef, small scale sheep and mixed farming and maize cultivation. In the southern areas substantial forestry is prevalent. Sugar cane and smaller scale fruit farming such as avocado and kiwi fruit cultivation also occur.

Mineral deposits found in the district include coal and metal ores. Only coal was mined on a large scale in the eNdumeni Municipality. The coal mining industry is undergoing a restructuring process. There is a decline in corporate interest in the industry, however there is interest in the small scale





regeneration of the coal belt for SMME development. A small amount of stone quarrying occurs in the district. Within eNdumeni Local Municipality, Dundee has the main economic activities ranging from retail trade, tourism and farming. Dundee is a centre from which tourism based on the cultural heritage of the Zulu Kingdom and "Battlefields" is emphasised and managed to some extent, and there is also Glencoe which serves as a secondary centre to Dundee.

Umzinyathi District Municipality, in conjunction with its north western neighbour aMajuba Municipality, is branded as the "custodian" of the "Battlefields region of the Zulu Kingdom". The "Battlefields of the Zulu Kingdom" are located in the hinterland and lie "in the shadow" of the majestic Drakensberg mountains spanning the western boundary of KwaZulu-Natal. This branding is of international and regional significance. In conjunction with the Beaches of the South and North Coast and Big Five Game attractions in the East of KwaZulu-Natal, the "Battlefields of the Zulu Kingdom" form a vital role in the spatial economy of the province from a tourism perspective. However, within Umzinyathi, the range of battlefields attractions is not adequately harnessed for their job creating opportunities across the municipality.

The main town in the Umvoti Municipality is Greytown. It is the agricultural centre of the district and contributes substantially to the economic viability of the district. Nquthu and Msinga Local Municipalities are rural based subsistence economies with cultural heritage areas that attract some tourists but need to be substantially developed. The main towns are Nqutu, Pomeroy and Tugela Ferry.

The topography of the district is characterised by extensive variation with deep river gorges, rolling grasslands, extensive wetlands, hills and valley bush-veld. These characteristics make the development of infrastructure difficult and costly particularly in the steep terrain. The general slope of the land is between 1:5 and 1:6 and it is susceptible to soil erosion where it is not carefully managed.

Table 1 : Overview of the Local Municipalities

Municipal Logo	Municipal Name	Municipal Characteristics
	Endumeni	<p>This municipality is unique, its population is predominantly urbanised or based on commercial farms and unlike the other local municipalities, there is no tribal authority land. The main town is the Commercial centre, which is Dundee; it has most diversified economy, commercial cattle farming and dairy production and is the centre of the Battlefields tourist region.</p>
	Nquthu	<p>This municipality is typically rural and largely tribal authority where the population is largely previously disadvantaged and relatively dispersed and where services are scarce and often at rudimentary levels. The main town is Nquthu and subsistence agriculture is the main activity in the area.</p>
	Msinga	<p>Owing to its rugged terrain Msinga's population is relatively dispersed and where services exist they are concentrated along road infrastructure and water sources such as the Tugela River. The main towns are Pomorey and Tugela Ferry, it's the rural region with subsistence farming.</p>
	Umvoti	<p>This local municipality comprises of urban areas, commercial agricultural areas and tribal authority areas all of which exhibit typical characteristics associated with these settlement types. Service levels in urban areas are high except for informal areas, in commercial agricultural areas they are relatively high as farmers provide their own services and in tribal authority areas they are low to moderate.</p>

The KwaZulu Natal comparative population figures by Districts for Census 2011 and CSS 2016 are depicted in Table 1 below. This information indicates that the population of Umzinyathi District Municipality has increased from 510 838 in 2011 to 554 882 in 2016, contributing 5.0% in the entire province which is the same percentage as in 2011 due to population growth of other districts, namely, Umgungundlovu, King Cetshwayo etc.

Table 2: KZN Comparative population figures by Districts for Census 2011 and CSS 2016

District	Census 2011		CSS 2016	
	N	%	N	%
DC21: Ugu	722484	7	753336	7
DC22: Umgungundlovu	1017763	10	1095865	10
DC23: Uthukela	668848	7	706588	6
DC24: Umzinyathi	510838	5	554882	5
DC25: Amajuba	499839	5	531327	5
DC26: Zululand	803575	8	892310	8
DC27: Umkhanyakude	625846	6	689090	6
DC28: Uthungulu	907519	9	971135	9
DC29: iLembe	606809	6	657612	6
DC43: Sisonke	461419	4	510865	5
ETH: eThekwini	3442361	34	3702231	33
KwaZulu-Natal	10267300	100	11065240	100

Source : 1. Statistics SA, Census 2011

2. Statistics SA, CSS 2016

The comparative population figures by local municipalities for Census 2011 and CSS 2016 are depicted in Table 2 below. This information indicates that all four local municipalities experienced an increase in population growth. The strongest population growth was evident in Umvoti Municipality as one of the major economic centres of the district.

Table 3: Umzinyathi District Municipality Comparative population and households figures by Local Municipalities for Census 2011 and CSS 2016

Municipality	Census 2011			CSS 2016		
	Population	%	Households	N	%	Households
Endumeni	64 862	12.7	16,852	76639	13.8	21 134
Nqutu	165 307	32.4	31,613	171325	30.9	32622
Msinga	177 577	34.8	37,723	184494	33.3	38372
Umvoti	103 093	20.2	27,282	122423	22.1	34664
Umzinyathi	510 838	100	113,470	554 882	100	126791

Source : 1. Statistics SA, Census 2011

2. Statistics SA, CSS 2016

1.2 Infrastructure Analysis

Umzinyathi District is the water services authority and is therefore responsible for provision of water and sanitation service.

1.2.1 WATER

The figure below indicates that in terms of the 2016 CSS, the number of households with access to piped water inside the dwelling is 79 642. In terms of the local municipalities, the largest number of households with access to piped water inside the dwelling are under Nquthu Municipality with 25 638. The largest number of households which are using other sources of water is 27 790 and they are under Msinga Municipality, and the municipality is noting this number for improvement during 2019/20 financial year.

Table 4: Access to Piped Water

Municipality	Piper Water	Other
Umzinyathi	79 642	46 429
Endumeni	18 653	2 480
Nquthu	25 638	6 984
Msinga	15 701	24 790
Umvoti	19 650	12 175

Source : Statistics SA, CSS 2016

1.2.2 SANITATION

The table below indicates that in terms of the 2016 CSS, 25 800 households have access to flush toilets, while 2 938 households have no access to sanitation facilities and this number is being noted for improvement during the 2018/19 financial year. More households within the municipality are utilising the Pit Latrine VIP toilets with Ventilation Pipe, which is 55 191 households. The municipality disputes the number of 3 169 households which are categorised as using the bucket system, as the bucket system was eradicated by the municipality in 2008.

Table 5: CSS 2016 Sanitation Provision

Toilet Facilities	Umzinyathi	Endumeni	Nqutu	Msinga	Umvoti
Flush toilet connected to a public sewerage system	25800	16468	1426	341	7566
Flush toilet connected to a septic tank or conservancy tank	1178	234	308	309	327
Chemical toilet	15108	2804	4478	2261	5565
Pit latrine/toilet with ventilation pipe	55191	154	12819	30121	12095
Pit latrine/toilet without ventilation pipe	15508	375	6669	3438	5026
Ecological toilet (e.g. urine diversion; enviroloo; etc.)	3726	-	917	22	2787
Bucket toilet (collected by municipality)	57	-	57	-	-
Bucket toilet (emptied by household)	3112	266	2219	92	535
Other	4173	321	3294	353	206
None	2938	512	435	1435	557
Total	126791	21134	32622	38372	34664

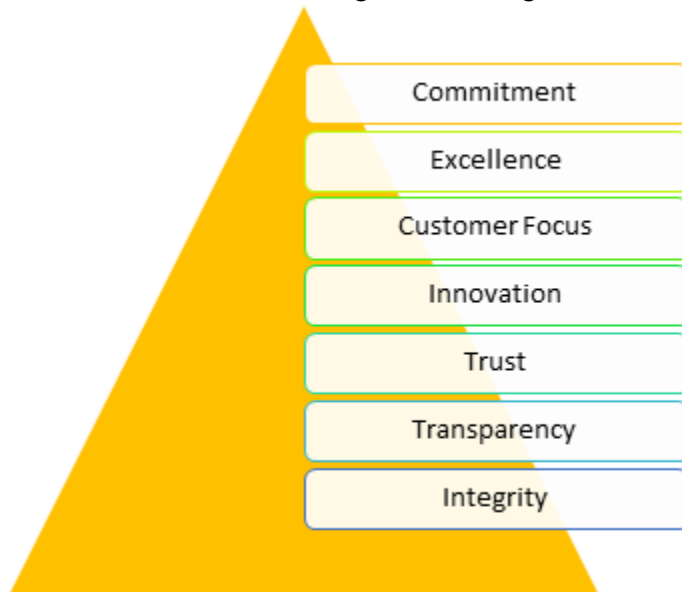
Source : Statistics SA, CSS 2016

1.3 Long Term Vision

The long term vision for the municipality which was developed through the Strategic Planning Session which was held on the 15 – 17 February 2019, for the 2019/20 IDP, is as follows:

“Championing an economically viable district which strives to promote sustainable development by 2035”

The municipality will achieve this vision through embracing the following core values:



Source: UDM IDP 2019/20

1.3.1 IDP DEVELOPMENT PROCESS, PHASES AND KEY TIMEFRAMES

The development process of the 2019/20 IDP involved consultation and engagement of various stakeholders, and it was guided by the IDP, Budget and PMS Process Plan. The summary of the key activities to be involved is as follows:

- IDP/Budget Public Consultation Meetings;
- The 2019/20 Strategic Planning Session;
- Development and alignment of the IDP Sector Plans;
- Review and alignment of the IDP Sector Plans;
- Provincial IDP Alignment Sessions;
- PGDS/DGDP/IDP Alignment Sessions;

- Action Plan to address the MEC Comments;
- Disyriect Wide IDP Alignment Sessions;
- IDP, Budget, PMS and SDBIP Alignment Session; and
- IDP_LED Technical Forum meetings.

The process in terms of preparing the draft 2019/20 IDP was per the following phases:

Phase 0: Preparation

The purpose of this phase was to define the roles of various stakeholders and setting up an agreed process. The 2019/20 IDP, Budget and PMS Process and Framework Plan was prepared during July 2018 and approved by Council on the 25th September 2018, and subsequently submitted to the Department of Co-operative Governance and Traditional Affairs for consideration.

Phase 1: Analysis

A district-wide analysis was undertaken, the analysis was based on the strategic and in-depth statistical analysis from the 2011 Census Data as well as the 2016 CSS covering the economic, infrastructure, social and labour statistics, to form part of a detailed analysis for the 2019/20 IDP. on the 15th – 17th February 2019, Council and Management had a strategic planning session to review the vision, mission, core values, developmental priorities, organizational and departmental strategic plans to serve as critical base for the development of the fourth generation of the IDPs. The Annual Perfomance Report for the 2017/18 financial year was also utilised as a base for the development of the 2019/20 IDP in terms of making improvements through intervention programmes and projects especially on areas where the municipality did not perform accordingly.

Phase 2: Strategies

This phase was undertaken after the outcome of the Strategic Planning Session which culminated into a vision, mission, core values, developmental priorities to mainly focus on the powers and functions of the municipality, SWOT analysis and organizational and departmental strategic plans. The developmental priorities, objectives and strategies were then aligned to the vision, and also to be in line with the National Development Plan, Provincial Growth and Development Strategy, and also take into cognisance the Strategic Concept of the District Growth and Development Plan.

Phase 3: Projects

Objectives and strategies were developed during phase two, and specific projects and capital investment framework were aligned in order to realise the developmental mandate. The municipal budget was also strictly aligned to the developmental priorities and subsequent to the specific projects and capital investment framework. A consolidated Implementation plan and capital investment plan was then linked to the Budget which was developed and integrated as part of the 2019/20 IDP.

Phase 4: Integration

One IDP_LED Technical Forum meeting were held, the Committee included the district family of municipalities, public and private sector, and its aim was to:

- Streamlining planning process;
- Finding a common district wide development vision;
- Consolidation and alignment of programmes and budgets;
- Unifying the channelling of both private and public sector investments;
- Combating socio-economic ills in a strategic and coordinated manner; and
- Put forward a plan of action that will enjoy political buy-in at levels

The committee served to ensure that proper and realistic objectives and strategies are developed in line with the developmental priorities and budget.

Phase 5: Approval

The 2019/20 draft IDP was adopted by council on the 28th March 2019, and the final approved by Council by May 2019, and then to be subsequently submitted to the Department of Co-operative Governance and Traditional Affairs, Provincial and National Treasury for consideration purposes.

The following tables provides the details of various processes and consultations which were followed:

Table 6: Municipal 2018/19 IDP Programme

NO	ACTIVITIES	RESPONSIBLE PERSON / STRUCTURE	TARGET DATE
NO	ACTIVITIES	RESPONSIBLE PERSON / STRUCTURE	TARGET DATE
1.	Mayor begins planning for the next three - year budget in accordance with the co-ordination role of the budget process	Acting CFO	01 July 2018
2.	Finalize Performance agreements and plans for Section 54 and 56 Managers and Work Plans for Middle Managers for 2018/19, and subsequently submitted to COGTA	Manager: IDP/PMS	31 July 2018
3.	Submission of the Draft 2019/20 IDP Review, Budget and PMS Process and Framework Plan to the COGTA for assessment purposes	Manager: IDP/PMS	31 July 2018
4.	Co-ordination of the dates for the 2018/19 Process and Framework Plan with the IDP Managers of the family of municipalities, for alignment purposes	Manager: IDP/PMS	15 August 2018
5.	MEC Panel Assessment	COGTA	23 July 2018
6.	Mayor tables in Council for adoption of the Final 2019/20 IDP Review, Budget and PMS Process and Framework Plan and subsequently submitted to COGTA, PT and NT for consideration.	Acting CFO / Manager: IDP/PMS	30 August 2018
7.	Assist the Mayor in the preparation of time schedule for the Budget and related policies	Acting CFO	September 2018
8.	IDP Indaba	Manager: IDP/PMS	21 September 2018
9.	Advertisement of the 2019/20 IDP Review, Budget and PMS Process and Framework Plan	Manager: IDP/PMS	15 September 2018
10.	IDP Alignment Session	Manager: IDP/PMS	23 November 2018
11.	1 st Quarterly performance assessment of Section 54 and 56 Managers as required by Section 28(1) of the 2006 Performance Regulations	Manager: IDP/PMS	01 October 2018

NO	ACTIVITIES	RESPONSIBLE PERSON / STRUCTURE	TARGET DATE
12.	Initial Review of the National policies and Budget plans	Acting CFO / MM	October 2018
13.	UDM 1 st IDP_LED Technical Committee (IDP Representative Forum) – inter-sphere alignment session (integration / alignment of issues and also key municipal priorities which require funding for 2019/20 fy - IDP Alignment Session	Manager: IDP/PMS and LED Manager	13 November 2018
14.	1 st Joint project Steering Committee - Presentation of the MEC Comments Action Plan and IDP Review Situational Analysis	Manager: IDP/PMS	27 November 2018
15.	Municipal departments to prepare the Draft 2019/20 staff structure and staff budget (salaries) and departmental budgets	Heads of Departments	November 2018
16.	Review budget related policies and determine guidelines for 2019/20 Budget	Acting CFO / MM / Council	November 2018
17.	IDP Best Practise	Manager: IDP/PMS	23 November 2018
18.	Submission of the 2018/19 Mid – Year Budget and Performance Assessment Report to the Internal Audit Unit and subsequently submitted to the Audit Committee	Acting CFO / Acting MM	10 January 2019
19.	Tabling of the 2018/19 Mid – year Budget and Performance Assessment Report to Council for adoption, and its submission to COGTA, PT and NT	Acting CFO / MM / Council	25 January 2019
20.	Tabling of the 2017/18 Annual Report to Council	MM / Council	25 January 2019
21.	2 nd Quarterly performance assessment of Section 54 and 56 Managers as required by Section 28(1) of the 2006 Performance Regulations and Work Plans of Middle Managers	Manager: IDP/PMS	10 January 2019
22.	Strategic Planning Session – to serve as a framework for the 2019/20 IDP Review and Budget	Management and Council	February 2019
23.	Provincial IDP Stakeholders Meeting – IDP Assessment Criteria	Manager: IDP/PMS	08 February 2019

NO	ACTIVITIES	RESPONSIBLE PERSON / STRUCTURE	TARGET DATE
24.	2 nd Joint Project Steering Committee – Alignment of programmes and Projects, Presentation on the progress of the 2018/19 IDP Review and Budget (Alignment & integration of project lists, sector plans, finalizing implementation programmes)	Manager: IDP/PMS	February 2019
25.	<ul style="list-style-type: none"> Council to approve the 2018/19 Adjustment Budget 	MM / Council	28 February 2019
26.	Consolidation of the Draft 2019/20 Budget <ul style="list-style-type: none"> Review of the provincial and national allocations for the incorporation into the Draft 2019/20 Budget; and Alignment of the Draft 2019/20 Budget to the IDP Review	Acting CFO	30 March 2019
27.	Special Manco Meeting, for each department to present and motivate the 2019/20 staff structure, operating and capital budget	HODs / MM / ExCo	March 2019
28.	UDM 2 nd IDP_LED Technical Committee Meeting (IDP Representative Forum) presentation of the Draft IDP for comments and also to obtain feedback on key municipal projects submitted to Sector Departments and Private Sector.	Manager: IDP/PMS and LED Manager	March 2019
29.	Submission of the Draft 2019/20 IDP Review, Budget and Budget related policies, and SDF to ExCo, to recommend to Council the approval thereof	MM / ExCo	29 March 2019
30.	Council to approve the Draft 2019/20 IDP Review, Budget and Budget related policies, and SDF and their submission to COGTA, PT and NT for assessment purposes	MM / Council	29 March 2019
31.	Council to adopt the 2017/18 Oversight Report and Annual Report and its submission to COGTA, PT, NT and Provincial Legislature	MM / Council	29 March 2019
32.	Mid – Year Budget and Performance Assessment Visits	Acting CFO / PT	March 2019

NO	ACTIVITIES	RESPONSIBLE PERSON / STRUCTURE	TARGET DATE
33.	Advertisement of the Draft 2019/20 IDP Review, Budget and SDF for a period of 21 days as required by the Municipal Systems Act, for public comments and inputs	Manager: IDP/PMS / CFO	April 2019
34.	Convening of Decentralised IDP Assessment Forums	Manager: IDP/PMS / COGTA	18 April 2019
35.	Public Consultation Meetings on the Draft 2019/20 IDP Review, Budget and related policies, and SDF in terms of the Municipal Systems Act, (No 32 of 2000) and the Municipal Finance Management Act, (No 56 of 2003) in all four Local Municipalities	Manager: IDP/PMS / Acting CFO	April 2019
36.	IDP / DGDP Assessment Feedback Session	Manager: IDP/PMS	07 May 2019
37.	Third Quarterly performance assessment of Section 54 and 56 as required by Section 28(1) of the 2006 Performance Regulations	Manager: IDP/PMS	01 May 2019
38.	3 rd Joint Project Steering Committee - to finalize and align the programmes and projects, and key strategic issues, IDP and Budget	Manager: IDP/PMS	May 2019
39.	Budget and Benchmark Assessment	Acting CFO / PT	May 2019
40.	Adoption of the 2019/20 IDP Review, Budget and related policies, and SDF by Council	Council	31 May 2019
41.	Submission of the Final 2019/20 IDP Review, Budget and Budget related policies, and SDF to COGTA, PT and NT within 10 days after adoption.	Acting CFO / Manager: IDP/PMS	30 June 2019
42.	Commence with the implementation of the 2019/20 IDP Review, Budget and SDF, and monitor performance through PMS	Acting CFO / Manager: IDP/PMS	July 2019

1.4 Key Developmental Challenges Facing The Municipality And Proposed Interventions

The municipality is facing a series of challenges based on the status quo analysis, which need to be unlocked thereby creating a conducive environment for socio – economic and infrastructure development, through these challenges being addressed, they can have a significant impact in improving the lives of the communities, and some of the information was obtained from the ward based plans of the local municipalities, and some is based on the outcome of the Strategic Planning Session which the municipality undertaken, and they are as follows but not limited to:

Table 7: Municipal Challenges and Proposed Interventions

CHALLENGES	PROPOSED INTERVENTIONS
Drought	The Technical Services unit will continue with accelerating drought alleviation programmes by sourcing funding from relevant departments to provide drought relief programmes.
Limited water sources	The municipality has purchased eight (8) water tankers to address the shortage of water especially in those areas where water schemes have not been implemented
Lack of rudimentary programmes to address water provision.	Spring protection programme implementation to resume in all local municipalities.
Incomplete sanitation programmes.	Funds will be sourced from the Department of Water and Sanitation to complete projects that are not completed
Lack of robust social initiatives programmes targeting women and youth.	The Community Services department will direct more programmes towards Women and Youth in the 4 th Generation IDP as part of the 2018/19 financial year programmes .
High birth rate and lack of EDC programmes	Awareness campaigns, projects and programmes to tackle the high birth rate and engage with other stakeholders that are custodians or interested parties in Early Childhood Development programmes.
Lack of policies favouring the SMME's	Review of the District Wide Supply Chain Management Policies to favour local emerging enterprises

Land identification and release for agricultural development.	Engagement of the District House of the Traditional Leaders on the developmental issues.
Poor communication and planning amongst departments	Eliminate silo planning within the departments by implementing the communication strategy and encourage departments to implement integrated planning.
Ageing Infrastructure	The department is to formulate an O and M plan and refurbishment plans which focus on replacement of ageing infrastructure.
Inadequate infrastructure	Technical department requested COGTA for funding to accelerate the implementation of projects and eradication of service delivery backlogs.
Outdated plans for the development of key economic sectors (District tourism, agriculture, SMME sector plans)	The municipality has developed the Local Economic Development Strategy for the 2017/22 period which will serve to look at the different sectors within the districts and their growth potential.
Identification and implementation of District wide catalytic LED projects and sourcing of additional funding.	Progress has been made in the establishment of the Development Agency to initiate and drive the process.
Poor collection levels	Fully implement the Revenue Enhancement strategy and Credit Control & Debt Collection Policy.
Effective implementation of SPLUMA.	Adoption of the wall to wall schemes by Msinga and Nqutu Municipalities. Development and adoption of the wall to wall schemes by Endumeni and Umvoti Municipalities.

1.5 High Level Municipal Programmes and Monitoring Process

As the municipality has various challenges which need to be unlocked thereby enhancing economic and infrastructure development, the following programmes are the ones which the municipality will be implementing which are linked to Key Performance Areas and also Outcome Nine, their implementation will be monitored through the Organisational Scorecard which is part of the Performance Management System and also the Development Strategies of the IDP which is Section D, and the reporting thereof will be on monthly, quarterly, mid year and on an annual basis to the relevant structures to ensure that the desired results are achieved.

Table 8: Municipal Programmes to be Implemented and Monitored

MUNICIPAL KEY PERFORMANCE AREAS	PROPOSED PROGRAMMES TO BE MONITORED
Outcome 9: Differentiated Approach to Municipal Financing, Planning and Support	
Municipal Transformation and Institutional Development	<ul style="list-style-type: none"> • Review and Implementation of the Organogram • Review and implementation of the Workplace Skills Plan (Organisational and Skills Development) • Review and Implementation of the Employment Equity Plan • Review and Implementation of the Human Resource Development Strategy • Development of the Statutory Documents (e.g Annual Report, IDP, etc) • Preparation and submission of the Performance Reports to relevant structures • Ensuring functionality of the Oversight Committees e.g Audit Committee, Internal Audit Unit etc • Implementation of the Community Skills Development Projects
Outcome 9: Improved Access to Basic Services	

Basic Service Delivery and Infrastructure Investment	<ul style="list-style-type: none"> • Reduction of water and sanitation backlogs • Review and implementation of the WSDP • Review and implementation of the Water and Sanitation Master Plan • Review and implementation of the Operation and Maintenance Plan • Finalisation of the Rural Road Asset Management System • Implementation of the water loss management programme
Outcome 9: Community Work Programme Implemented and Cooperatives Supported	
Local Economic Development	<ul style="list-style-type: none"> • Functionality of the District Development Agency • Maximisation of beneficiations in different value chain (e.g livestock – beef – skin processing); through the development of the Agri-Parks initiative • Development and implementation of the LED Strategy • Development of the District Investment Promotion Strategy • Review of the District Wide Supply Chain Management Policies to favour local emerging enterprises • Development and implementation of SMME /informal economy programmes • Provision of support to Tourism Institutional structures • Provision of support to Informal traders through the Informal Traders Upliftment programme • Creation of Job opportunities through Expanded Public Works Programme • Maximisation of the comparative advantage in Agriculture, Tourism and Mining

Outcome 9: Deepent Democracy through a Refined Ward Committee System**Good Governance and Public Participation**

- Development of programmes targeting women and youth
- Development and impelmenattion of the recreational programmes
- Development and implementation of the special programmes
- Review and implementation of the Communication Plan

Outcome 9: Improved Municipal Financial and Administrative Capability**Municipal Financial Viability and Management**

- Review and implementation of the Revenue Enhancement Strategy
- Review and implementation of the SCM Policy to favour local SMMEs
- Review and implementation of the Asset Management Policy
- Implementation of Credit Control & Debt Collection Policy
- Review and implementation of the anti-corruption policy
- Preparation and submission of statutory reports to relevant authorities e.g Sesction 71 an 72 Reports, Budget, Adjustement Budget, Annual Financial Statements etc

Outcome 9: Differentiated Approach to Municipal Financing, Planning and Support**Cross Cutting**

- Review and implementation of the Disaster Management Plan
- Review and Implementation of the Spatial Development Framework

	<ul style="list-style-type: none"> • Implementation of the Environmental Management Framework • Update of the water and sanitation projects • Mapping of the IDP Capital Projects • Implementation of SPLUMA • Construction and completion of the District Disaster Management Centre.
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1.6 Municipal Catalytic Projects

The following tables reflects some of the catalytic projects which the municipality aims to implement through partnerships in terms of securing funding for implementation, and they are as follows:

Table 9: Municipal Catalytic Projects

No	Project Description	Budget
1.	Agricultural potential maximisation through the establishment of an agriculture mechanization unit to support agricultural development in the District.	R 20 000 000
2.	Stone fruit (peach) production - Peach production in the Muden area	25 000 000.00
3.	Development of Dams for Irrigation purposes to maximise the agricultural potential of the District (Tugela Dam)	0
4.	Regeneration of the mining sector and improvement on mining related services	0
5.	Agri-Parks Development - meat processing and de-boning plant	32 000 000.00
6.	Re-establishment of Msinga vegetable packhouse, to serve as a central point for processing and distribution of vegetables grown along the Tugela Ferry scheme	30 000 000.00
7.	Agro Processing Project – Door manufacturing	19 000 000.00
8.	Restoration of Bhambatha Lodge and game reserve in Ngome	76 000 000.00

9.	Development of the area around the Isandlwana mountain. The project includes construction of the following: <ul style="list-style-type: none"> • Zulu Cultural village • War memorial wall • Inkosi Cetshwayo statue 	11 000 000.00
10.	Provision of the following upgrades for Lilani Hot springs project: <ul style="list-style-type: none"> • Small conference centre • Parking • Dining area and kitchen • Wellness centre • Swimming pool 	26 350 000.00
11.	Development of the Silutshane Nodal Precinct Plan	0
12.	Nhlalakahle Township Tourism Experience	60 000 000.00
13.	Design and Erection of the market stalls for the SMMEs for Umvoti CBD	8 000 000.00
14.	Nhlalakahle Township Tourism Experience	60 000 000.00
15.	Greytown Bulk (RBIG) Water Project	25 000 000.00
16.	Msinga bulk	30 799 269.00
17.	Muden regional	32 000 000.00

Based on the above Catalytic Projects, the municipality will also utilise the service of the LED Agency to expedite sourcing funding, management and implementation of high impact programmes and projects that will address job creation, poverty alleviation and improve per capita income of the local citizens. It will also serve to unlock the economic developmental potential of the municipality with the implementation of bankable and sustainable economic development projects and programmes.

SECTION B: PLANNING AND DEVELOPMENT PRINCIPLES

2 PLANNING AND DEVELOPMENT PRINCIPLES

2.1 Introduction

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. In terms of Section 28 of the Municipal Systems Act 32 of 2000, municipalities are required to prepare a process that will guide the planning, drafting, adoption and review of the Integrated Development Planning.

All municipalities have to undertake an integrated development planning process to produce integrated development plans (IDPs) as required in terms of the Section 32 of the Municipal Systems Act of 2000. The IDP is a legislative requirement and it has a legal status, and it supercedes all other plans that guide development at local government level. The 2019/20 IDP is the fourth generation of the IDPs as required in terms of Section 32 of the Municipal Systems Act (No 32 of 2000), which commenced from the 2017/18 financial year.

2.2 Legislative Framework

Table 10: Legislative Framework

No	Legislative Framework	Principles/Directives
1.	Constitution of the Republic of South Africa, Act 108 of 1996	The Constitution requires municipalities to undertake developmental orientated planning to ensure that it: <ul style="list-style-type: none">• Strives to achieve the objectives of local government as indicated in Section 152; Gives effect to its developmental duties as required by Section 153; <ul style="list-style-type: none">• Together with other organs of state it contributes to the progressive realization of fundamental rights contained in Section 24, 25, 26, 27 and 29.

2.	Municipal Structures Act (No 117 of 1998)	The Municipal Structures Act No 117 of 1998 makes provision for the powers and functions between the Metro, Districts and Local Municipalities. It mandates district wide functions to the district municipalities and critical day to day functions to the local municipalities.
3.	Municipal Systems Act (No 32 of 2000)	<p>According to Chapter 5, Section 32 of the Municipal Systems Act of 2000, all municipalities (i.e. Metros, District Municipalities and Local Municipalities) are required to undertake an integrated development planning process to produce integrated development plans (IDPs). A credible IDP is a single, inclusive strategic plan for the municipality. That:</p> <ul style="list-style-type: none"> • is based on up to date and accurate statistics and empirical data that can inform strategic decision making; • integrates, co-ordinates and facilitates service delivery, local economic development and wise land use management within the municipal area of jurisdiction; • forms the general basis on which annual budgets are developed; • aligns the resources and capacity of the municipality with the implementation of the plan; • assists a municipality in fulfilling its constitutional mandate as developmental local government; and • facilitates the processes of democratisation and sustainability through vigorous public participation.
4.	Municipal Finance Management Act (No 56 of 2003)	The annual Budget and the IDP have to be linked to one another and that has been formalised through the promulgation of the Municipal Finance Management Act

		<p>(2004). Chapter 4 and Section 21 (1) of the Municipal Finance Management Act indicates that:</p> <ul style="list-style-type: none"> • At least 10 months before the start of the budget year, table in the municipal Council a time schedule outlining key deadlines for: <ul style="list-style-type: none"> ○ The preparation, tabling and approval of the annual Budget; ○ The annual review of the integrated development plan in terms of Section 34 of the Municipal Systems Act, and the Budget related policies ○ The tabling and adoption of any amendments to the integrated development plan and budget related policies, and ○ The consultative processes forming part of the processes referred above.
5.	Disaster Management Act (No 53 of 2002)	<p>The Disaster Management Act No 53 of 2002, Section 25 requires:</p> <p>(1) Each municipality must, within the applicable municipal disaster management framework-</p> <ul style="list-style-type: none"> • prepare a disaster management plan for its area according to the circumstances prevailing in the area; • co-ordinate and align the implementation of its plan with those of other organs of state and institutional role-players; • regularly review and update its plan: and • through appropriate mechanisms, processes and procedures established in terms of Chapter 4 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), consult the local community on the preparation or amendment of its plan. <p>(2) A disaster management plan for a municipal area must-</p>

		<ul style="list-style-type: none"> • form an integral part of the municipality's integrated development plan; • anticipate the types of disaster that are likely to occur in the municipal area and their possible effects; • place emphasis on measures that reduce the vulnerability of disaster-prone areas, • seek to develop a system of incentives that will promote disaster management in the municipality; • identify the areas, communities or households at risk; • take into account indigenous knowledge relating to disaster management; • promote disaster management research; • identify and address weaknesses in capacity to deal with possible disasters; • provide for appropriate prevention and mitigation strategies; • contain contingency plans and emergency procedures in the event of a disaster, <p>(3) A district municipality and the local municipalities within the area of the district municipality must prepare their disaster management plans after consulting each other.</p> <p>(4) A municipality must submit a copy of its disaster management plan, and of any amendment to the plan, to the National Centre, the disaster management centre of the relevant province, and, if it is a district municipality or a local municipality, to every municipal disaster management centre within the area of the district municipality concerned.</p>
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6.	Local Government: Municipal Planning and Performance Management Regulations, 2001	In 2001, the Municipal Planning and Performance Management Regulations were issued to further provide guidelines and clarity on the issues of IDP and PMS. The Municipal Planning and Performance Management Regulations provide details on the requirements of the IDP and Performance Management System.
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2.3 Alignment with Provincial and National Policies

2.3.1 NATIONAL AND POLICY FRAMEWORK

Table 11: National and Policy Framework

No	National Policy / Framework	Principles/Directives
1.	Breaking New Ground This policy is fundamentally about the need to move away from a housing-only approach to a more holistic development of human settlements, including the provision of social and economic infrastructure.	<ul style="list-style-type: none"> • Safe and secure environments. • Adequate access to economic opportunities. • A mix of safe and secure housing and tenure types. • Reliable and affordable basic services, educational, entertainment, health, welfare and police services within a multi-purpose cluster concept. • Compact, mixed land use, diverse, life-enhancing environments with maximum possibilities for pedestrian movement and transit. • Low-income housing in close proximity to areas of opportunity. • Integrated, functional, and environmentally sustainable human settlements, towns and cities. • Encourage social (medium-density) housing. • Alternative technology and design.
2.	Comprehensive Rural Development Programme is a national strategy focusing on dealing effectively with	The programme focus on a three pronged strategy covering the following: <ul style="list-style-type: none"> • Agrarian transformation.

	<p>rural poverty through the optimal use and management of natural resources.</p>	<ul style="list-style-type: none"> • Rural development emphasising: • Improved economic infrastructure • Improved social infrastructure. • Land reform: • Increase the pace of land redistribution • Increase the pace of land tenure reform • Resolving outstanding land restitution claims
3.	<p>National Development Plan Vision for 2030</p> <p>The NDP 2030 presents a long-term vision for South Africa and addressed the Governments programme to “attack” poverty and deprivation with the aim of nation building</p>	<p>The vision highlights a number of focus areas, which are as follows:</p> <ul style="list-style-type: none"> • The economy and employment • Economic infrastructure. • Transition to a low carbon economy. • An inclusive rural economy. • Positioning South Africa in the world. • Human settlements. • Improving education, innovation and training. • Promoting health. • Social protection. • Building safer communities. • Building a capable state. • Promoting accountability and fighting corruption. • Transforming society and uniting the country. <p>• The economy and employment: This requires creating an environment for sustainable employment and economic growth. These conditions may be created through the identification of key economic sectors as well as the key challenges that affect the efficiency of these sectors such as transport, lack of facilities and infrastructure.</p>

		<ul style="list-style-type: none"> • Economic infrastructure: There is an unequal distribution of economic infrastructure which therefore increases regional inequalities. • An inclusive rural economy: The NDP identifies the need for rural communities to have greater opportunities to participate fully in the economic, social and political life of the country. Rural communities therefore have a great need for basic infrastructure as well increasing the economic growth through agriculture and tourism. • Human settlements: This element deals with eradicating the dysfunctional settlement patterns and weak spatial planning. Dealing with sustainable human settlements requires a number of consideration such as transport links, economic opportunities, preserving environmentally sensitive areas and availability of social facilities.
4.	State of the Nation Address (SONA)	<p>Implementation of the Nine Point Plan:</p> <ul style="list-style-type: none"> • Revitalisation of the agriculture and agro-processing value-chain; • Advancing beneficiation adding value to our mineral wealth; • More effective implementation of a higher impact Industrial Policy Action Plan; • Unlocking the potential of SMME, co-operatives, township and rural enterprises; • Resolving the energy challenge; • Stabilising the labour market; • Scaling-up private-sector investment; • Growing the Ocean Economy; • Cross-cutting Areas to Reform, Boost and Diversify the Economy;

		<ul style="list-style-type: none"> ○ Science, technology and innovation ○ Water and sanitation ○ Transport infrastructure ○ Broadband rollout ○ State owned companies
6.	Key priority areas of the State of Province Address	<p>Creation of more jobs, decent work and sustainable livelihoods for inclusive growth: The province acknowledges the creation of jobs through investments in strategic infrastructure to unlock economic opportunities in which most will be driven in the implementation of the Strategic Integrated Projects</p> <ul style="list-style-type: none"> • Rural development, land reform and food security: Through the Rural Development Programme the Province is aiming at improving the livelihoods of the rural communities through expansion of rural development programmes to ensure sustainability. This includes empowering rural communities to move from limited subsistence and food security activities to gain access to the formal economy • Education: The province aims at delivering professional management and relevant teacher support programme which will include the expansion and improvement of tertiary education and training system. • Health: The province aims at expanding facilities and training of health professionals. The province was generally characterised by a need for the overhaul of infrastructure, upgrades of existing facilities as well as construction of new facilities • Fighting crime and corruption: Over the next five years, the province has aimed at seeing better policing which is the engine room of safety and crime-prevention in the Province

2.3.2 MEDIUM TERM STRATEGIC FRAMEWORK

The 2014 – 2016 MTSF focuses on the following priorities:

- Radical economic transformation, economic growth and job creation;
- Rural development, land agrarian and reform, and food security;
- Ensuring access to adequate hums settlements and quality basic services;
- Improving the quality of life and expanding access to education and traning;
- Ensuring quality health care and social securing for all citizens;
- Fighting corruption and crime;
- Contributing to a better Africa and a better world; and
- Social cohesion and nation building.

2.3.3 PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY

The province of KwaZulu – Natal has reviewed the Provincial Growth and Development Strategy which was developed in 2011, and was adopted by the Cabinet in September 2016, and the Plan in December 2016. The 2016 Provincial Growth and Development Strategy provides a strategic framework for development in the Province; it has seven strategic goals and 31 strategic objectives which some have been changed and also added new ones, and also key specific targets linked to each strategic goals which have to be achieved by 2035.

On the main, the purpose of the Provincial Growth and Development Strategy is to build a gateway for growing the economy for the continued development and improvement of the quality of life of all people living in the province whilst ensuring that the currently marginalised have broader socio – economic opportunities. It also provides a strategic framework for accelerating and sharing the benefits of an inclusive economic growth through deepened, meaningful, effective and sustainable catalytic and developmental interventions. The revised 2016 KZN PGDS continues to:

- Be a primary growth and development strategy for KwaZulu – Natal, now to 2035;
- Mobilse and synchronise strategic plans and investment priorities in all spheres of government, private sector, civil society, labour in order to achieve the desired growth and developmental goals;
- Spatialy contextualise and prioritise interventions so as to achieve greater spatial equity;

- Guide clearly defined institutional arrangements which ensure decisive and effective leadership, robust management, through implementation and ongoing inclusive reviews of the growth and development plan;
- Provide a firm basis for monitoring, evaluation, and reporting, as well as a framework for public accountability.

The Strategic Framework of the 2016 Provincial Growth and Development Plan is as follows:

Figure 1: PGDS Strategic Framework



Source: 2016 Provincial Growth and Development Strategy

Alignment of the Provincial Growth and Development Strategy to the Municipal Sectors is as follows:

Table 10: Alignment of the Provincial Growth and Development Strategy to the Municipal Sectors

No	PGDS Strategic Goals	Municipal Sectors
1.	Inclusive Economic Growth	Agriculture, Mining, Manufacturing, Tourism and EPWP Programmes
2.	Human Resource Development	Primary and Secondary Education, Skills Development to support the economy
3.	Human and Community Development	Health, Food Security and Human Settlement
4.	Strategic Infrastructure	Road and Rail, Water, Sanitation, Energy, ICT, Health, Education and Human Settlement
5.	Environmental Sustainability	Productive use of land, Renewable Energy, Biodiversity and Climate Change
6.	Governance and Policy	Public and Private Sector Relations,
7.	Spatial Equity	Rural Development Imperatives and Land Use Planning Controls, New Emerging Towns

Source: 2016 Provincial Growth and Development Strategy

2.3.4 BACK TO BASICS PROGRAMME

It must be acknowledged that the municipalities are not the same and as such cannot be treated the same. They are different in terms of geographic locations, the ability to generate income and ability to recruit skilled personnel. The support and capacity building to be implemented will therefore vary as per the capacity assessment report. Each support programme must target that specific municipality's pertinent need.

To ensure targeted support and capacity building is contained in the implementation model that will be supplemented by a Differentiated Model to Support, Capacity Building and Training, to guide the differentiation that should be included in Intensive Support Plans. In terms of the back to basics, Municipalities are categorised according to their functionality and performance capabilities. Currently, there are three categories, the functional, those that are challenged and those that require intervention, and Umzinyathi District Municipality was previously categorized amongst the eight municipalities which required intervention.

A support plan was then developed for the municipality in partnership with the Department of Co-operative Governance and Traditional Affairs to address the intervention areas. The municipality has allocated an individual to champion the programme and is reporting on monthly and quarterly basis in terms of the implementation thereof. Through effective implementation of the support plan which is being implemented, monitored and reported on, Umzinyathi District Municipality has been

categorised amongst other municipalities which are functional and aims to maintain that status. The reviewed and updated support plan plan which will be implemented during the 2019/20 financial year is attached herewith as Appendix I.6

2.3.5 OPERATION CLEAN AUDIT

Government set a target for the government departments and municipalities to achieve Operation Clean Audit by 2014. Umzinyathi District Municipality managed to achieve Operation Clean Audit for the 2011/12 financial year, which was before the national target which is 2014.

The municipality is also committed and dedicated in retaining the clean audit report for the end of 2019/20 financial year, to ensure that the pride for the municipality of good governance and financial management is realised once again, and has in place sound and efficient financial systems, and also capable employees which would enable the achievement thereof.

2.3.6 DISTRICT GROWTH AND DEVELOPMENT PLAN

In February 2011, the KwaZulu-Natal Provincial Executive Council tasked the Provincial Planning Commission to prepare the KwaZulu- Natal Provincial Growth and Development Strategy (PGDS) to drive and direct growth and development in the Province to the year 2030. It was outlined that for the province to realise the goals as identified in the PGDS and detailed within the PGDP, each District Municipality and Metro will need to develop a District Growth and Development Plan (DGDP) and Growth and Development Plan which will extract all issues of implementation from the PGDP in their jurisdiction in order to further the implementation of the issues as prioritized.

The aim of the DGDP is therefore to translate the Provincial Growth and Development Strategy into a more detailed implementation plan at a district level, inclusive of a activity level framework with targets and responsibilities assigned to the appropriate local municipalities, the district municipality, provincial and national government departments to enable the province to measure its progress in achieving the accepted growth and development goals.

The municipality adopted the 1st District Growth and Development Plan in May 2015. Through the preparation of the plan, there were gaps in terms of required information from various sector departments to serve as a base to set the key performance indicators and targets for 2020, 2025

and 2030. Therefore, the municipality was unable to effectively implement the District Growth and Development Plan. On the 07 April 2017, the Office of the Premier, COGTA, Dept of Public Works and EDTEA committed in assisting all the districts municipalities with the 2nd review of the District Growth and Development Plans, and also to ensure that they are fully aligned to the recently reviewed PGDS and the IDPs.

The Municipality in conjunction with the Department of Cogta then held a DGDP summit on 12 -13th of July 2018 which advocated for the infusion of reviewed DGDPs into the strategic plans of the District Development Agencies. It also prioritised the strengthening of the public private collaborative approach towards the achievement of the 2035 vision in an intergrated, inclusive and sustainable manner. The final District Growth and Development Plan was adopted by Council in December 2018 and will now be integrated into the 2019/20 IDP Review for alignment purposes .The Municipality has also developed a Monitoring and Evaluation Framework to monitor the implementation of the DGDP, its programmes and projects. The M&E will also be aligned to the Municipal Scorecard as well as to deliverables of Heads of departments.

The implementation framework of the current District Growth and Development Plan is provided under Section E which is Strategic Mapping and Implementation Plan.

SECTION C: SITUATIONAL ANALYSIS

3 SITUATIONAL ANALYSIS

The population of a country is of principal importance in addressing developmental needs in a society. The population growth, ageing population, migration and urbanisation present both important developmental challenges and opportunities that have direct and indirect implications for social, economic and environmental development.

These dynamics in the population structure affect macro-economic factors such as consumption, production, employment, income distribution and poverty. The changes in the population structure influences universal access to social services such as health, education, sanitation, water, food and energy. Proper planning for population dynamics will therefore ensure that the wellbeing of both the current and the future generation is promoted with the motive of advancing sustainable development.

3.1 Kwazulu Natal Provincial Population Size

The province of KZN is home to an estimated 11.6 million people which accounts for an estimated 19.9 per cent of the South African population. The table below illustrates that the KZN province is the second most populated after Gauteng which has an estimated 13.4 million people, constituting 24 per cent of the total national population. This is in contrast to the figures in 2006, which showed that KZN was home to 9.9 million people followed by Gauteng at 9.5 million people.

Migration is cited as one of the main factors contributing to the decline in the share of the national population and consequently affecting its equitable share grant allocation. Migration patterns from KZN to Gauteng have often been attributed to better opportunities (Job, Education, infrastructure, entrepreneurship etc).

Table 12: Population by Provinces

Province	Census 2011		Community Survey 2016	
	N	%	N	%
Gauteng	12 272 263	23.7	13 399 724	24.1
KwaZulu-Natal	10 267 300	19.8	11 065 240	19.9
Eastern Cape	6 562 053	12.7	6 996 976	12.6
Western Cape	5 822 734	11.2	6 279 730	11.3
Limpopo	5 404 868	10.4	5 799 090	10.4
Mpumalanga	4 039 939	7.8	4 335 964	7.8
North West	3 509 953	6.8	3 748 435	6.7
Free State	2 745 590	5.3	2 834 714	5.1
Northern Cape	1 145 861	2.2	1 193 780	2.1
South Africa	51 770 561	100	55 653 654	100

Source: CS 2016 (Stats SA)

3.1.1 POPULATION BY DISTRICTS

Umzinyathi is the 8th most populated district in the Kwa-Zulu Natal Province which may be due to varying reasons such as the vast rurality of the district, poor access to basic service (Water & Electricity), lack of employment opportunities etc. the district has recently adopted the district growth and development plan(DGDP). The aim of the DGDP is to translate the Provincial Growth and Development Plan (PGDS) into a detailed implementation plan at a district level, inclusive of clearly defined targets and responsibilities thus enabling the province to measure its progress in achieving the accepted growth and development goals.

Table 13: Population by Districts

Districts	Census 2011		CS 2016	
	N	%	N	%
ETH: eThekweni	3442361	34	3702231	33
DC22: Umgungundlovu	1017763	10	1095865	10
DC28: Uthungulu	907519	9	971135	9
DC26: Zululand	803575	8	892310	8
DC21: Ugu	722484	7	753336	7
DC23: Uthukela	668848	7	706588	6
DC27: Umkhanyakude	625846	6	689090	6
DC29: iLembe	606809	6	657612	6
DC24: Umzinyathi	510838	5	554882	5
DC25: Amajuba	499839	5	531327	5
DC43: Sisonke	461419	4	510865	5
KwaZulu-Natal	10267300	100	11065240	100

Source: CS 2016 (Stats SA)

3.1.2 POPULATION WITHIN THE LOCAL MUNICIPALITIES

The population within the Umzinyathi district is unevenly spread with Msinga having the highest population numbers of 184494 (33.3%), Nqutu with a population of 171325 (30.9%), Umvoti with population of 122423 (22.1%) and last Endumeni at population of 76639 (13.8%).

Table 14: Umzinyathi Municipalities

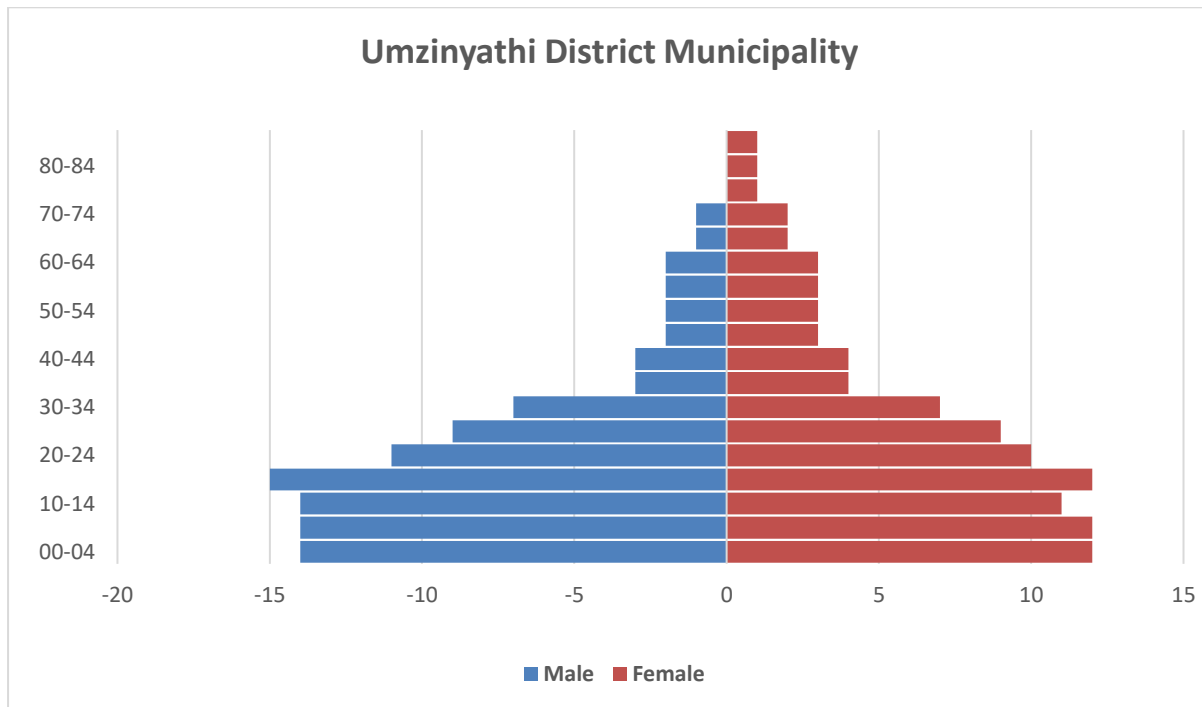
Municipality	Census 2011			CS 2016		
	N	%	Households	N	%	Households
Msinga	177 577	34.8	37,723	184494	33.3	38372
Nqutu	165 307	32.4	31,613	171325	30.9	32622
Umvoti	103 093	20.2	27,282	122423	22.1	34664
Endumeni	64 862	12.7	16,852	76639	13.8	21134
Umzinyathi	510 838	100	113,470	554 882	100	126791

Source: CS 2016 (Stats SA)

3.1.3 DISTRICT AGE AND GENDER DISTRIBUTION

The pyramid below illustrates the population distribution of Umzinyathi district by age and gender in the year 2016. The pyramid is narrowly distributed and indicates that the largest population range is between 00-04, 10-14, 20-24 and 30-34 which is approximately 64.1 per cent of the total population.

Figure 2: Age and Gender



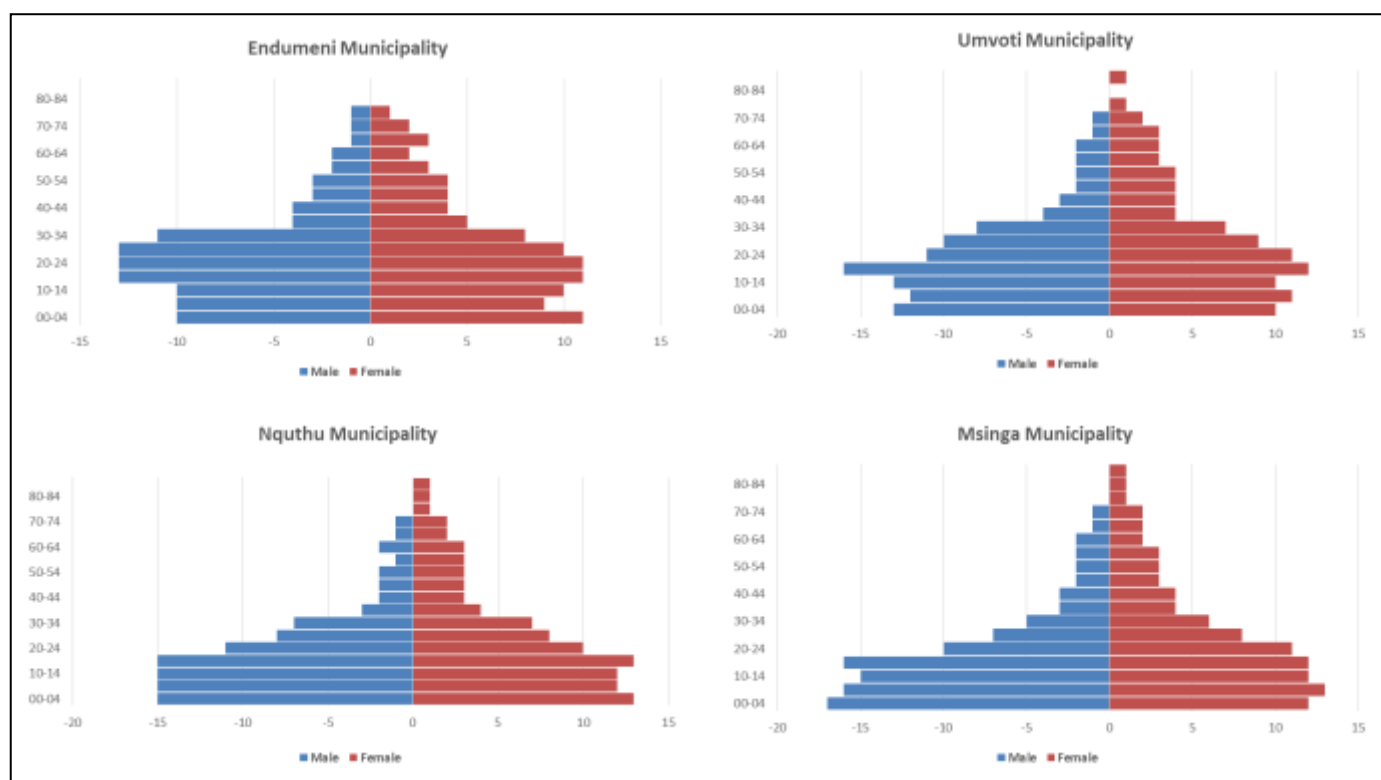
Source: CS 2016 (Stats SA)

The percentage between the female and the male population is almost the same in this range. However, it is worth noting that from the age of 34 and above, the percentage of the female population is greater than that of their male counterparts. This could be the result of factors such as migration patterns and lifestyle choices by both genders.

3.1.4 LOCALS AGE AND GENDER DISTRIBUTION

When comparing the shape of all the age and gender pyramids of all the Local municipalities in the district a common trend can be picked up. The pyramids of all the locals are narrowly distributed and indicates that the largest population range is between 00-04, 10-14, 20-24 and 30-34 as that of the district. The two rural Local Municipalities Msinga and Nqutu have the highest number of children between the ages of 00-04, 10-14 which is an indication of high birth rates within these areas.

Figure 3: Locals Age and Gender Distribution



Source: CS 2016 (Stats SA)

Due to the fact that Umzinyathi District Municipality is dominated by a young population in terms of Age. It is imperative that the municipality develop programs and projects that will respond to early childhood development and youth issues. Further strategies for youth development, in terms of empowering youth in different skills must take priority in municipality's strategies.

Population decreases drastically in the older ages which could be as a result in the mortality rate or migration. Further investigation needs to be done by the District to come up with solutions to the decrease in the population from 35 upwards.

3.1.5 TOTAL POPULATION AND GROWTH RATE

The comparative population figures of Census 2011 in comparison to the Community Survey 2016 at a provincial level show that KwaZulu-Natal's population has increased from 10 267 300 to 110 65 240 this demonstrates a population growth percentage of 7.2% from 2011 to 2016. The table below illustrates comparative population figures from the census 2011 against Community Survey 2016, Kwa-Zulu Natal is seen as the second biggest contributor to the South African population.

3.1.6 POPULATION BY RACE

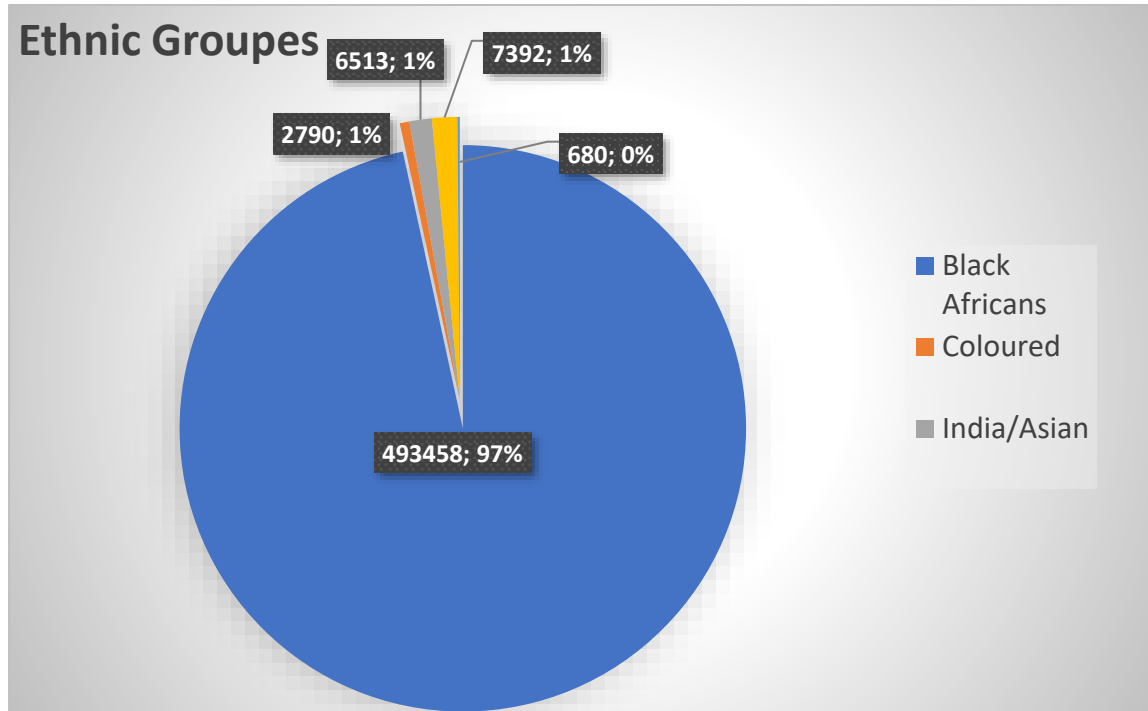
The table and pie chart below clearly illustrate that the district is divided into four racial groups with Black African people predominantly occupy Umzinyathi District Municipal area. Approximately 97% (493 458) of the population is Black Africans, 7392 Whites, 6513 Indians, 2790 Coloured's and 680 other.

Table 15: Ethnic Groups

Geography by Population group	Black African	Coloured	Indian or Asian	White	Other
Umzinyathi	493458	2790	6513	7392	690
Endumeni	54450	1680	3810	4683	240
Nqutu	164751	108	168	129	147
Msinga	176781	183	231	267	114
Umvoti	97476	816	2298	2310	192

Source: CS 2016 (Stats SA)

Chart 1: Ethnic Groups



Source: CS 2016 (Stats SA)

3.1.7 SEX RATIO

Sex ratio composition of human population is one of the basic demographics characteristic which is extremely vital for any meaningful demographic analysis .Changes in sex composition largely reflect the underlying socio-economic and cultural patterns of a society .A sex ratio of above 100 indicates an excess of males and one below 100 indicates an excess of females.

At birth there are more males than females resulting in sex ratio at birth being over 100 whereas at higher ages males tend to die more frequently than females, this is also shown by the population pyramid which has wider span of males from the ages of 00-04 – 20-24 than a decline from 30-34 upwards .

Umzinyathi's ratio of male to females shows that in 2011 Census for 81.6 males there were 100 females in comparison to the Community survey 2016 which shows that for every 85.4 males there are 100 females this shows an increase in the sex ratio which is the trend throughout the district.

Table 16: Sex Ratio

Municipality	Sex Ratio	
	2011	2016
Umzinyathi	81.6	85.4
Endumeni	95.2	99.8
Nquthu	83.4	86.6
Msinga	76.8	80.8
Umvoti	79.3	82.4

Source: CS 2016 (Stats SA)

Probable causes of an increase in the sex ratio could be the following attributes:

- High Birth rate of males
- High outward migration percentage of females leaving the district
- High inward migration of males coming into the District
- Morality of females

3.1.8 DEPENDACY RATIO

A Dependency ratio is an age –population ratio that illustrates the population that is not within the labour force against those that are economically active. The dependency ratio shows potential effects of changes in population age structures for social and economic development, pointing out broad trends in social support needs.

The dependency ratio can be broken down into Youth dependency which looks at the 0-14 age group and the Old dependency which looks at the population aged 65+ years and above. The dependency ratios for UMzinyathi District is calculated as follows:



a) Youth Dependency Ratio

$$\frac{\text{population aged 0-14}}{\text{population aged 15-64}} \times 100$$

$$\frac{210\,855}{305\,185} \times 100 = 69.09\%$$

b) Old Dependency Ratio

$$\frac{\text{population aged 0-14}}{\text{population aged 15-64}} \times 100$$

$$\frac{38\,842}{305\,185} \times 100 = 12.73\%$$

The Youth dependency ratio shows that 69.09% of the population is dependent on the economically active population whilst the Old dependency ratio shows that 12.73% is dependent on the economically active population in total the dependency ratio for the district is 81.82%.

The highest contributor to the dependency ratio would be Msinga and Nqutu as there is a high rate of 0-14 as well as 65+ population as shown in the broad age graphs and tables above, this is expected as the areas are fairly rural with minimal economic activity. The dependency ratio poses as a burden to the working age and strains the municipality and government resources. This is also an indication that programmes should be directed towards Youth economic empowerment, job creation, health initiatives as well as skills development to increase the economically active population.

Probable causes of a high dependency rate:

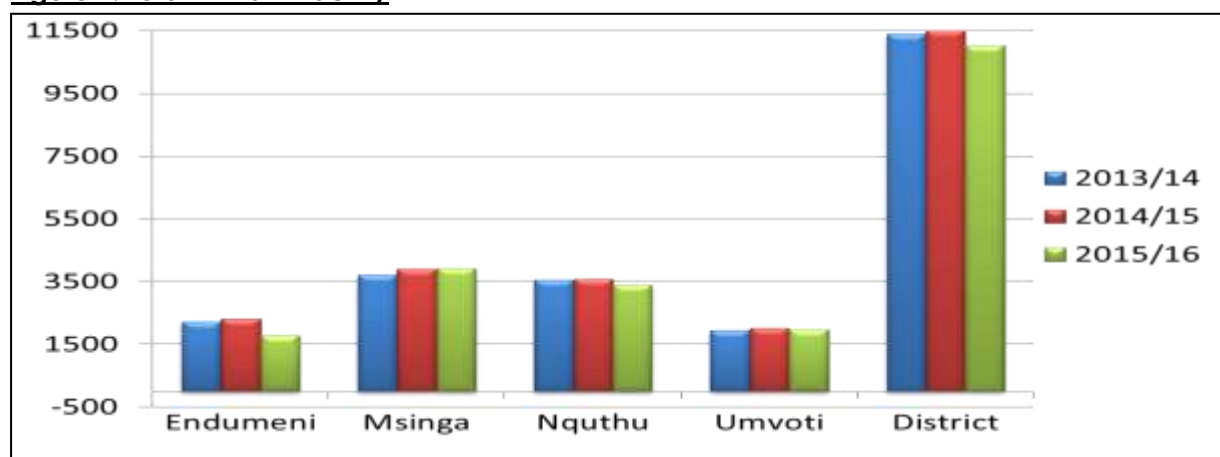
- High fertility rate;
- Migration;
- Low economic activity; and
- High mortality rate.

3.1.9 FERTILITY RATE

The fertility rate looks at the number of live births per 1000 women at the age of 15-49 years in one year. The graph below illustrates the total births in the 2015/16 financial year at health facilities. The number of births in facilities at UMzinyathi District has decreased from 2014/15 to 2015/16 with Msinga and Umvoti showing an increase in comparison to the other two Local Municipalities Endumeni and Nqutu which show a decrease. The fertility rate of the KwaZulu-Natal province as per the Health Systems Trusts and Stats SA shows that there has been a decline from 3.2 in 2006-2011 in comparison to 2.9 in 2011-2016.

Teenage Pregnancy remains a challenge at all Sexual Reproductive Health facilities within the district. Various programmes have been created to address this challenge as this affects the pass rate at schools as well as the dropout rates. The graph table below shows the total births at Health facilities within the district which illustrates a relevant decrease in all four Local Municipalities.

Figure 4: Total Births in Facility



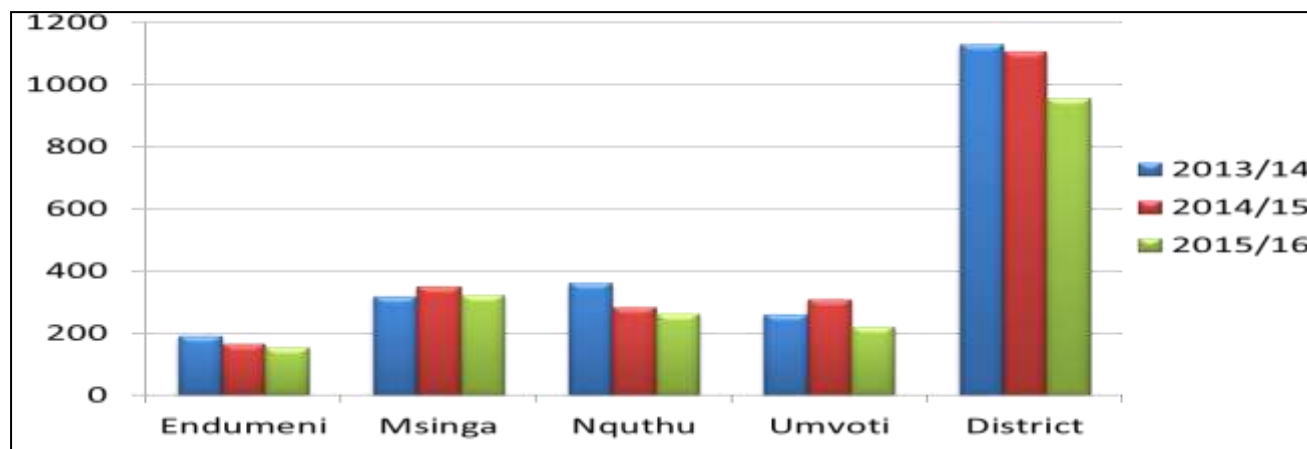
Source: KZN DOH, 2017

Table 17: Total Births in Facility

Total Births in Facility	2013/14	2014/15	2015/16	Increase/decrease
Endumeni	2,208	2,301	1,767	↓
Msinga	3,715	3,892	3,923	↑
Nquthu	3,552	3,563	3,383	↓
Umvoti	1,929	2,017	1,960	↑
District	11,404	11,503	11,033	↓

Source: KZN DOH , 2017

Figure 5: Delivery in Facility under 18 years



Source: KZN DOH, 2017

Table 18: Delivery in Facility under 18 years

Delivery in facility under 18 years	2013/14	2014/15	2015/16	Increase/decrease
Endumeni	191	165	153	↓
Msinga	318	350	321	↓
Nquthu	361	283	261	↓
Umvoti	259	308	220	↓
District	1,129	1,106	955	↓

Source: KZN DOH

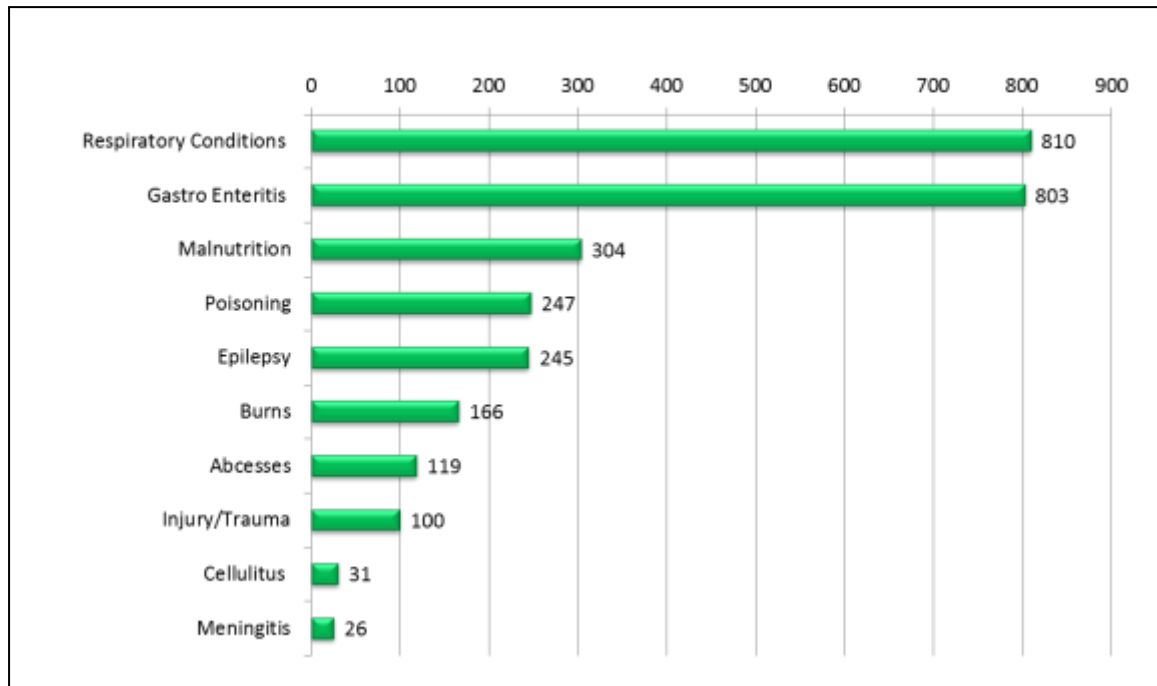
Probable causes of the decrease in the fertility rate:

- High maternal mortality rate
- Decrease in pregnancy rate
- An increase in family planning programmes (Awareness, happy hours at clinics, etc.)

3.1.10 MORBIDITY RATE

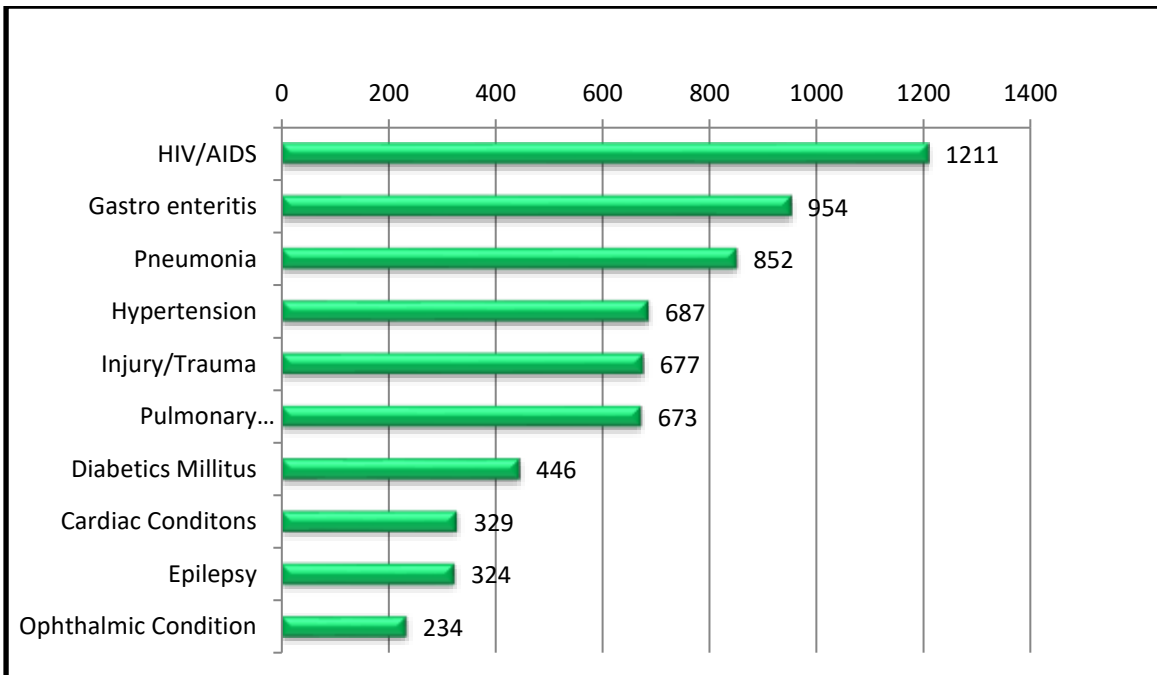
The morbidity rate is the frequency rate at which a diseases or illness appears in the population and geographic area .Within the district the leading illness is HIV/AIDS in adults (15-64) and Respiratory conditions in the under 5 years illnesses. The below graphs shows the causes of diseases in adults and children within the district .The number of patients that defaulted from the ART shows an increase within the district which could be the why HIV/AIDS is the leading cause of illnesses as illustrated by the below graph in uMzinyathi District.

Figure 6: Paediatric Morbidity Profile 2015/16



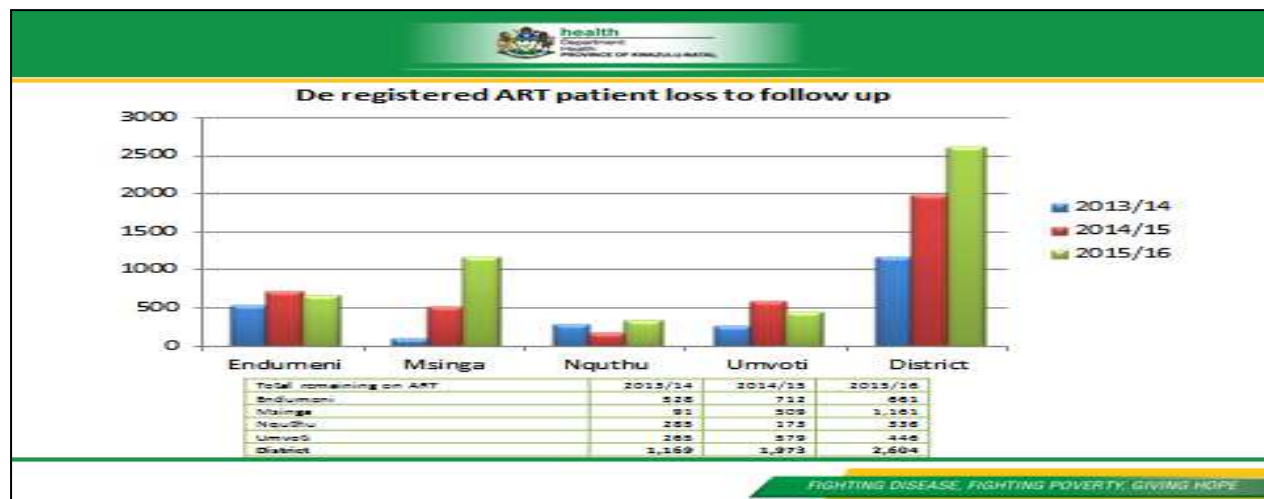
Source: KZN DOH, 2017

Figure 7: Adult Morbidity Profile 2015/16



Source: KZN DOH, 2017

Figure 8: De registered ART patient loss to follow up



Source: KZN DOH, 2017

3.1.11 MORTALITY RATE

The mortality rate in a population looks at the number of deaths per 1000 population. Mortality rate can be broken down into Infant mortality which looks at the deaths under 1, Under 5 mortality which looks at the under 5 years death rate and maternal mortality which is the ratio of deaths per 1000 live births.

The Health Systems and Stats SA 2015 found that the infant mortality and under 5 mortality in the province of KwaZulu-Natal had decreased from 40.9 in 2014 to 40.3 in 2015 and 58.9 in 2014 to 57.8 in 2015 respectively. The maternal rate in Umzinyathi district was 101.3 per 100 000 live births in 2015/16, this indicates an increase from the 79.6 in the 2014/15 financial year.

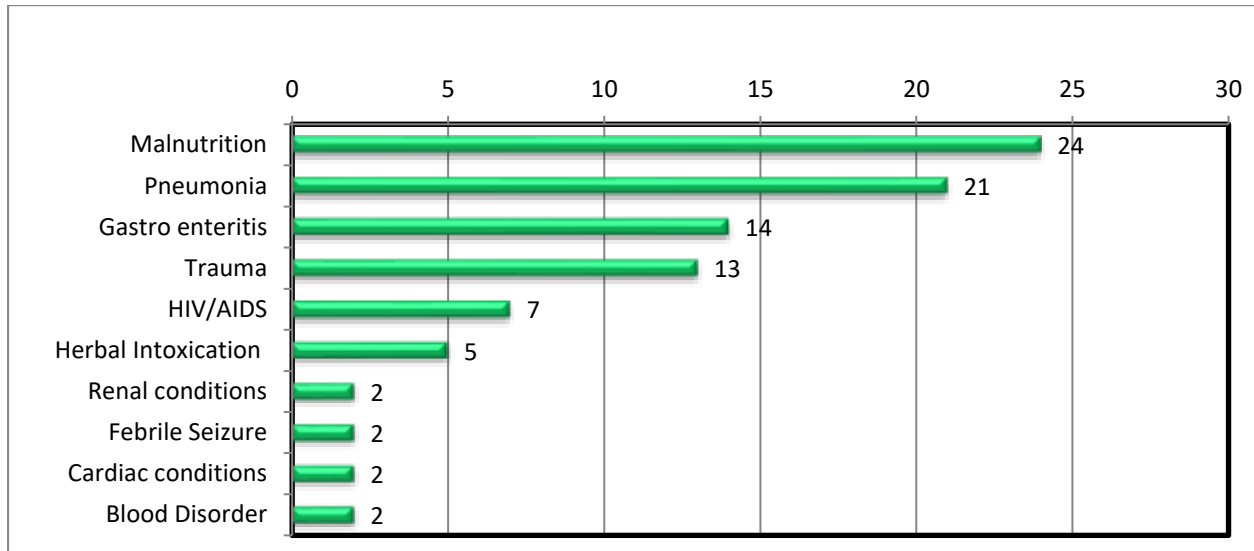
Table 19: Mortality Rate

	2013/14			2014/15			2015/16		
	Maternal deaths	Live births in facility	Rate per 100 000	Maternal deaths	Live births	Rate per 100 000	Maternal deaths	Live births	Rate per 100 000
Endumeni	2	2,171	92.1	2	2,005	99.8	1	1,741	57.4
Msinga	4	3,649	109.6	2	3,824	52.3	4	3,866	103.5
Nquthu	2	3,482	57.4	3	3,483	86.1	3	3,318	90.4
Umvoti	0	1,893	0	2	1,989	100.6	3	1,930	155.4
District	8	11,195	71.5	9	11,301	79.6	11	10,855	101.3

Source: KZN DOH, 2017

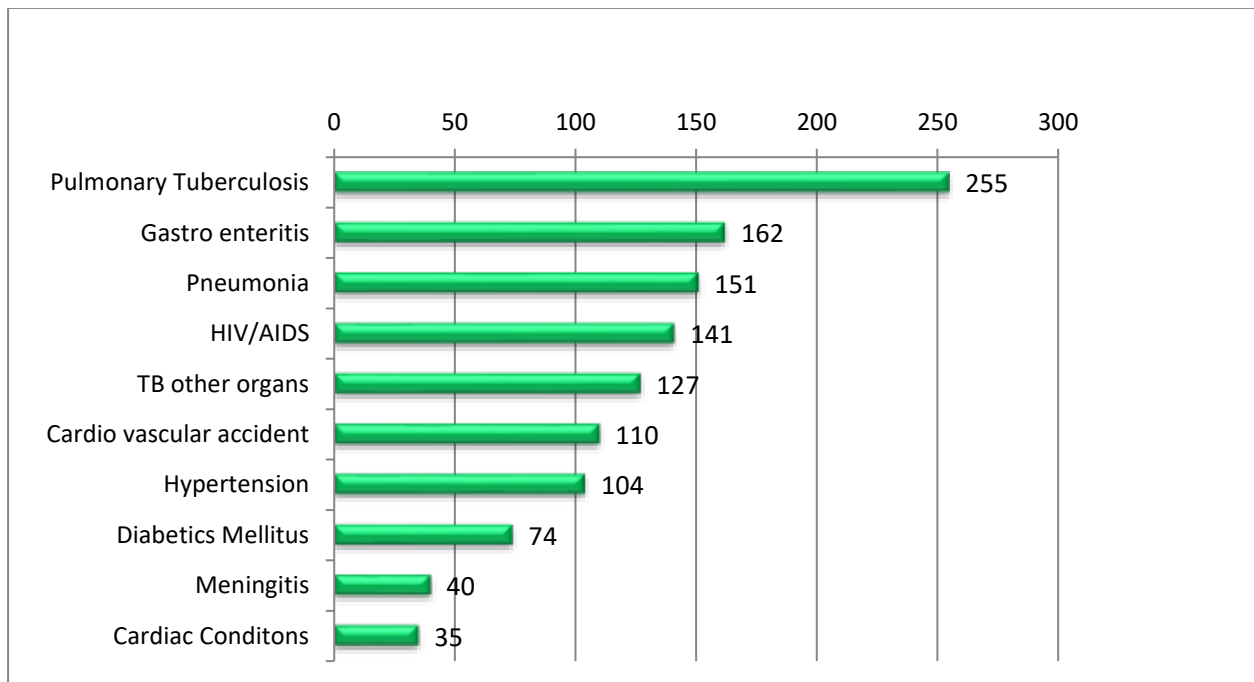
The main causes of paediatric deaths are due to the diseases depicted in the graph below, with malnutrition being the leading cause in mortality in the 2015/16 financial year according to KZN DOH. The graph below outlines the causes of deaths in under 5 year's children.

Figure 9: Paediatric Mortality Profile 2015/16



Source: KZN DOH, 2017

Figure 10: Adult Mortality Profile 2015/16



Source: KZN DOH, 2017

Whilst the above graphs and tables look at paediatric deaths and causes of death in adults, this spans from the 15-60 age population which is the economically active participants in UMzinyathi. The main cause of adult mortality is Pulmonary tuberculosis which is contagious bacterial infection that involves an attack to the lungs by *Mycobacterium tuberculosis* as defined by the American Lung Association.

Above statistics show that the leading number of deaths is seen in the adult population at UMzinyathi District which has an impact on the high dependency ratio calculated above. While it is generally a known fact that the effectiveness of a health system is measured by the number of maternal deaths in a population it is also a growing concern to see that the leading cause of deaths in adults is a contagious disease. Awareness and programmes aimed at addressing this finding will be conducted by the district in collaboration with the KZN Department of Health.

3.1.12 HIV PREVALENCE

One of the most urgent crises facing the province is the unparalleled prevalence of HIV infection among its citizens. South Africa as a whole has more HIV-positive citizens than any other nation.[23] Among South Africa's provinces, KwaZulu-Natal has the highest rate of HIV infection: 39 percent, according to UNAIDS in 2009. Without the proper nutrition, health care and medicine that is available in developed countries, large numbers of people suffer and die from AIDS-related complications. In some heavily infected areas, the epidemic has disrupted society, with fatalities high among adults in their prime, and leaving many orphans to be cared for by elderly grandparents. HIV/AIDS has retarded economic growth by destroying human capital.

The Table below indicates the : HIV/AIDS prevalence distribution by district among 15-49 years antenatal women in 2013, it is evident that UMzinyathi District Municipality has the second lowest prevalence after Amajuba District Municipality.

Table 20: HIV/AIDS prevalence distribution by district among 15-49 years antenatal women in 2013.

District name	HIV/AIDS prevalence rate
ILembe	45.9
UMkhanyakude	44.1
UMgungundlovu	42.5
EThekweni	41.1
UThukela	40.0
UGu	39.9
UThungulu	38.9
Zululand	38.1
Harry-Gwala (Sisonke)	36.6
UMzinyathi	35.7
Amajuba	32.8
ILembe	45.9

Source: The 2013 National Antenatal Sentinel HIV prevalence Survey SA (NDoH, 2014)

3.2 Spoken Languages

There are 4 main languages spoken within the district namely Isi- Zulu 92%, English 2%, Sesotho 2% and Afrikaans 1%. Although there are other languages spoken in the district they are very few calculating to an unmeasurable in number in percentages.

Being in Kwa-Zulu natal it is only normal that Zulu will be the most spoken language in the district followed by English and Sesotho. Sesotho is a relatively dominant language spoken in the Nqutu LM as there is an area that is dominantly Sesotho speaking under the leadership of king Molefe.

Table 20: Languages Spoken

Languages	DC24: Umzinyathi		KZN241: Endumeni		KZN242: Nqutu		KZN244: Msinga		KZN245: Umvoti	
	N	%	N	%	N	%	N	%	N	%
Afrikaans	4705	1	3771	5	166	0	357	0	411	0
English	13609	2	8574	11	75	0	284	0	4675	4
Isindebele	53	0	-	-	30	0	11	0	12	0
Isixhosa	1780	0	268	0	233	0	373	0	905	1
Isizulu	511204	92	62175	81	156793	92	178661	97	113574	93
Sepedi	191	0	-	-	47	0	104	0	40	0
Sesotho	9791	2	187	0	9479	6	-	-	126	0
Setswana	66	0	21	0	41	0	4	0	-	-
Sign language	55	0	-	-	21	0	-	-	33	0
Siswati	72	0	2	0	55	0	-	-	16	0
Tshivenda	36	0	-	-	36	0	-	-	-	-
Xitsonga	27	0	7	0	21	0	-	-	-	-
Khoi; nama and san languages	-	-	-	-	-	-	-	-	-	-
Other	639	0	238	0	241	0	4	0	156	0
Not applicable	12638	2	1396	2	4086	2	4695	3	2461	2
Not specified	14	0	-	-	-	-	-	-	14	0
Total	554882	100	76639	100	171325	100	184494	100	122423	100

Source: CS 2016 (Stats SA)

3.3 Migration

Migration is an important demographic process in shaping the age structure and distribution of the provincial population. Migration can be defined as a change in a person's permanent or usual place of residence. Along with fertility and mortality, migration is one of the components of population change.

Table 21: Migration by province of Birth

Provinces	DC24: Umzinyathi		KZN241: Endumeni		KZN242: Nqutu		KZN244: Msinga		KZN245: Umvoti	
	N	%	N	%	N	%	N	%	N	%
Western cape	321	0	156	0	15	0	83	0	66	0
Eastern cape	505	0	149	0	35	0	203	0	118	0
Northern cape	71	0	29	0	38	0	4	0	-	-
Free state	801	0	338	0	200	0	76	0	187	0
KwaZulu-Natal	544986	98	73185	95	168779	99	181865	99	121156	99
North west	370	0	180	0	88	0	65	0	37	0
Gauteng	5807	1	1594	2	1718	1	2052	1	442	0
Mpumalanga	602	0	361	0	151	0	38	0	52	0
Limpopo	107	0	21	0	46	0	4	0	36	0
Outside south Africa	1074	0	468	1	255	0	65	0	286	0
Do not know	34	0	13	0	-	-	-	-	21	0
Not applicable	-	-	-	-	-	-	-	-	-	-
Unspecified	205	0	144	0	-	-	39	0	22	0
Total	554882	100	76639	100	171325	100	184494	100	122423	100

Source: CS 2016 (Stats SA)

3.4 Disability Status within the District

Disability affect the day to day life of most people and therefore requires municipalities to work together with NGO's dealing with disabilities to find out what the disable population require. Disabled people need to be considered when building sidewalks to accommodate people on wheelchairs, public transport or road crossing to cater for blind and deaf etc. The district needs to have various programmes to support the disabled people within the district.

Currently there are programmes on:

- Albinism awareness
- Disability sports

Recommended disability programmes:

- Sign language awareness and education

Table 22: Disability status

DC24: UMzinyathi Disability Status	Communication	Hearing	Seeing	Self-Care	Walking
No difficulty	471602	461534	440557	466080	452589
Some difficulty	8808	18450	34382	12976	20505
A lot of difficulty	2514	3284	8435	3601	8952
Cannot do at all	648	345	261	944	1476
Do not know	64	22	-	34	114
Unspecified	274	274	70973	274	274
Not applicable	70973	70973	274	70973	70973
Total	554882	554882	554882	554882	554882

Source: CS 2016 (Stats SA)

3.5 Key Findings and Responsive Programmes

Table 23: Key Findings and Responsive Programmes

FINDINGS	PROGRAMMES
High population percentage in : 00-04 years 15-35 years	Promote programmes aimed at Early Childhood Development that will also consider disabled children. Increase skills development programmes for the young population to provide access to skilled labour opportunities. Engagements with local businesses to identify what traits they require in order to skill local labour force in those traits.
Need for a disability friendly infrastructure	Conduct and establish tangible programmes towards infrastructure that accommodates disabled people. Awareness programs on albinisms and sign language
Mal nutrition as the leading cause of Paediatric (0-5) mortality.	Establish food security and poverty alleviation programmes. Awareness on causes and preventative measures for Mal nutrition.
Increase in sex ratio from 81.6 in 2011 Census to 85.4 in 2016 Community Survey.	Introduction of projects that are aimed at tackling issues surrounding the social wellbeing and psychological needs of males, this ratio shows that there is an increasing population of males within the district therefore programmes should be channelled towards males wellness.
High Dependency rate of 81.82%	Increase economic growth activity to attract the economically active population into the district .The district has projects that will attract investment and create job opportunities at a large scale going forward. The following

	<p>are the key catalytic projects :</p> <ul style="list-style-type: none"> • Agri-Parks • Cwaka Precinct • Development Agency as the key driver of economic development. • Development of an Investment promotion Strategy. <p>Review of the LED Strategy.</p>
Fertility rate decrease	The Department of Health and UMzinyathi Priority programmes to continue with awareness campaigns aimed at protective sex, family planning and abstinence from sex.
Leading cause of morbidity is HIV/AIDS in Adults and Respiratory failure in under 5years.	Conduct more awareness campaigns in terms of HIV/AIDS ,respiratory conditions etc.
ART defaulting rate is escalating.	Introduce programmes that will encourage the use of ART in patients .E.g. Less queues in clinics ,follow ups by house visits by CCGs ,etc.
Second Lowest HIV Prevalence rate	Maintain the position of the district as the second district with a high prevalence rate through robust antenatal care programmes.

4 CROSS CUTTING ANALYSIS

4.1 Nodal Hierarchy

Nodes are locations containing focused concentrations of people, economic activity, services and land use. Concentration increases the thresholds required to support higher order services and land uses. This makes it more cost-effective to supply higher order service. A hierarchy of nodes must be supported, with good connectivity between nodes.

Public investment areas are directed both by the priority intervention areas as well as the identified provincial nodes. The Provincial Spatial Economic Development Strategy (PSEDS) identified a hierarchy of provincial nodes which contribute strategically to the provincial, regional and local economies and serves as vital service centres to communities. These nodes operate at different scales and play different roles in the provincial space economy and are identified as primary, secondary, quaternary nodes and rural service centres.

4.1.1 PRIMARY NODE

Primary nodes are areas that provide the highest order of commercial densities and the greatest variety of services and housing typologies within a district. They are intended to have the character of a central business district (CBD). As regional destinations, primary nodes typically contain high order retail stores, entertainment, offices and a mix of higher density housing. Within UDM the following two towns are regarded as primary nodes:

- Dundee,
- Glencoe.

Recommendations to upgrade Nodal Area

- Provision of middle income housing for working class
- Upgrade of bulk water and sanitation infrastructure to cater for the growing population and development demand.
- Stronger economic environment which will create an enabling environment for job creation and support for emerging businesses
- Attracting big industries to invest within the district in order to create more jobs
- Preparation of feasible retail sector study to identify opportunities for possible retail sector expansion. Secondary Node

Secondary nodes provide a second order service to surrounding locals in the form of acceptable infrastructure service, basic social amenities such as healthcare facilities, schools, community halls etc. Secondary nodes within the UDM are primarily the main towns/administrative centres of the smaller local municipalities namely:

- Greytown
- Nqutu
- Tugela ferry

4.1.2 RURAL SERVICE CENTRE

These are nodes in rural areas in un-incorporated electoral areas. The proposed rural service centres would typically be established around existing traditional administration centres and accessible rural points. These nodes typically have a semi-rural, rustic character, they are intended to provide for limited development of service centers outside of existing urbanized areas and are considered urban districts in the midst of more rural communities.

Currently, Rural Service Centre within UDM already have VIP standard water and sanitation, electrical services and provide basic social services, shopping. Housing is generally limited to largely rural mud houses, RDP housing with a fast growing Elite housing typology built by the wealthier class of these rural service areas. Over time, these nodes will be the focus of development in their communities and will grow to provide a broader range of services and housing options. Within UDM the following two towns are regarded as Rural Service Centers:

- Pomeroy
- Keates Drift
- Wasbank
- Kranskop

Recommendations to upgrade Nodal Area

- Re-surfacing of main roads that lead to social facilities
- Gravel road upgrades on access roads within the rural areas
- Water and sanitation provision
- Improved access to basic services such as health services, education and social amenities
- Preparation of precinct plans to provide for a structured and sustainable growth plan.

4.1.3 TOURISM AND RECREATIONAL NODE

Tourism and recreational nodes are those nodes with a particular focus on tourism and reaction. Within UDM the following two towns are regarded as primary nodes:

- isandlwana (Nqutu)
- Itshe lika Bambatha (Msinga)
- Battlefields, Blood river (Endumeni)
- Lilani hot springs (Mvoti)

Recommendations to upgrade Nodal Area

- Provision of extra mural activities linked to our Tourism sector such as quad biking, Hiking trails, 4x4 drives, Fufu slides, paintball shooting and more within the district.
- Improvement of infrastructures at tourism attraction spots (Parking, Ablution blocks and overall appeal of tourist attraction).
- Improve marketing strategy of Umzinyathi District as the ideal Tourism destination
- Co-ordination of all tourism activities in the district and form an itinerary that will ensure that all the local tourist places will get an opportunity to provide a certain service.

4.2 Corridors And Road Connectivity

Corridors are linkages between one or more nodes, or are areas of linear concentration on their own. They further support the principle of spatial efficiency by taking advantage of the movement and activity between two or more nodes. An appropriate level of services and development along the corridor must be supported. Like nodes, corridors can have different characteristics depending on the nature of the nodes they connect and the type of land uses and activity occurring within these corridors.

Corridors facilitate connectivity, communication and the movement of goods and services. Different corridor typologies must be identified in order to inform design and investment in the roads and transportation infrastructure and to inform land use planning and management along these corridors.

4.2.1 PRIMARY CORRIDORS

The **R33** is considered the primary corridor which is primarily a movement corridor within the

district, connecting the main administrative districts being Endumeni, Msinga and Mvoti local municipalities. The R33 traverses the district in a north south direction.

The UDM DGDP strategy identified the R33 as of vital importance to link the impoverished areas of Msinga and Nquthu to the regional economic opportunities within Endumeni and uMvoti. The main link between the District and the Pietermaritzburg Regional Airport is the R33 which is in a bad condition. Certain parts of the R33 are in great need of upgrading. The poor quality of the R33 limits the possibilities of optimally utilising this road as an economic or agricultural corridor. The Department of Transport has upgraded parts of the R33 in Pomeroy area in the 2016/17 financial year.

4.2.2 SECONDARY/REGIONAL CORRIDORS

The secondary or regional corridor connects the district with surrounding districts such as Amajuba and uMgungundlovu district municipality. There are primarily three secondary corridors within UDM namely:

- R621
- R622
- R74

The R621 connects UDM with Amajuba district from Dannhauser local municipality and into Endumeni local municipality in the town of Dundee. The R622 connects UDM with uMgungundlovu through the town of Greytown. The R622 further connects UDM to the ILembe district in the town of Maphumulo. R74 connects UDM to uThungulu district through Greytown.

4.2.3 TERTIARY CORRIDORS

The R68 is considered as the tertiary corridor linking the towns of Dundee, Nqutu in the Northern regions of the district and Pomeroy in the South of the district.

4.2.4 CONCLUSION

The network of nodes and corridors defines a spatial structure for directing growth and investment across the municipality in order to develop an efficient, dynamic and sustainable long-term future for the municipality. This spatial structure must support better integration of rural

and urban areas though improved connectivity, the efficient movement of people, goods and services, promote spatial equity, increase economic opportunity, and the preservation of environmental resources.

4.3 Public Transportation System

An integrated transportation strategy and plan must be developed to guide the long term implementation of an integrated transportation system. Currently the municipality is reasonably well covered by existing local taxi services. However, this system should ultimately be enhanced with other forms of transport in conjunction with a strategy of densification and intensification of land uses along nodes and corridors.

The taxi service is one component of the transportation system and must integrate with the other modes of transport, such as non-motorised transport (cycle, pedestrian pathways), a bus service, and possibly even a revived rail service in areas of Endumeni where there is existing rail infrastructure.

4.4 Settlements and Urban Edges

4.4.1 SETTLEMENT PATTERNS

The United Nation Environmental Programme (UNEP) states that the overall human settlement objective is to improve the social, economic and environmental quality of human settlements and the living and working environments of all people, in particular the urban and rural poor. Such improvement should be based on technical cooperation activities, partnerships among the public, private and community sectors and participation in the decision making process from community groups and special interest groups such as women, indigenous people, the elderly and the disabled. These approaches should form the core principles of settlement strategies.

As stated earlier in this report, development is about access to resources and opportunities. The approach in the assessment of settlements and urban development in the municipal area is therefore to assess the settlement of people against the background of access to available resources and amenities. In terms of planning and strategy it implies enhancing access by either bringing resources or opportunities to people or otherwise, to bring people closer to opportunities and resources. Where the solution is to bring resources and amenities to the people it implies that there must be a sufficient base to sustain these services by meeting at least the threshold

populations in the service area of an amenity. On the other hand should people come to the resources and amenities it implies that there must be sufficient levels of mobility to allow people to access these resources and opportunities. Both these options and even a combination of the two seem to be a huge challenge in the UDM area.

4.4.2 SETTLEMENT PATTERNS AND DYNAMICS⁸

In order to facilitate assessment and to determine options for assessing or establishing settlement, concentrations were determined throughout the municipal area. Eighteen settlement focus points or areas of significance were identified mainly in terms of their general density characteristics and functions. There are areas also include which lies adjacent but immediately outside the municipal area that might have an impact on service delivery and development in the municipal area.

4.4.3 SETTLEMENT FOCUS AREAS WITHIN THE UDM

There are 18 significant settlement focus points within the UDM area. These settlement points are assessed below in terms of their significance for development in the broader UDM area. Some focus areas play an important role in local development but not necessary at a district scale. There is one important settlement surface (Settlement focus area 18) that largely defines the broader settlement patterns in the traditional areas and which poses a very important challenge for the district area as a whole.

4.4.4 URBAN EDGES

Related to the Densification Strategy settlement plans must delineate urban edges and settlement edges. In order to promote compact settlements and to prevent low-density sprawl of settlement areas with a predominant "urban residential" function, it is proposed that an urban edge be defined / demarcated around such areas. This will ensure the protection of environmental and agricultural resources while also encouraging greater compaction and achievement of densities in urban and transitional rural settlements.

Areas included within the urban edge/ settlement edge are to be targeted for upgrading of levels of infrastructure. This will in turn support higher densities of residential development and in

time, development of industrial and commercial areas linked to the residential function of the settlement. Settlement areas outside the urban edge are defined as rural, which implies lower density with basic infrastructure and social facilities. Settlement plans will largely be process-driven; allowing for an on-going process which will arrive at the point at which these plans can be formalised and incorporated into the LAP and subsequent revision of the SDF. Settlement plans will therefore be superseded through incorporation into the LAPs.

4.4.5 LOCAL AREA AND PRECINCT PLANS

A Local Area Plan (LAP) sets out a strategy for the proper planning and sustainable development of a specific area within a local authority and for a timescale as specified by the authority. Precinct planning typically involves the preparation of a blueprint for the area and often includes investigations into appropriate land use options, physical environment constraints, infrastructure requirements, community values and expectations and tenure arrangements. The Umzinyathi District has identified the following precinct plans for the development of the district.

Endumeni:

- Zigar Precinct Plan
- Horse Racing Track Precinct Plan
- District Departmental Office Park Precinct
- Private Hospital precinct
- Mpati Park Precinct
- Railway precincts

Msinga

- Cwaka Precinct Plan
- Tugela Ferry Precinct
- Pomeroy Precinct

Nquthu

- Zitcole Precinct Plan
- Molefe Tusong Center

Umvoti

- Greytown
- Kranskop

The above precinct plans, aim to take into account all the issues affecting the area, including its buildings and spaces, land use, activities, and transport. Each area would have undergone a

base line study that will determine what works well in each area and how these factors can be enhanced, in certain instances, the study will identify interventions for the area to address and fulfill specific needs and objectives, and essentially, how the area can change and grow in the future. The precinct plans of the UZDM, provides clear strategies and detailed actions for planned transformation can be achieved through implementation over time. It provides a distinct direction of development and an insight to possible and preferable investment opportunities as well as stops sporadic development and urban sprawl. Essentially, the proposals, in terms of medium to long-term strategic interventions required to promote the development of spatially and economically integrated precincts that are attractive, efficient, convenient, safe and effectively managed. The interventions will promote restructuring, sustainable communities, economic development, poverty alleviation and environmental sustainability and gives effect to the Spatial Development Principals of Spatial Justice and Spatial Sustainability within Chapter 2, Section 7 of SPLUMA.

4.4.6 INCLUSIONARY HOUSING FOCUS AREA

Umzinyathi District has identified the Endumeni LM as an area that will benefit most from inclusionary housing policies as the municipality is currently the economic hub of the district and, in recent years moved more towards tertiary and quaternary economic sector investment, within Endumeni: Inclusionary housing will have to be considered during the upcoming developments and investments being made into the Local Municipality.

- The mall or retail sector development (DUNDEE. GLENCOE) – its envisage that a mixed use development with inclusionary housing will work well with this development.
- The regeneration of the railway line (GLENCOE) – although recent plans do not encompass the reopening of passenger rails, long term plans do, as such, an influx of investment and migration will take place within the Dundee and Glencoe areas, as Endumeni municipality has for long been a half way rail stop between two major centers (JHB and DBN), inclusionary housing will therefore be necessary, as it will allow for the migration of professional and skilled workforce'
- Regeneration of mines: Dundee- as above
- Agri Parks – although the secondary sector inputs of this establishment will be spread throughout farms, the agro processing plant will be set in a well co-ordinated assembly of processes, we thus envisage that land around the processing plant be identified within a 3 KM

radius for inclusionary housing

- The Development of a private hospital, sees the opportunity for inclusionary housing to house medical professionals and the like closer to the hospital.
- Zigar Precinct – Dundee – the regeneration of the old hostels has been identified as a good investment for inclusionary housing, as well as the on the adjacent site as there has been a recent influx of professional and skilled workers within the municipality finding it difficult to attain long term accommodation.
- Mpati precinct (Dundee) has also been identified for the development of inclusionary housing as it will also meet the demand for affordable housing in the area due to it's safe and peaceful reputation
- Union street Dundee and Kerk Street Glencoe, can also be seen as a good area for inclusionary housing, with various typologies and design styles to add the element of choice and a sense of place to the two towns
- The possibility for the governmental department cluster in Dundee will also provide the opportunity of this, where government officials who are not residents can find accommodation.

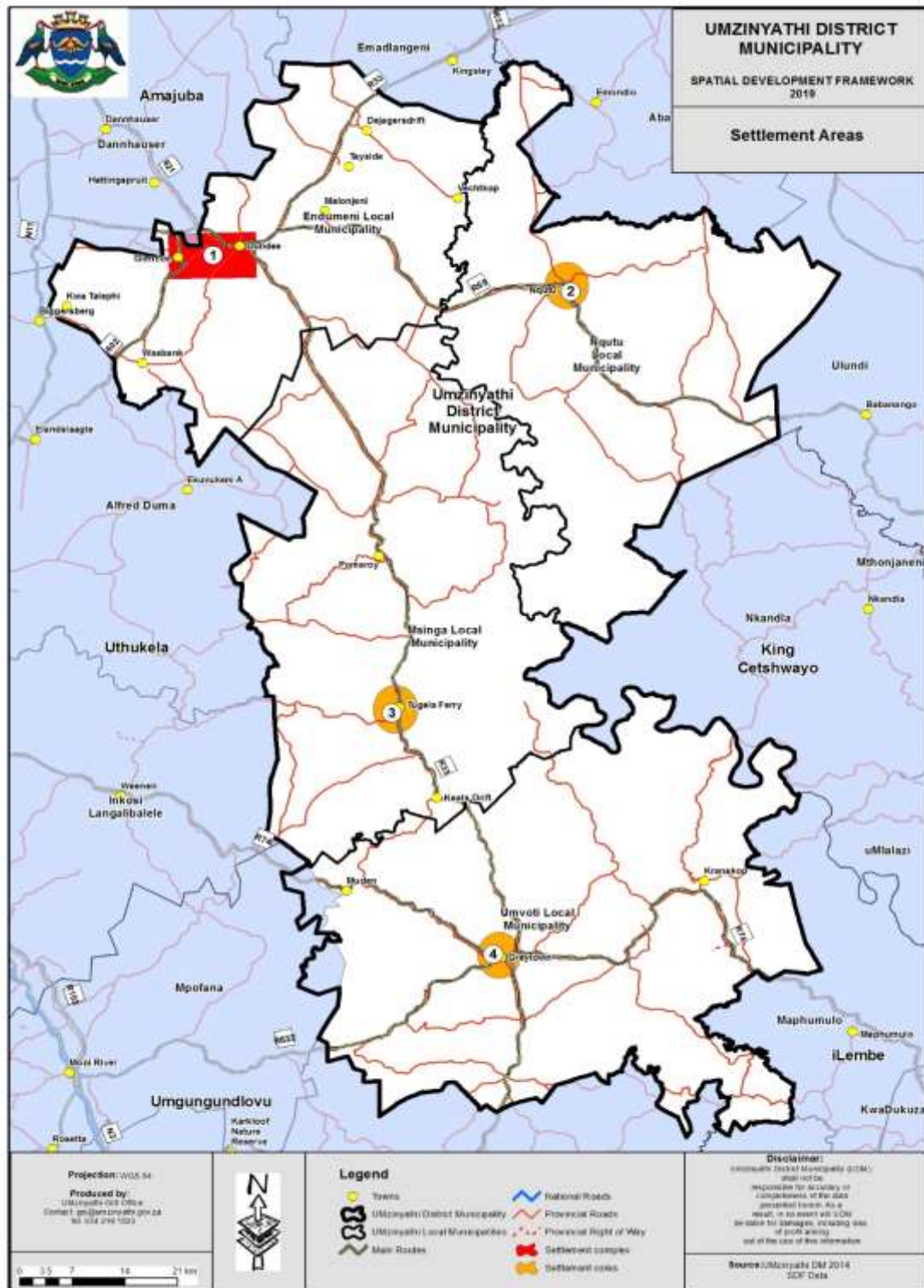
4.4.7 SPATIAL MASTER PLAN 2035 VISION

The Umzinyathi district plans to embark on a 20 year master plan with the department of public works. The master plan will focus primarily on the spatial location of government department offices. Over the years it has been noted that there is a spatial disjuncture of supporting social departments such as SASSA, Home Affairs and the police station being located far from each other yet all these departments are dependant on one another.

Through consultation with various stakeholders the district will propose a suitable location to house all supporting social facilities, then request that the Department of public works to ensure that they strategically relocate the necessary departments close to one another. This study will be responding to the following planning principles of:

- redress apartheid planning
- improve accessibility to supporting social facilities
- creating walkable and pedestrian friendly community
- spatial justice as per SPLUMA objectives

Map 4: Settlement focus areas



Source: Umzinyathi District Municipality GIS, 2019

4.5 Comprehensive Rural Development Programme (CRDP)

Rural communities in different parts of South Africa are still characterised by poverty, inequality, limited access to basic social infrastructure, underdevelopment, and lack of economic opportunities, fragmented spatial patterns and environmental degradation. As a result, this has compromised the ability of these rural communities to rely on agriculture and subsistence farming for food and income/exchange benefits.

Given the past planning practices in South Africa, inequality is most prevalent in rural areas since spatial planning never prioritised these areas. Proper land use practices in these areas were in most cases done in unsustainable manner. There were no proper plans in place to manage and guide development to maximise improvement of livelihoods of these rural communities. Consequently, these areas have been left displaced, segregated, underdeveloped and impoverished. The Department of Rural Development and Land Reform has published the Comprehensive Rural Development Programme (CRDP) to deal with various challenges with delivery from identification, initiation, planning and implementation.

As a tool to address these challenges and to achieve the goals of the CRDP, the Department of Rural Development & Land Reform (DRDLR) has developed Rural Development Plans for all the District Municipalities in KwaZulu-Natal. These plans are well integrated and aligned with different spheres of government developmental activities. The purpose of the plans is to assist in identifying the development potential of the rural areas of and also ensure that the District's full development potential is achieved. The overall objective of the rural development plan for uMzinyathi District Municipality is to establish and grow economic development within the rural areas of the district. The more specific objectives are:

- Unlocking rural economy through agriculture and tourism
- Linking rural areas to opportunities through services
- Linking rural population to opportunities
- Harnessing and promoting natural assets

The plan is a practical working document with programs and projects reflected within the implementation plan, indicating priority programmes and projects in a phased manner, with the relevant monitoring and evaluation tools to measure progress of implementation. The rural plans aim at unlocking rural economy through agriculture and tourism, linking rural areas to opportunities through services and harnessing and promoting natural assets.

The Department of Rural Development and Land Reform have committed catalytic projects from the various branches within the KwaZulu-Natal provincial office for the 2019/20 financial year that will be aligned and give effect to the implementation of the uMzinyathi District Municipality Rural Development Plan. As the plan is not a static document, it will need to be reviewed regularly. Great emphasis are been placed on Rural Development in the Spatial Planning and Land Use Management Act and the objective is to incorporate the DRDP into the IDP.

The uMzinyathi District Rural Development has therefore been attached as Annexure "1.7" to the IDP.

5 ENVIRONMENTAL MANAGEMENT

5.1 ENVIRONMENTAL MANAGEMENT FRAMEWORK (EMF)

In the 2016/17 financial year the Umzinyathi District Municipality (UDM), in partnership with the KwaZulu-Natal (KZN) Department of Economic Development, Tourism and Environmental Affairs (DEDTEA), have embarked on a process of developing the Environmental Management Framework (EMF) for the Umzinyathi District Municipality. NEMA Consulting was appointed to prepare the UDM EMF, which they completed in October 2016 and has been adopted by the UDM has also been gazetted.

According to the EMF regulations (Government Notice No. R547 of 18 June 2010), an EMF is a study of the biophysical and socio-cultural systems of a geographically defined area to reveal where specific land uses may best be practiced and to offer performance standards for maintaining appropriate use of such land. The legislative framework that governs the development of an EMF consists mainly of the following:

- The National Environmental Management Framework Act (NEMA Act 107 of 1998), in particular section 2.23 and 24
- The EMF Regulations (Government Notice No. R547 of 18 June 2010), which makes provision for the development, content and adoption of EMF's as proactive environmental management decision support.

An EMF includes a framework of spatially represented information connected to significant environmental (i.e. ecological, social and economic) parameters, such as ecology, hydrology, infrastructure and services.

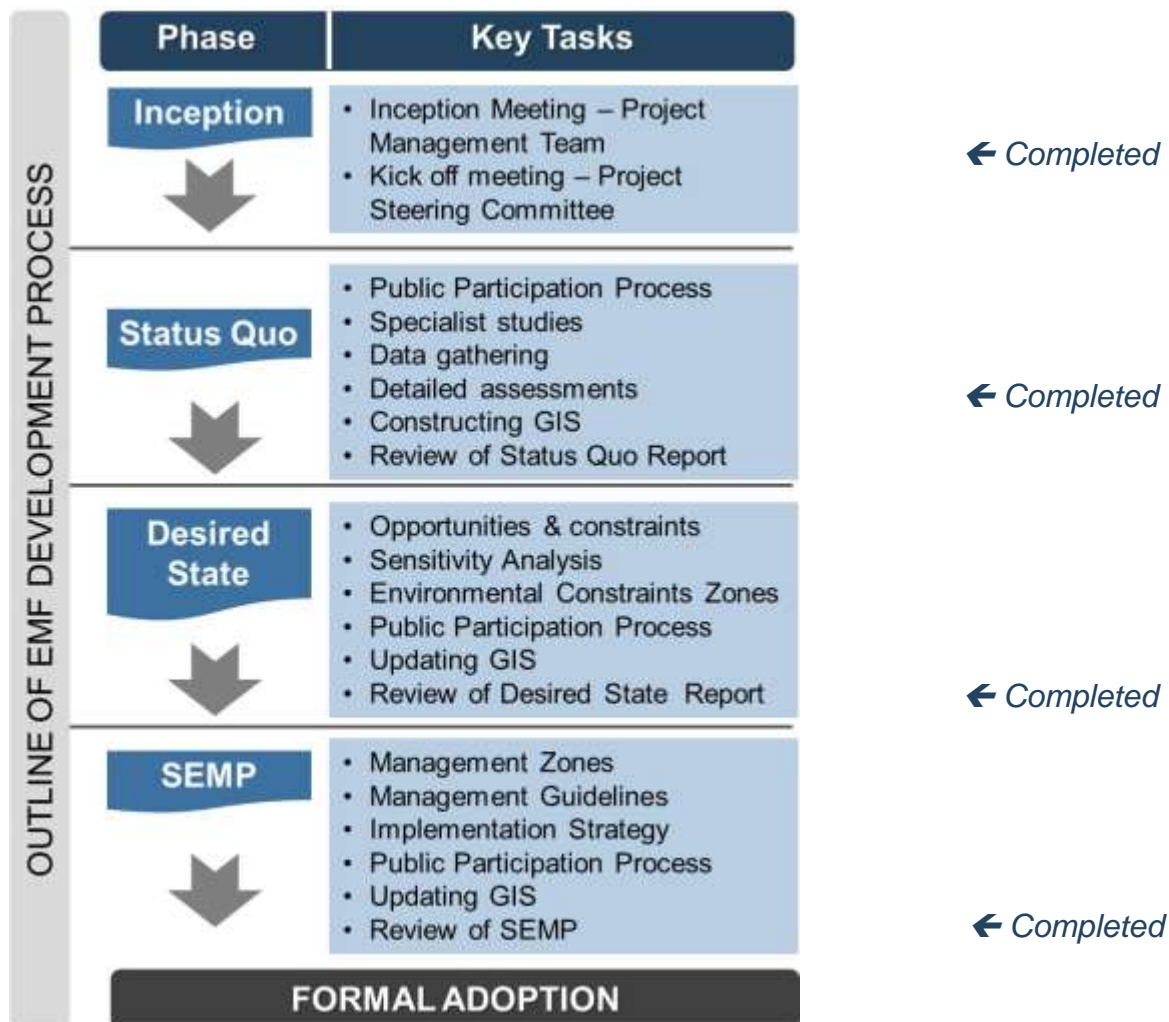
A key function of an EMF is to proactively identify areas of potential conflict between development proposals and critical/sensitive environments.

In order to address the triggers for sustainable development in the UDM and the priority environmental opportunities and constraints, some of the key objectives of the EMF include facilitating environmental decision-making and providing strategic guidance on environmental, economic and social issues in the district.

5.2 EMF Development Approach

The EMF development approach is consistent with the requirements stipulated in the following primary legislation that governs the process: The National Environmental Management Act (Act 107 of 1998) (NEMA), in particular Sections 2, 23 and 24; and the EMF Regulations (GN No. R547 of 18 June 2010), which make provision for the development, content and adoption of EMFs as a proactive environmental management decision support tool. In addition, the UDM EMF will also conform to the Guideline on Environmental Management Frameworks in terms of the EMF Regulations of 2010, Integrated Environmental Management Guideline Series 6 (DEA, 2010). An overview of the methodology to develop the EMF is shown in the accompanying diagram.

Figure 15: Broad Overview of EMF Development Process



In accordance with the EMF Regulations (2010), the information contained in the UDM EMF will ultimately reflect the following:

- An identification of the area – whether by map or otherwise;
- A specification of the environmental attributes in the area, including sensitivity, extent, interrelationship and significance of the attributes;
- An identification of any parts in the area to which the attributes relate to;
- An indication of the conservation status of the area;
- A description of the environmental priorities in the area;
- An indication of the kinds of developments that would have a significant impact on those attributes and those that would not;
- An indication of the kinds of developments that would be undesirable in the area or specific parts of the area;
- An identification of information gaps;
- An indication of a revision schedule for the environmental management framework; and
- Any matters specified by the Minister or MEC.

5.2.1 EMF OBJECTIVES

In order to address the triggers for sustainable development in the UDM and the priority environmental opportunities and constraints, the specific objectives of the EMF include the following:

1. To facilitate decision-making to ensure sustainable management of natural resources;
2. To provide strategic guidance on environmental, economic and social issues in the district;
3. To identify environmentally sensitive areas;
4. To identify the environmental and development opportunities and constraints;
5. To assess the economic and environmental potential of the area;
6. To provide a decision support system in respect of environmental issues and priorities in the EMF area;
7. To formulate a strategy that will incorporate issues such as land use, planning and sensitive environmental resources; and
8. To include existing policies as frameworks for establishing values, guidelines and standards for future developments.

In its formal context, the EMF that is adopted by the Minister or MEC will be taken into consideration when reviewing applications for environmental authorisation in or affecting the areas to which the EMF applies.

5.2.2 UDM EMF DRIVING FORCES

Before the process of developing an EMF is initiated, it is necessary to understand the reasons for identifying the need for such a management tool within the context of the UDM. This sets the scene for creating an EMF that meets the specific needs of the area in question and which is tailored to relevant environmental priorities and goals.

The main EMF triggers can be categorised as follows:

- a) Significant environmental factors;
- b) Development pressures;
- c) Environmental threats; and
- d) Resource Management Issues.

5.2.3 ENVIRONMENTAL STATUTORY FRAMEWORK

The EMF Status Quo Report provides an overview of the environmental statutory framework for UDM, which includes the EMF enabling legislation as well as generic Environmental Management legislation. It also presents those policies, strategies, plans and programmes that have bearing on environmental management in the district, such as:

- National Development Plan;
- A National Framework for Sustainable Development in South Africa;
- National Strategy for Sustainable Development and Action Plan;
- National Water Resource Strategy;
- National Spatial Biodiversity Assessment;
- National Biodiversity Strategy and Action Plan;
- National Freshwater Ecosystem Priority Areas;
- KZN Systematic Conservation Plan;
- UDM Strategic Environmental Assessment;
- UDM Biodiversity Sector Plan; and
- UDM Spatial Development Framework (SDF) and Integrated Development Plan (IDP.)

5.2.4 ENVIRONMENTAL PROFILE

The Environmental Profile describes the current state of the environment which was ascertained through inter alia baseline evaluations and descriptions, specialist studies (as required), desktop assessments, existing data assimilation and field verification and assessment (as required)

The environment in uMzinyathi is explained in terms of the various features and attributes that serve as the building blocks for the (1) Biophysical, (2) Planning and Development, and (3) Social, Economic and Cultural Environments. Where possible, these elements have been spatially represented in the EMF Geographic Information System (GIS).

Figure 11: Environmental Features Assessed during the EMF Status Quo Phase

Biophysical Environment	Planning and Development	Social, Economic, Built & Cultural Environments
Climate Geology Geohydrology Terrain Morphology Surface Water Terrestrial Ecology Agricultural Potential Soils Air	Land Use & Land Cover Spatial Planning Corridor Development Nodal Development Urban Edges	Demographic Profile Access to Services Traditional Leadership Land Claims Disaster Management Overview of the District Economy Historical & Cultural Resources Tourism

Source: NEMAI Consulting, 2016

5.2.5 ENVIRONMENTAL MANAGEMENT PRIORITIES

This first phase of the EMF development process culminated into the identification of environmental management priorities through an understanding of the environmental issues, constraints and opportunities within the district.

5.2.6 TRANSITION FROM STATUS QUO TO DESIRED STATE

With the foundation of the EMF set through the Status Quo Phase, the next step was determine a realistic desired state for the environment in UDM. This included finding a balance between land use potential, management endeavours and human aspirations.

The desired state includes setting a vision for uMzinyathi and providing the environmental management context for the management zones and related requirements for the various environmental features for the SEMP. It focuses on addressing the imperatives that lead to the instigation of the EMF development process.

5.2.7 MONITORING AND EVALUATION TOOL

At the completion of the UDM EMF the district extended the scope of work and appointed NEMAI consulting to prepare a Monitoring and Evaluation tool to measure the implementation of the EMF. The intended purpose of the framework included addressing the periodic assessment of the EMF's implementation and performance of activities, and also the evaluation of their results in terms of relevance, effectiveness and impact. The Monitoring and Evaluation Framework will provides answers on the progress and impact made by the municipality and their partners in achieving the project's outputs and outcomes.

Monitoring will entail the systematic collection, analysis and use of information for the following purposes:

- Checking how the EMF is being applied in decision-making and planning;
- Checking the institutional arrangements and overall enabling environment for the EMF implementation; and
- Checking the performance of the EMF's management provisions.

As part of evaluation, the information obtained from monitoring will be interpreted to determine the EMF's relevance, effectiveness, impact and sustainability. This will ultimately assist in determining the scope and enhancements required for the next generation EMF, following the completion of a 5-year review period. The approach to developing the EMF Monitoring and Evaluation Framework included the following:

- Engaging with the relevant stakeholders at the following stages of the development process –
- *Inception phase;*
- *Presentation of Monitoring and Evaluation Framework product;*
- Establishing the monitoring and evaluation objectives;
- Establishing the following key elements of the UDM EMF: inputs, activities, outputs, outcomes and impacts;
- Determining the appropriate intensity and timing for monitoring and evaluation;
- Clarifying the roles and responsibilities in terms of monitoring and evaluation;
- Defining key performance indicators to gauge the progress of the EMF's implementation;
- Identifying information requirements to determine if the expected objectives and outcomes of the EMF are being accomplished;
- Developing a reporting tool to present findings; and
- Developing an overall Monitoring and Evaluation Implementation Plan.

The EMF Monitoring & Evaluation tool has been completed and submitted to Portfolio and Exco. The district envisages to effectively implement the monitoring tool in order to measure the performance of the EMF. There is however a challenge of qualified staff within the district and Locals to implement and monitor the EMF success as there is no staff appointed to perform these functions. The district has however filled the post of Environmental officer to oversee the implementation of the EMF.

5.3 Climate Change

Climate Change is defined by the United Nations Framework Convention on Climate Change (UNFCCC) as “a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability over comparable time periods”. Global Warming has been blamed as that human activity, which has had the most influential impact on climate change. Global warming is defined by the UNFCCC as “the increase in the earth’s temperature, in part due to emissions of greenhouse gases (GHG’s) associated with human activities such as burning fossil fuels, biomass burning, cement manufacture, cow and sheep rearing, deforestation and other land-use changes.”

Climate change is already having and will continue to have far reaching impacts on human livelihoods. As a result, policy and development plans must take cognizance of the implications of a changing climate and develop strategies for both mitigation and adaptation for a changing climate. Chapter 5 of the NDP focuses on environmental sustainability and resilience through an equitable transition to a low-carbon economy, which will also have implications on the way the spatial planning and development in South Africa is approached.

Umzinyathi District faces various environmental disasters and challenges as a result of climate change. Areas of Msinga Local Municipality within UDM experience annual floods during the December month which result in fatalities, houses and infrastructure being washed away resulting in numerous deaths of the people of Msinga. These floods are just one of the outcomes of climate change which the district needs to adapt and mitigate. Recent studies within South Africa which involve climate change modelling and associated projections all show conclusively that the symptoms of climate change in South Africa are likely to include:

- Higher temperatures.
- Altered rainfall patterns.
- More frequent or intense extreme weather events, including heat-waves, droughts, storms and floods.
- Rising sea levels along Coastal Municipal areas.

The implications of the above predicted weather and climatic changes will impact on the

physical environment which will ultimately impact on the sustainability of human livelihoods. It is crucial that future planning initiative programmes take into consideration the risks, impacts and limitations imposed by climate change, such as increased temperatures; changes in precipitation levels; increased storm events; tidal surges and sea-level rise; and consider adaptation measures.

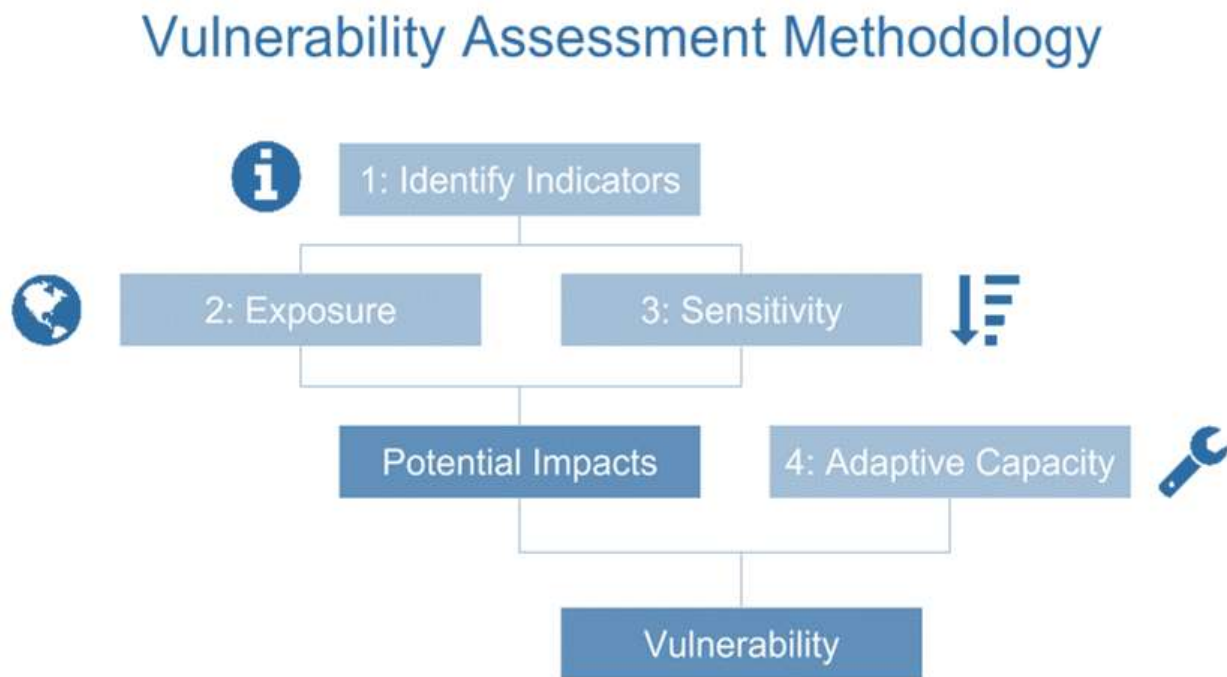
5.3.1 CLIMATE CHANGE ADAPTATION AND MITIGATION STRATEGY

UDM appointed Urban Earth consultants to undertake a climate change and adaptation strategy during the 2016/17 financial year. The project aims to assist uMzinyathi District Municipality to better respond to climate change. As outlined in the Terms of Reference the primary objectives of this project are to:

- Identify the major sources of climate change related risk in the municipality, based on the most up-to-date scientific information available;
- Present these risks at a relevant local scale and in an accessible spatial and table format for use in decision-making;
- Identify appropriate and realistic response options that address the identified risks, with reference to water, energy, health, transport, infrastructure, housing, agriculture, biodiversity, waste management, and tourism;
- Provide realistic climate change response options which municipal officials can use for setting targets and reporting, related to both emissions reductions and climate resilient land use (land-care);
- Ensure that no current or proposed projects in the IDPs or other planning documents undermine climate change mitigation or adaptation efforts in the municipality;
- Supplement the response recommendations, targets, and project assessments with tools for climate resilient project design, monitoring and evaluation, and public awareness and education;
- Identify resources and possible sources of funding which could be accessed for implementation of the strategy.

As part of the strategy, a Climate Change Vulnerability Assessment was conducted within the District Municipality. Climate change vulnerability was assessed by identifying a set of climate change indicators or impacts and then assessing exposure, sensitivity and adaptive capacity to these indicators.

Figure 16: Vulnerability Assessment



Source: Urban Earth 2017

Steps involved in a Vulnerability Assessment

There are four steps to conducting a vulnerability assessment, these are:

- Step 1: Identify potential impacts of indicators.
- Step 2: Assess whether the impact will take place (exposure).
- Step 3: Assess how important the risk is (sensitivity).
- Step 4: Assess if you can respond to the risk (adaptive capacity).

5.3.3 DEVELOPING A GREENHOUSE GAS INVENTORY

A greenhouse gas inventory helps a municipality to identify their areas of highest emissions and from there develop responses to reduce emissions in these specific areas. There are numerous tools that have been developed to assist local governments with this exercise. EThekwini Municipality has developed its own user-friendly tool to measure its greenhouse gases. This tool was used as a basis for conducting a GHG Inventory for uMzinyathi District Municipality. Emissions are divided up into municipal and community emissions.

5.3.4 DEVELOPING A CLIMATE CHANGE RESPONSE PLAN

A climate change response plan as referred to in the National Climate Change Response White Paper is: "a plan to effectively manage inevitable climate change impacts through interventions that build and sustain social, economic and environmental resilience and emergency response capacity." Climate Change Response Plans therefore highlight key impacts from climate change for a particular area and range of interventions that can manage these impacts.

Urban Earth assisted delegates in translating the results from the Vulnerability Assessment into a draft climate change response plan. Climate Change Response Plan Templates have been developed through the Local Government Climate Change Support Program (LGCCS). The LGCCS programme focused only on climate change adaptation and therefore the template for the response plans needed to be revised to include climate change mitigation.

5.3.5 INTEGRATION WITH IDPs

When the climate change response plan had been developed, Urban Earth assisted municipal officials to help integrate the plan into the Municipal IDP. The engagement was divided into two broad sections. The first was focussed on securing additional stakeholder engagement into the draft climate change plan. The second component of the engagement was focussed on how to integrate the results from the climate change plan into the municipal IDP. The Climate change plan is now in place and is being implemented along with the Environmental management Framework.

5.4 BIOPHYSICAL ENVIRONMENT

5.4.1 GEOLOGY

The UDM area contains some of the oldest rock which dates back to the Swazian and Randian age. The Karoo Supergroup covers the majority of the UDM area, with the Dwyka and Eccca Group dominating most of the LMs followed by small outcrops of the Drakensburg Group in the north eastern part Umvoti LM. In the Umvoti LM the Bokkeveld Group belonging to the Cape Supergroup which is overlain by the Karoo Supergroup outcrops in the east and in the Nquthu LM the Natal Group outcrops in the in the southern part. The Tugela Group of the Namaqua-Natal Province outcrops in the north eastern part of Umvoti.

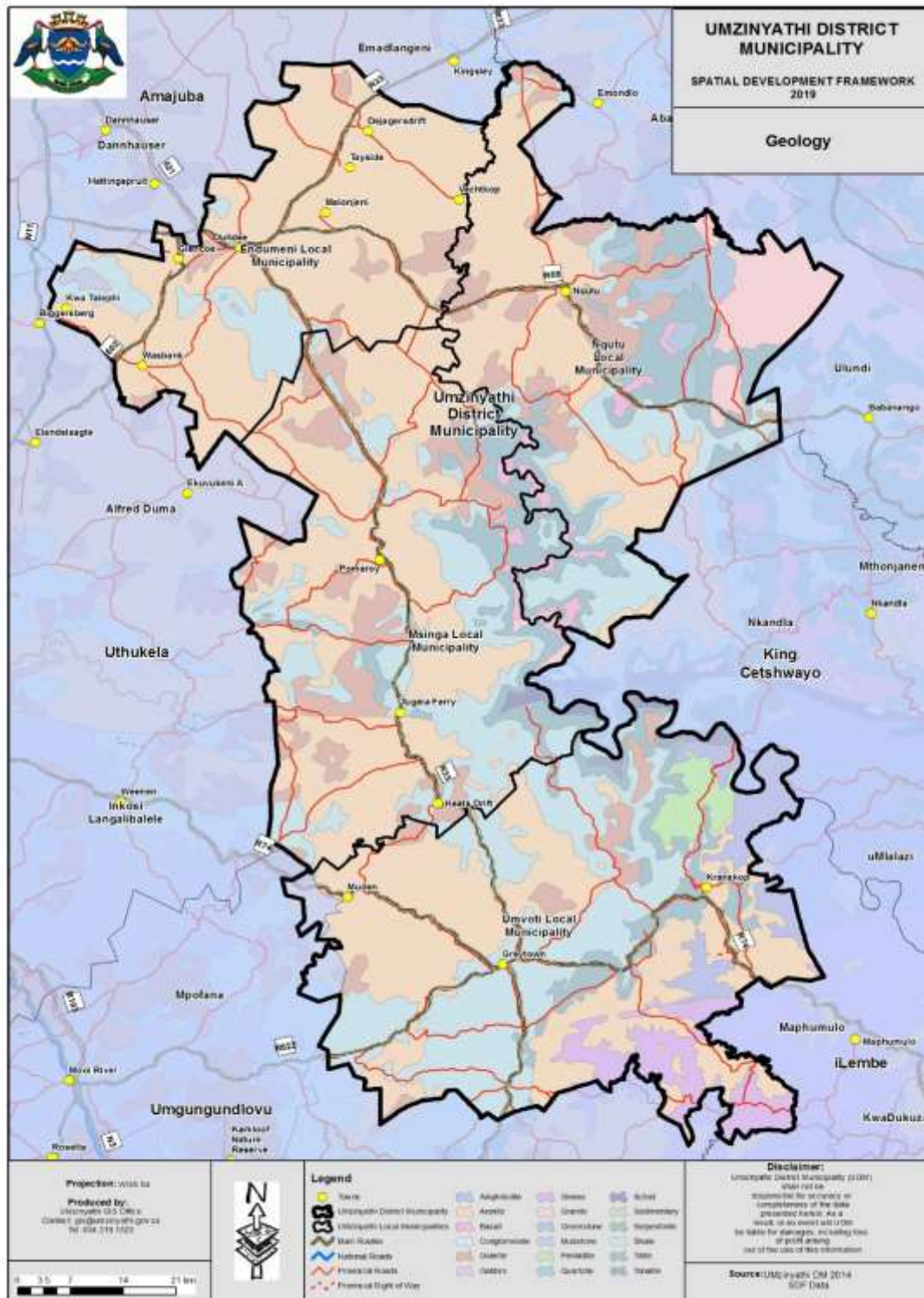
Arenite is the most common rock covering the municipal area. Shale is also found through the area and Tillite is present along the Buffalo River but only in the mountainous areas before joining the Tugela River. These sedimentary formations are topped by dolerite that is still exposed in the higher parts of the mountains.

The varied topography and geology has created a variety of soils within the district, and these are briefly described below per municipal area:

- Endumeni LM - characterised mostly by the sedimentary soils of the Eccca group arenite which is a dominant feature in the District and fragmented patches of Shale, mudstone and dolerite;
- Nquthu LM - characterised mostly by Dolerite, Eccca group arenite and Shale;
- Umvoti LM - the geological formation comprises of igneous, metamorphic and sedimentary rocks. It is characterised by Amphibolite, Dolerite, Peridotite, Schist, Shale, Tillite, Tonalite, Natal group arenite, Eccca group arenite, Gneiss;
- Msinga LM - consists of conglomerate, dolerite, schist, shale, tillite, nsuze group, basalt, tonalite, eccca group arenite, natal granite.

Kindly refer to the Geology Map below for a depiction of the above.

Map 5: Geology



Source: NEMAI Consulting, 2019

5.4.2 GEOHYDROLOGY

According to the 1:500 000 Hydrogeological Map Series of the Republic of South Africa, almost the entire area are underlain by aquifers which is intergranular and fractured. Borehole yield class ranges from 0.5 – 2 median liters per second across most of the area. Electrical conductivity, which serves as an indicator of groundwater quality, range from 0 – 70 mS/m in the northern and southern areas, and from 70 to more than 300 mS/m in the central area. Based on the aquifer classification system of South Africa, UDM falls within a minor aquifer region which is a moderately-yielding aquifer system of variable water quality. In terms of aquifer vulnerability, the UDM falls within the following regions:

- Least vulnerable – region that is only vulnerable to conservative pollutants in the long term when continuously discharged or leached; and
- Moderately vulnerable –region which is vulnerable to some pollutants, but only when continuously discharged or leached.
- Some of the main pressures on groundwater resources of UDM include:
 - Pollution by diffuse sources such as human settlements (especially sanitation), and to a lesser degree crop production;
 - Pollution by point sources such as Wastewater Treatment Works, coal mining areas and livestock concentration areas;
 - Abstraction for human, agricultural and industrial use (localized and applicable to the driest areas only);
 - Groundwater uptake by alien invasive trees and afforested areas (localized and applicable to the driest areas only).

5.4.3 SURFACE WATER

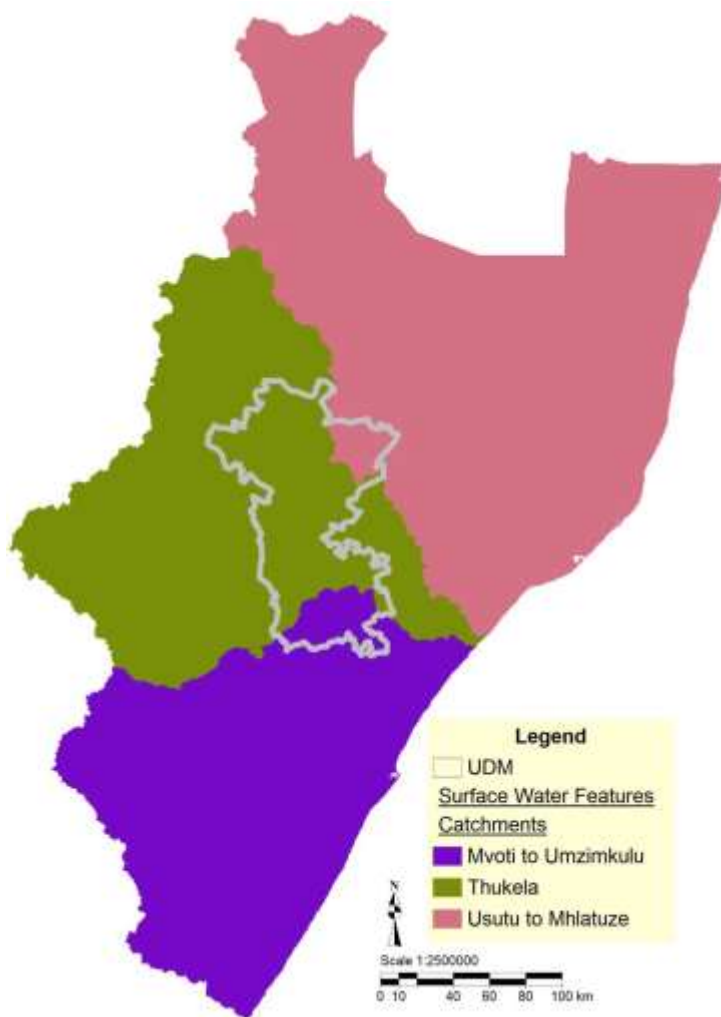
The EMF study area is situated in the Pongola-Umzimkulu Water Management Area (WMA). The WMA is the result of the amalgamation of the Thukela, Mvoti-Mzimkulu and Mhlatze-half of the Usutu. This WMA is especially complex, as it covers an area of high season rainfall, with heavy demands on water resources from the agricultural sector, industrial, mining and urban domestic sectors.

The UDM mainly falls within the Thukela catchment; however portions of two other catchments occur within the district, namely the Mvoti Catchment which is located in the south below Greytown and Kranskop and the Mfolozi catchment which is in the north eastern section of the District, east of Nquthu and Silutshana (refer to accompanying figure).

Key considerations from a catchment management perspective include the following:

- The largest water requirement in the WMA is for irrigation in the agricultural sector;
- While the WMA has high overall water yield, and over the whole WMA has a positive water balance, nine of the fourteen areas have the requirements outstrip the yield; and
- The water quality within the WMA is declining.

Map 6: UDM in relation to the Pongola-Umzimkulu WMA

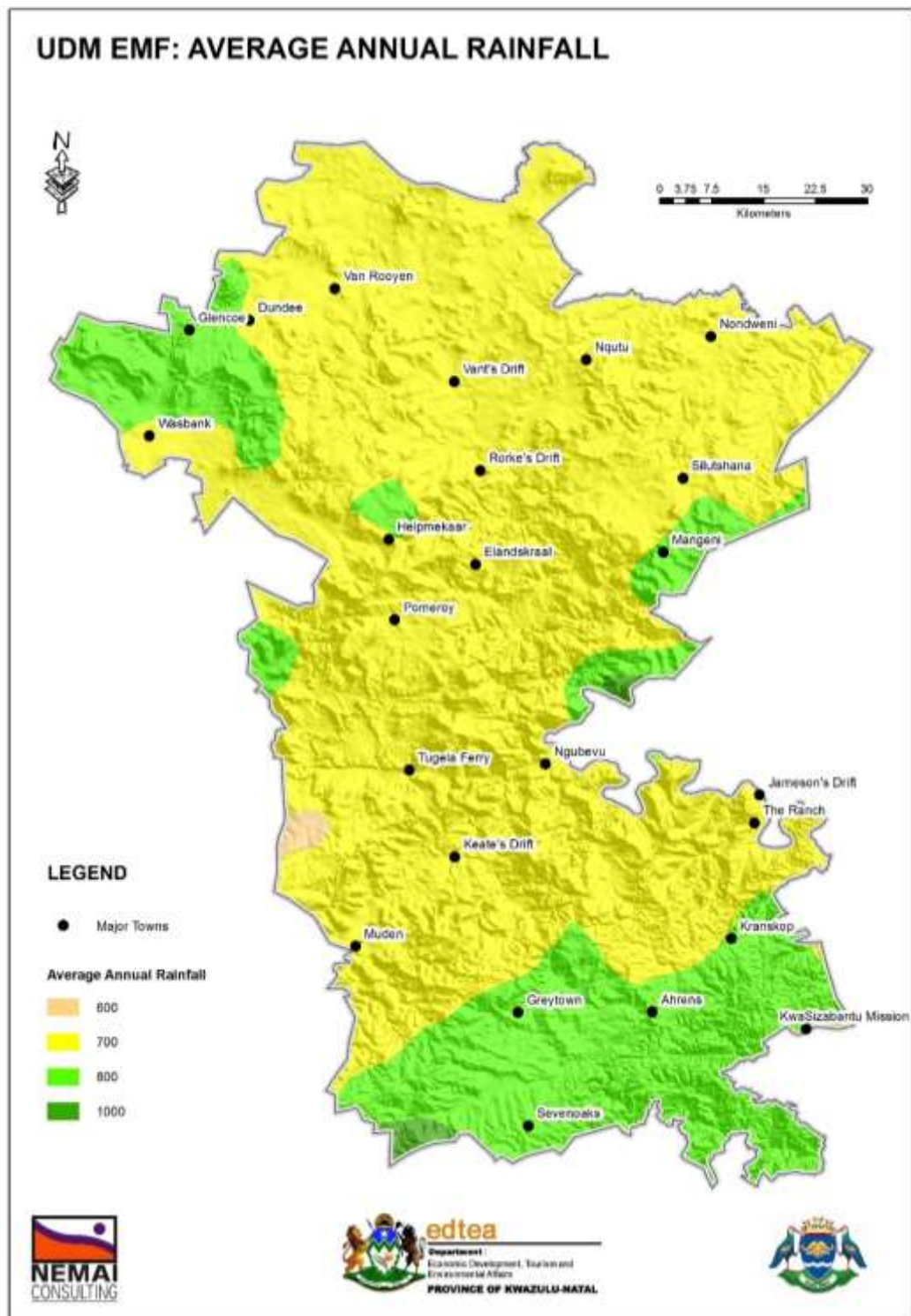


Source: NEMAI Consulting, 2016

5.5 Rainfall

In terms of the South Africa weather system, Umzinyathi falls within coastal summer rainfall areas. Rainfall is orographic in nature with the impact of the mountains and topography shown on the map. Rainfall in the municipal area ranges between 600mm to more than a 1000mm per annum. As the rainfall map indicates, rainfall exceeds 1000mm per annum in areas of the mountainous southeast. Rainfall in these areas is generally more than 800mm per annum but between 600mm and 800mm per annum as one reaches the savannah landscape in the northern parts of the municipal area.

Map 7: Rainfall Map for UDM



Source: NEMAI Consulting, 2016

5.6 Conservation and Protected Areas

5.6.1 PROTECTED AREAS

Protected Areas are areas of land or sea that are formally protected by law and managed mainly for the purpose of biodiversity conservation. Formal Protected Areas are gazetted in terms of the National Environmental Management: Protected Areas Act, 2003 (Act No. 57 of 2003) (NEMPAA). NEMPAA distinguishes between several categories of Protected Areas: Special Nature Reserves, National Parks, Nature Reserves, and Protected Environments. It also recognises World Heritage Sites declared in terms of the World Heritage Convention Act (Act No. 49 of 1999); specially protected Forest Areas declared in terms of the National Forests Act (Act No. 84 of 1998); and Mountain Catchment Areas declared in terms of the Mountain Catchment Areas Act (Act No. 63 of 1970).

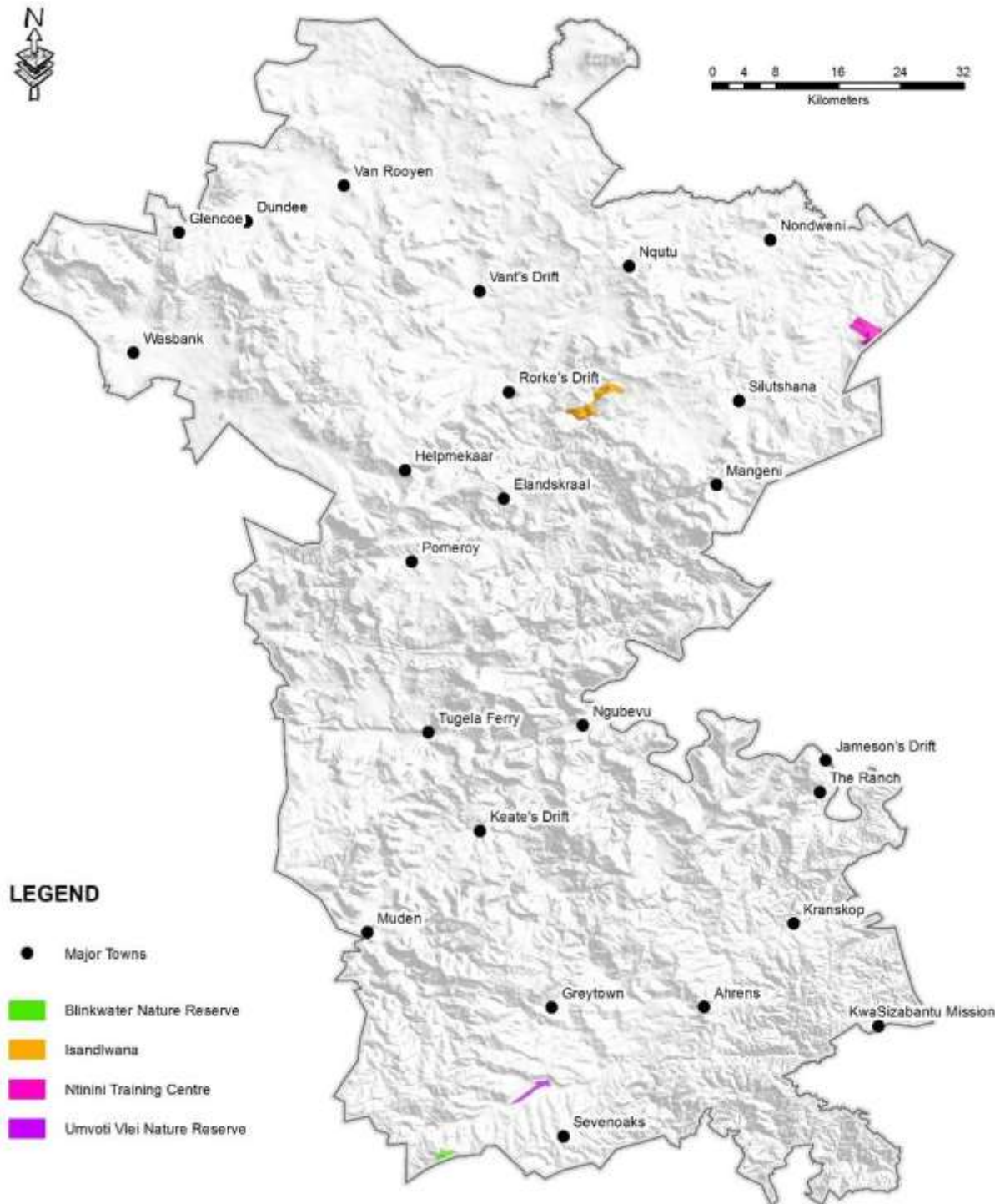
5.6.2 CONSERVATION AREAS

Conservation Areas are those areas of land not formally protected by law, but where primary land use is conservation. These areas are typically informally protected by the current owners and users, and managed at least partly for biodiversity conservation. As Conservation Areas are not gazetted in terms of NEMPAA, they are not considered to be Protected Areas. They could include areas covered by Biodiversity Agreements in terms of the National Environmental Management: Biodiversity Act, 2004 (Act No.10 of 2004) (NEMBA), as well as non-declared Private Nature Reserves and conservancies, which are agreements for co-operation among neighbouring landowners and require no legal long-term commitment.

There are number of conservation and protected areas in UDM, namely (refer to Map below):

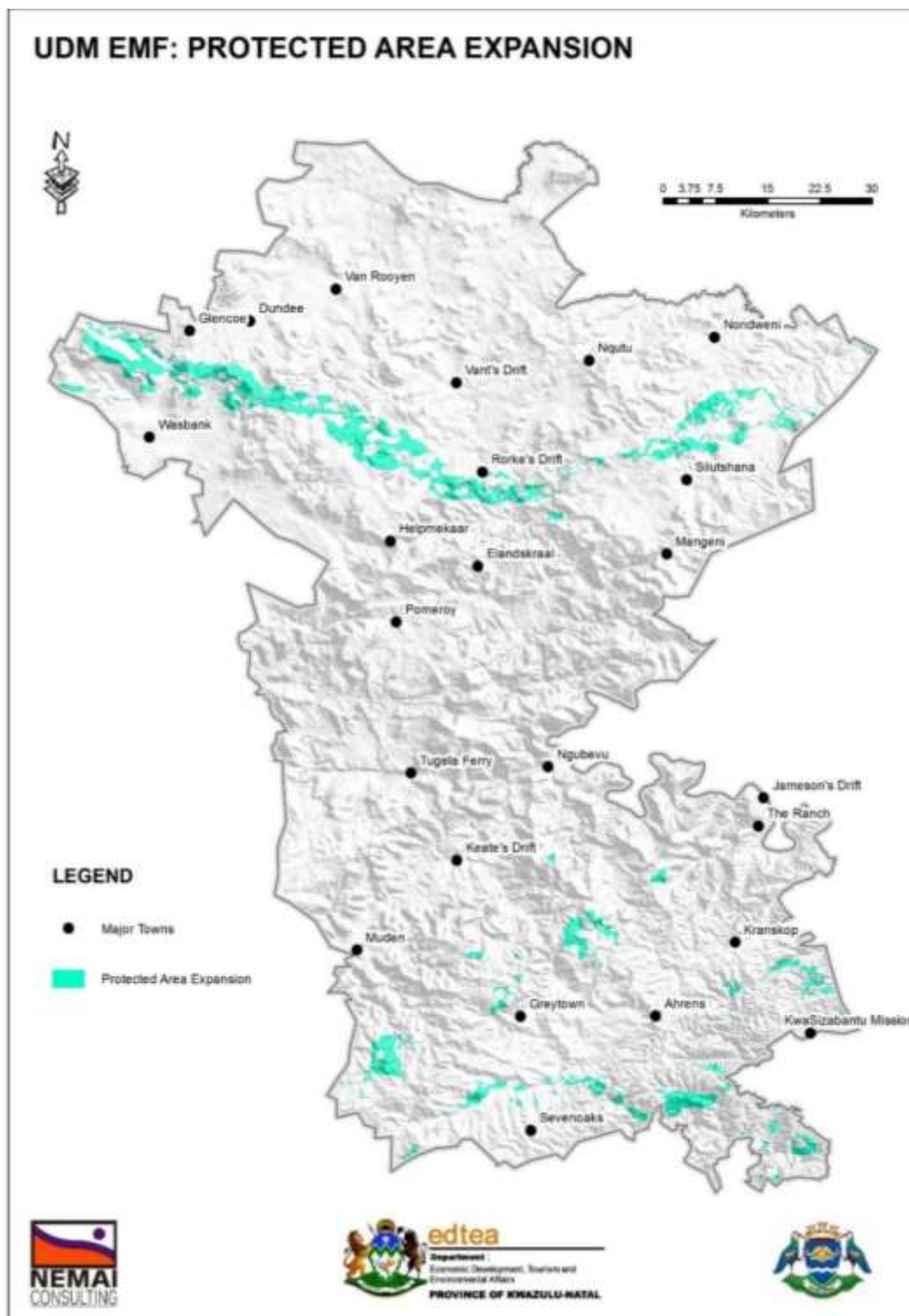
- Nquthu LM - 2 reserves, namely Isandlwana and Ntinini Training Centre;
- Msinga LM - 1 reserve, namely Isandlwana Provincial Nature Reserve; and
- Umvoti LM - 2 reserves, namely Blinkwater Nature Reserve and Umvoti Vlei Nature Reserve.

Map 8: Protected Areas in UDM



Source: Umzinyathi Environmental Management Framework, 2016

Map 9: Protected Area Expansion



Source: NEMAI Consulting, 2016

5.6.3 KZN PROTECTED AREA EXPANSION

It had been established through systematic conservation planning process that more than half of the province's high priority and conservation-worthy biodiversity is located on private and communal land. One strategy to conserve representative samples of such important and vulnerable biodiversity, is to incorporate portions of the identified areas into a formal land based Protected Area network. KZN, in support of the National Protected Area Expansion Strategy (NPAES) is mandated to expand its formal protected area network. Using nationally developed guidelines, an acquisition target of 9% of the province to be formally conserved by 2028 has been set for KZN (EKZNW, 2010).

5.6.4 FAUNA

According to the Conservation International Southern African Hotspots Programme (2010), the following fauna species (Table 13) are known to be found in the Maputaland-Pondoland-Albany Hotspot and Maputaland centre.

5.6.5 PUBLIC PARTICIPATION PROCESS

Public Participation process (PPP) complies with regulation 3(2) of the EMF Regulations (2010). The aim of the (PPP) includes:

- Inform interested and affected parties (IAP's) of the EMF process and its objectives;
- Provide an opportunity for inputs from IAP's;
- Give feedback to IAP's with the opportunity for them to respond.

The draft status quo report was available for public viewing and comment at all Local Libraries within the district for public to peruse and comment. The following public meetings were held in the various LM's within the Umzinyathi District, where the Draft Status Quo Report was presented to the stakeholders for comments and inputs,

No.	Location	Date	Time	Venue
1	Msinga (LM)	23 Feb	9h00 – 11h00	Bathembu Community Hall
2	Umvoti LM	24 Feb	9h00 – 11h00	Greytown Town Hall
3	Endumeni LM	25 Feb	9h00 – 11h00	Dundee Moth Hall
4	Nquthu LM	26 Feb	9h00 – 11h00	VA Makhoba Hall

Source: NEMAI Consulting, 2016

Through the above mentioned public participation process, the Status Quo Report was then finalised during April 2016. The next phases to be undertaken as part of the project was the preparation of the Desired State and the Strategic Environmental Management Framework and the project was completed at the end of October 2016.

5.6.6 TERRESTRIAL SYSTEMATIC CONSERVATION PLAN

According to Escott et.al. (2013), the CBA map has been created as part a strategic planning strategy to ensure biodiversity conservation and persistence in the province of KZN. A means of identifying both key biodiversity 'hotspots' and ecosystem service areas, this product has been produced to be used as an informative tool within all other economic sectors' strategic spatial planning processes thus resulting in better informed and more sustainable development in KZN as a whole. By drawing information from all the Systematic Conservation Planning products from both within KZN and nationally, this product is intended to represent a single holistic picture of the conservation requirements for all biospheres within the province.

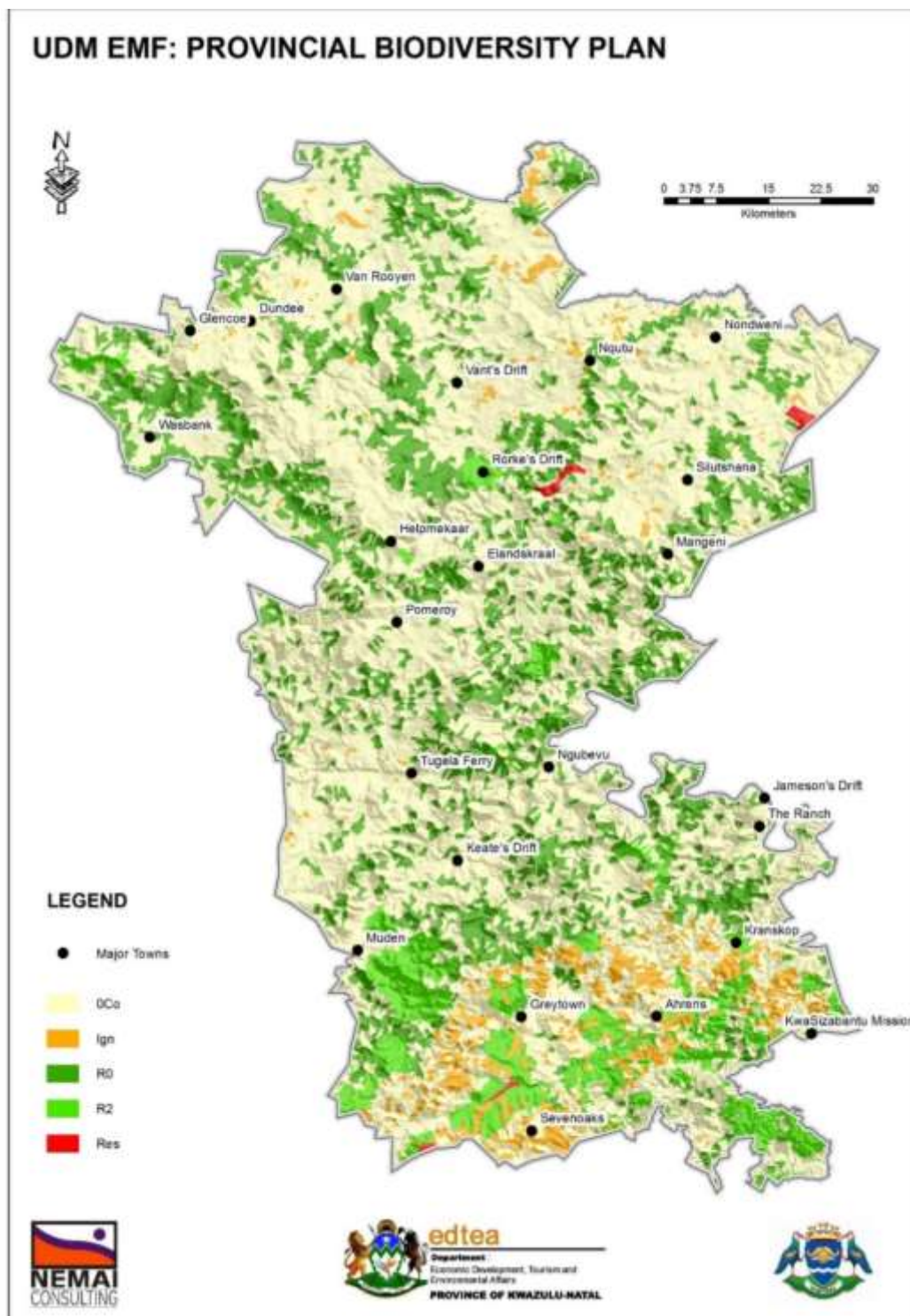
- The Terrestrial Status is reflected in terms of the following categories:
- CBA Mandatory - are areas required to meet biodiversity targets for both biodiversity pattern and ecological process features, and no other options are available to meet this target.
- CBA Optimal – are areas that are the most optimal to meet the biodiversity conservation targets while avoiding high cost areas as much as possible.

- Ecological Support Area (ESA) - are areas not essential for directly meeting biodiversity targets but play an important role in supporting and sustaining the ecological functioning of the critical biodiversity areas.
- EGSAs - deliver important ecosystem goods and services to the KZN province and the people living therein.

According to Escott et al (2013), the KZN Provincial Biodiversity Plan is an amalgamation of the four systematic conservation plans and provides a spatial representation of land and coastal marine area that is required to ensure the persistence and conservation of biodiversity within the KZN Province. According to this plan, the uMzinyathi DM falls within Res (Protected Area), 0Co-Biodiversity area (Not of Conservation Importance), R2 (CBA 1 Mandatory), R0 (CBA 3 Optimal) and Ign (100% transformed). It is important to note that the areas designated as CBA Mandatory are areas required to meet biodiversity targets for both biodiversity pattern and ecological process features, and no other options are available to meet this target.

Whereas areas listed as CBA Optimal are areas that are the most optimal to meet the biodiversity conservation targets while avoiding high cost areas as much as possible.

Map 10: Provincial Biodiversity Plan



Source: NEMAI Consulting, 2016

5.6.7 AIR QUALITY

The district currently does not have an air quality management plan, however with the establishment of the EMF it is envisaged that the general air quality will improve. A study needs to be undertaken for air quality management for the district family of municipalities.

5.6.8 WATER SYSTEMS (DAMS AND RIVERS)

Rivers are the lowest point in the landscape, and often the receiver of cumulative impacts from throughout the landscape. Many pressures on river ecosystems interact and exacerbate each other, including alteration of flow, pollution, destruction of river banks and alien invasive species. (Driver et al, 2012).

The main rivers within the district are the Buffalo, Mooi and the Mvoti. The Buffalo flows through the centre of the District feeding into the Thukela River east of Ngubevu and then traverses the boundary between Msinga and Nkandla. The Mooi River flows into the Thukela River at Keate's Drift. The Mvoti River drains the southern section of the district.

The uMvoti vlei is situated near Greytown in the upper reaches of uMvoti catchment and is 2800 ha in extent (EKZNW, 2014). Most of the uMvoti vlei is permanently waterlogged, which means that a considerable volume of water is stored throughout the year in the portion of the catchment. In a large extent streamflow in uMvoti River is regulated by perennial river system. According to DWA (2013a), key impacts to wetlands in the Upper Mvoti (including the uMvoti vlei) include extensive afforestation and irrigated agriculture. The bulk of Lake Merthley Nature Reserve is made up of an extensive wetland system which regulates water supply into the Merthley Dam, the water supply dam for the town of Greytown.

Recommendations and Management Priorities for rivers and Wetlands

- Wetland areas, streams and rivers need to be protected, rehabilitated and managed to maintain ecological functioning.
- Transboundary management of water resources (e.g. upstream impacts, institutional relationships).

- Designation and maintenance of buffers associated with watercourses. Strict regulation of encroachment and incompatible land use and activities.
- National Aquatic Ecosystem Health Monitoring Programme to be extended to cover all major rivers in District. Database to be developed of chemical, physical and bacteriological water quality data for DWS monitoring points in the municipality.
- UDM to ensure that provision is made in the LUMS to enforce the identification, establishment of required set-backs, protection and maintenance of wetlands and riparian zones.

Table 14: Names Of UDM Rivers

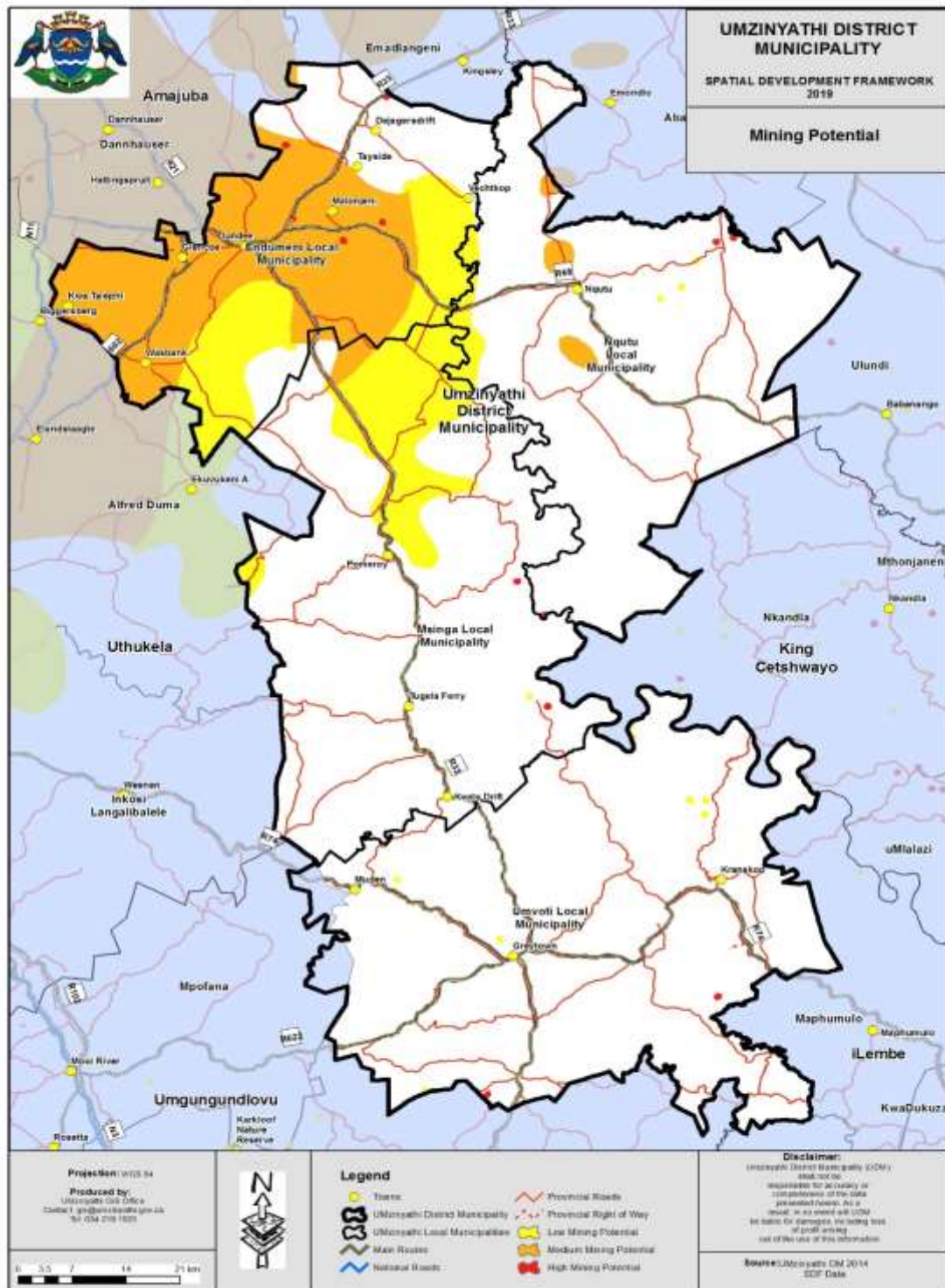
	Jmvoti LM	Vsinga LM	Nquthu LM	Endumeni LM
Rivers	Hlimbitwa	Buffels	Bloed	Bloed
	Khamanzi	Mooi	Buffels	Buffels
	Mooi	Nadi	Mvunyane	Mzinyashana
	Mvoti	Sundays	Nondweni	Sandspruit
	Nadi	Thukela	Nsongeni	Wasbank
	Thukela		White Mfolozi	

5.7 MINING ANALYSIS

The area around Glencoe and Dundee has a long mining history. Mining was the reason for the establishment of Dundee in the 19th century. Mining played an important role in the local economy until the mid-eighties when most of the mines closed. There is currently only one active mine in the area although mining continues north of UDM in the Dannhauser and Newcastle areas.

Mining is one of the weakest sectors in the local economy but as the map indicates, there are still substantial reserves of medium mining potential around Glencoe and Dundee. There are currently prospects of increasing mining activities but long-term demand for coal might prove otherwise.

Map 11: Mining potential



Source: Umzinyathi District Municipality SDF, 2019

Figure 17: Ongoing mining Operations - North of Glencoe



Source: Umzinyathi District Municipality SDF, 2015

5.7.1 MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT (ACT 28 OF 2002)

The purpose of the MPRDA is to make provision for equitable access to and sustainable development of the nation's mineral and petroleum resources; and to provide for matters connected therewith. This Act falls under the Department of Mineral Resources (DMR), formerly known as the Department of Minerals and Energy (DME).

Section 22 of the Act specifies that any person who wishes to apply for a mining right must lodge an application with the Regional Director, in the prescribed manner, and with a non-refundable application fee.

Section 23 of this Act indicates that the Minister of DMR may grant a mining right if:

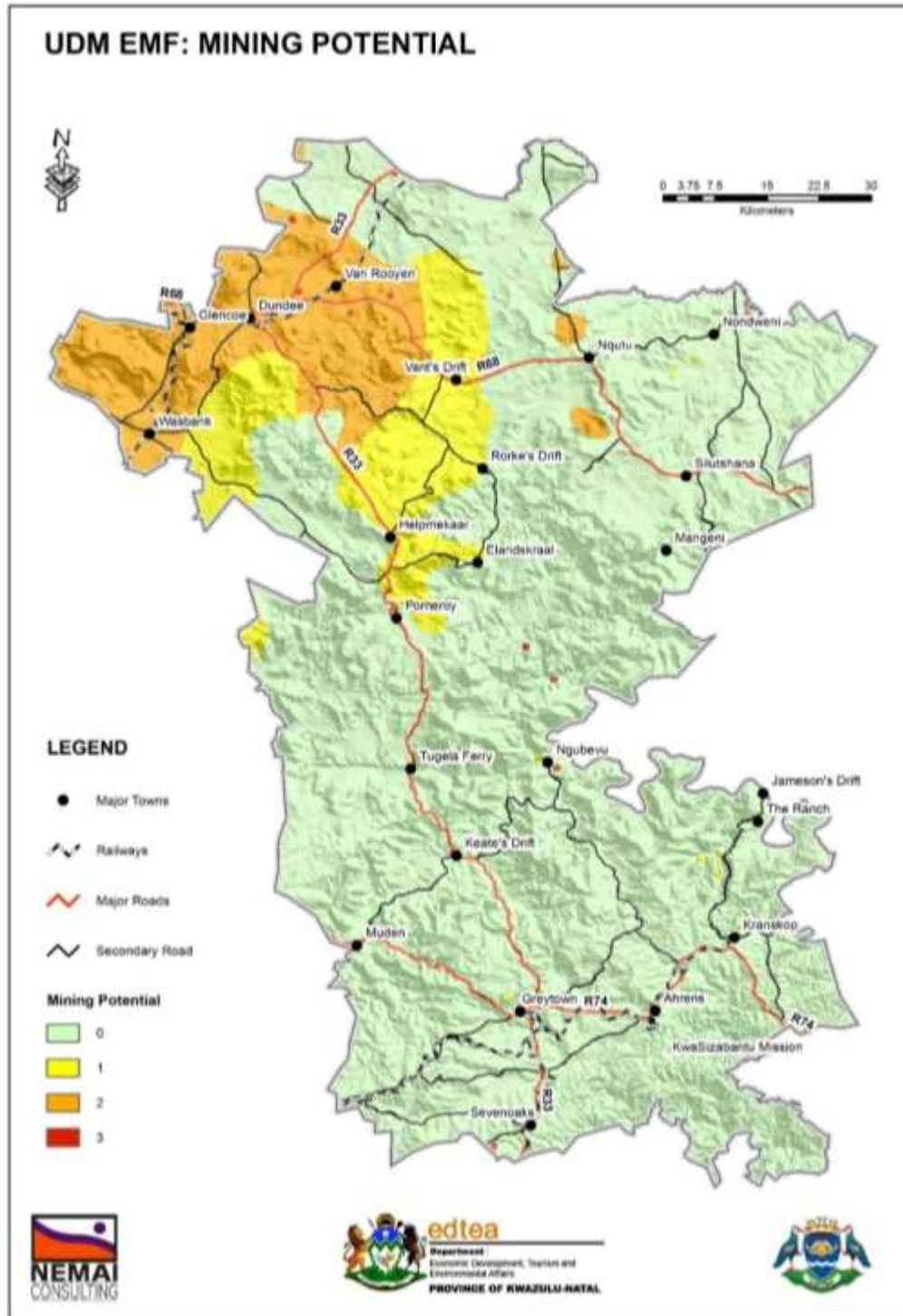
- The mineral can be mined optimally in accordance with the mining work programme;

- The applicant has access to financial resources and has the technical ability to conduct the proposed mining operation optimally;
- The financing plan is compatible with the intended mining operation and the duration thereof;
- The mining will not result in unacceptable pollution, ecological degradation or damage to the environment;
- The applicant has provided financially and otherwise for the prescribed Social and Labour Plan;
- The applicant has the ability to comply with the relevant provisions of the Mine Health and Safety Act, 1996 (Act No, 29 of 1996);
- The applicant is not in contravention of any provision of this Act; and
- The granting of such right will further the objects referred to in section 2(d) and (f) in accordance with the charter contemplated in section 100 and the prescribed Social and Labour Plan.

Mineral deposits found in the district include coal and metal ores. Only coal was mined on a large scale in the Endumeni LM. The area around Glencoe and Dundee has a long mining history. Mining was the reason for the establishment of Dundee in the 19th century. Mining played an important role in the local economy until the mid-eighties when most of the mines closed. A small amount of stone quarrying also occurs in the district.

According to UDM (2015a), there is currently only one active mine in the area although mining continues north of UDM in the Dannhauser and Newcastle areas. The mine offices and washing plant for Slater Coal are located in Dundee on the R33 (see Figure 12). Stone quarrying also occurs in the district on a small scale.

Map 12: Mining Potential



Source: NEMAI Consulting, 2016

5.7.2 NATIONAL HERITAGE RESOURCES ACT (ACT 25 OF 1999)

The purpose of the NHRA is to protect and promote good management of South Africa's heritage resources, and to encourage and enable communities to nurture and conserve their legacy so it is available to future generations. The Act makes heritage resources of cultural significance or other special value part of the national State, and therefore places them under the care of the South African HeritageResources Agency (SAHRA).

Heritage resources may include buildings, historic settlements, landscapes and natural features, burial grounds and certain moveable objects, including objects of decorative art or scientific interest. Provincial and municipal authorities also play a role in managing provincial heritage resources and local-level functions. New landowners should be made aware of any pre-existing heritage sites or objects located on their properties, and be further educated on their responsibilities regarding those sites or objects. They may also wish to approach heritage authorities in order to obtain a designation for a particular site or object under this Act.

5.7.3 GENERAL DESCRIPTION OF HERITAGE RESOURCES IN THE DISTRICT

Approximately 130 Heritage Sites were recorded within the Municipality; however, with correct fieldwork methods in place this number could possibly double. The heritage resources can be categorised according to four main groups, based on the resource type, as follows:

- Archaeological resources;
- Cemeteries;
- Historical Resources; and
- Living Heritage.

A brief overview of the key findings of the study for each resource group is provided below.

5.7.4 ARCHAEOLOGICAL RESOURCES OVERVIEW

A total of 53 archaeological sites were identified and mapped. These sites are scattered throughout the UDM and contain archaeological resources that date from:

- The Early Stone Age (1.5 million – 300 000 years ago);
- The Middle Stone Age (200,000 – 40, 000 years ago);

- The Later Stone Age (ca. 30, 000 – 200 years ago);
- The Early Iron Age (ca. 1,500 – 1,100 years ago);
- The Middle Iron Age (ca. 900 – 600 years ago);
- Intermediate Iron Age (ca. 1100-1400 AD)
- The Later Iron Age (ca. 600 – 200 years ago) through to the beginning of the Colonial Period (1850s);
- Rock Art; and
- Historical (1830-1920).

It must however be noted that the archaeological sites recorded in the UDM do not constitute a complete record of the archaeological heritage of the area (Maggs 1989; Mazel 1989; Huffman 2007). There has been no systematic archaeological survey of the municipal area. Most of the identified sites were recorded by archaeologists associated with the then Natal Museum, and independent Heritage Consultants. Many areas have never been surveyed for archaeological sites.

5.7.5 CEMETERIES

There are numerous cemeteries, and graveyards in the municipal area. These are associated with townscapes, rural landscapes, farmsteads, church land, and battlefields. Although formal cemeteries are reflected in existing data bases there are no accurate records of informal cemeteries and graves. The rural hinterland around Nqutu, for instance, indicate numerous graves and informal cemeteries when studying aerial photographs of the area. However, these are not reflecting in any existing database.

5.7.6 HISTORICAL AND CULTURAL RESOURCES

The area that falls within the UDM boundary contains a rich and varied historical and cultural heritage. 57 Historical, Cultural and Living Heritage Sites were identified.

These include:

- Places of Worship;
- Historical Buildings;
- Battle Fields; and
- Living Heritage Sites.

5.7.7 SIGNIFICANCE OF HERITAGE RESOURCES

The significance of heritage resources is determined by various aspects, which may be viewed singly, or as a collective, depending upon the nature and characteristics of the heritage resource. These include historical, social, aesthetic, technological and scientific value in relation to the uniqueness, condition of preservation and research potential of the heritage resources.

5.7.8 CONCLUSION

A total of 130 heritage sites were identified within the UDM. A large number of archaeological sites occur in the area. Perhaps the most noteworthy of these are the extensive stone walled settlements that are located in the close environs of Nqutu in the northern section of the municipal area. These were built by early Nguni-speaking small scale farmers and most of these pre-date the Zulu state of King Shaka (1820's). However, as no systematic archaeological survey of the municipal area has been undertaken to date, the extent of the area's archaeological resource base is largely unknown.

In contrast, sites belonging to the Voortrekker, Anglo-Zulu War and Anglo-Boer War periods are well known and prominent in the District. These sites have also been incorporated into the well-known Battle Site Tourism Route of KZN. Twelve sites belonging to this Battle Site Route have provincial heritage status rating within UDM. Some of the heritage resources located within the municipal area consist of historical period built structures. These are especially concentrated within the Greytown Central Business District (CBD) in the southern section of the municipal area. The results of this overview illustrate a significant lack of formally recognised sites of traditional African cultural and historical importance within the UDM.

Some "Living Heritage" sites are known from the area but it is especially sites relating to the more recent "Freedom Struggle" that are totally lacking. The lack of formally recognised traditional African sites is a significant gap in the available data and needs to be highlighted as an urgent requirement for any future heritage resource work to be undertaken in the district.

5.8 Disaster Management

5.8.1 STATUS OF THE MUNICIPAL INSTITUTIONAL CAPACITY

In terms of the Disaster Risk Management Act 2002, (Act No.57 of 2002), Section 43 and 50 outlines the establishment and functions of the Centre in order to ensure an integrated and coordinated approach to Disaster Risk Management within the district. Umzinyathi District Municipality Disaster Management Risk Centre was established in August 2003, and is fully functional 24 hours a day, 7 days a week. During 2014/15 financial year, the municipality obtained grant funding from the Department of Co-operative Governance and Traditional Affairs for the construction of an advance District Disaster Management Centre. Endumeni Municipality has donated land to the district for the construction of an advance District Disaster Management Centre, and the development application for the donated land was finalized and approved by Council.

The municipality then appointed a service provider to prepare a Business Plan for the construction of the advance District Disaster Management Centre which has been approved. To date, the site has been cleared for construction purposes, and structures built as part of phase one of the project, and the following have been achieved: the Installation of backup generators and communication system, and the following phases will be the Installation of ICT Infrastructure, Installation of two way radio system, Installation of CCTV Cameras and Installation of GIS Software. The project is however currently on hold due to unforeseen circumstances.

The Umzinyathi District Municipality Disaster Management Risk Centre has a Head Disaster Management and three Disaster Management Officers, one Chief Fire Officer and five Call centre operators. This Unit has been established and is fully functioning as follows:

5.8.2 RISK REDUCTION AND PLANNING

PURPOSE: TO DEVELOP DISASTER MANAGEMENT POLICY FRAMEWORKS AND PLANS.

FUNCTIONS

- Develop District disaster management policy framework and plans
- Facilitate development of disaster management capacity
- Develop community awareness and volunteerism strategies
- Develop capacity building programs

- Develop disaster management monitoring and evaluation information systems
- Provide input into disaster management policies

5.8.3 OPERATIONS AND INTERVENTIONS

Purpose: To facilitate disaster management interventions and support in the District.

Functions

- Facilitate implementation of DRM frameworks and plans in the District.
- To facilitate disaster management preparedness to stakeholders
- Facilitate implementation of capacity building programs
- Coordinate joint responses to threats, incidents and mobilise resources to normalise situations
- Operate the District Disaster Management Centre (DDMC)

5.8.4 FIRE AND RESCUE SERVICES

Purpose: To coordinate Fire & Rescue services in the District.

Functions

- Administer Fire Brigade Services Act
- Develop and implement Fire Prevention and Safety Strategy
- Provide intervention and support to stakeholders involved in fire service in the District
- Develop and implement capacity building program for fire & rescue services
- Monitor compliance of the fire prevention and safety strategy

5.8.5 CALL CENTRE

Purpose: To call taking, dispatching functions & monitoring of the communication system.

Functions

- Communicates and transfers information to/ from operational personnel, public and/ or internal departments
- Interacting with the callers and operational personnel on computer Resources Management System, telephones/ two-way radios with respect to specific incidents needing attention.
- Recording and updating registers with details of messages, occurrences and responses.
- Ensure that other emergency and support organisations are informed and alerted

Umzinyathi District Municipality is prone to a variety of natural and human-induced hazards, which occasionally lead to loss of property and lives. In the past years, these hazard

occurrences have become more frequent and severe. In terms of section 43(11) clause B of the Disaster Act No. 57 of 2002, a District Municipality has a legislative responsibility to establish in its administration a District Disaster Management Unit for its Municipal Area. The act allows the Municipality to establish a Disaster Management Unit after a consultation process with the Local Municipalities so as to operate the unit in partnership with the Local Municipality.

Umzinyathi District Municipality Disaster Management has committed itself towards achieving the requirements of the said Act. The main objective of the Municipality is to run the unit in a sustainable manner based on principles of co-operative governance. The Umzinyathi District Municipal Council took a resolution to establish such a unit and recruited forty (40) volunteers, and they are based at the local municipalities within the fire stations. Though some have left the programme due to other job opportunities somewhere else, but twenty four (20) volunteers are still within the programme. During the current financial year Umzinyathi will also be training 15 peace officers as well more people in customer care.

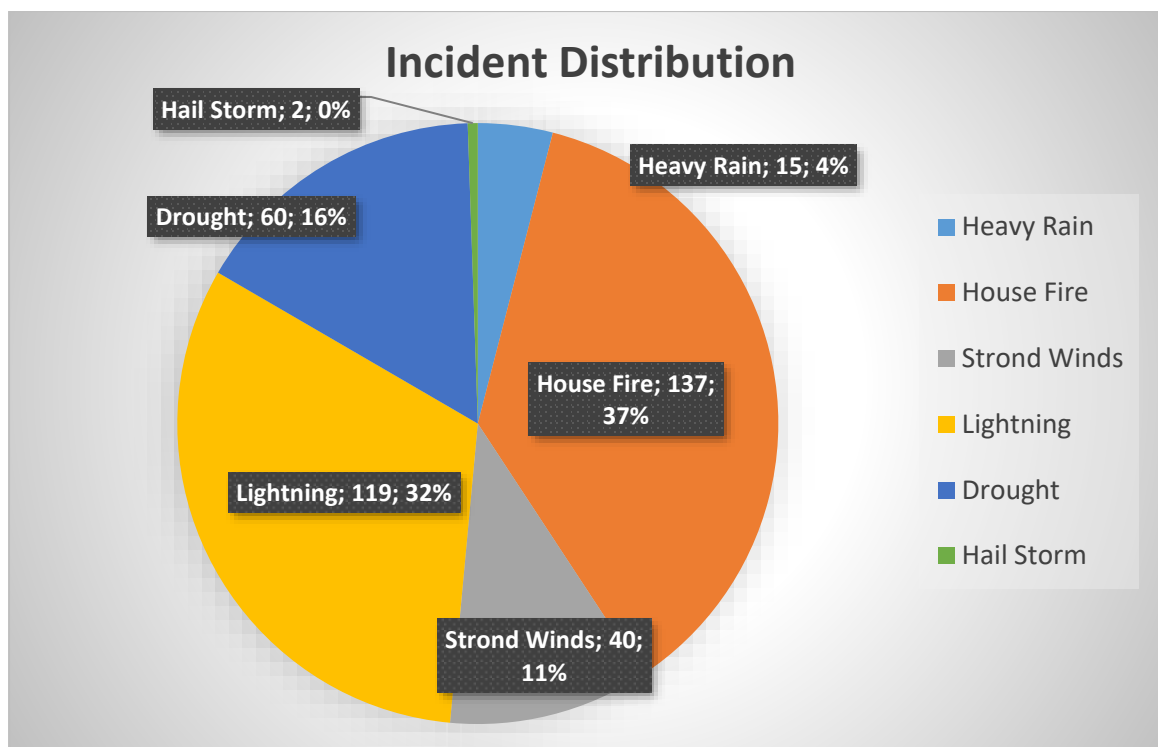
The volunteers were trained on the following areas:

- Basic Fire fighting
- Basic First Aid
- Communication
- Basic Disaster Management
- Evacuation

5.8.6 RISK PROFILE OF UDM

The most frequently reported cases within the UDM are:

Figure 12: Risk Profile



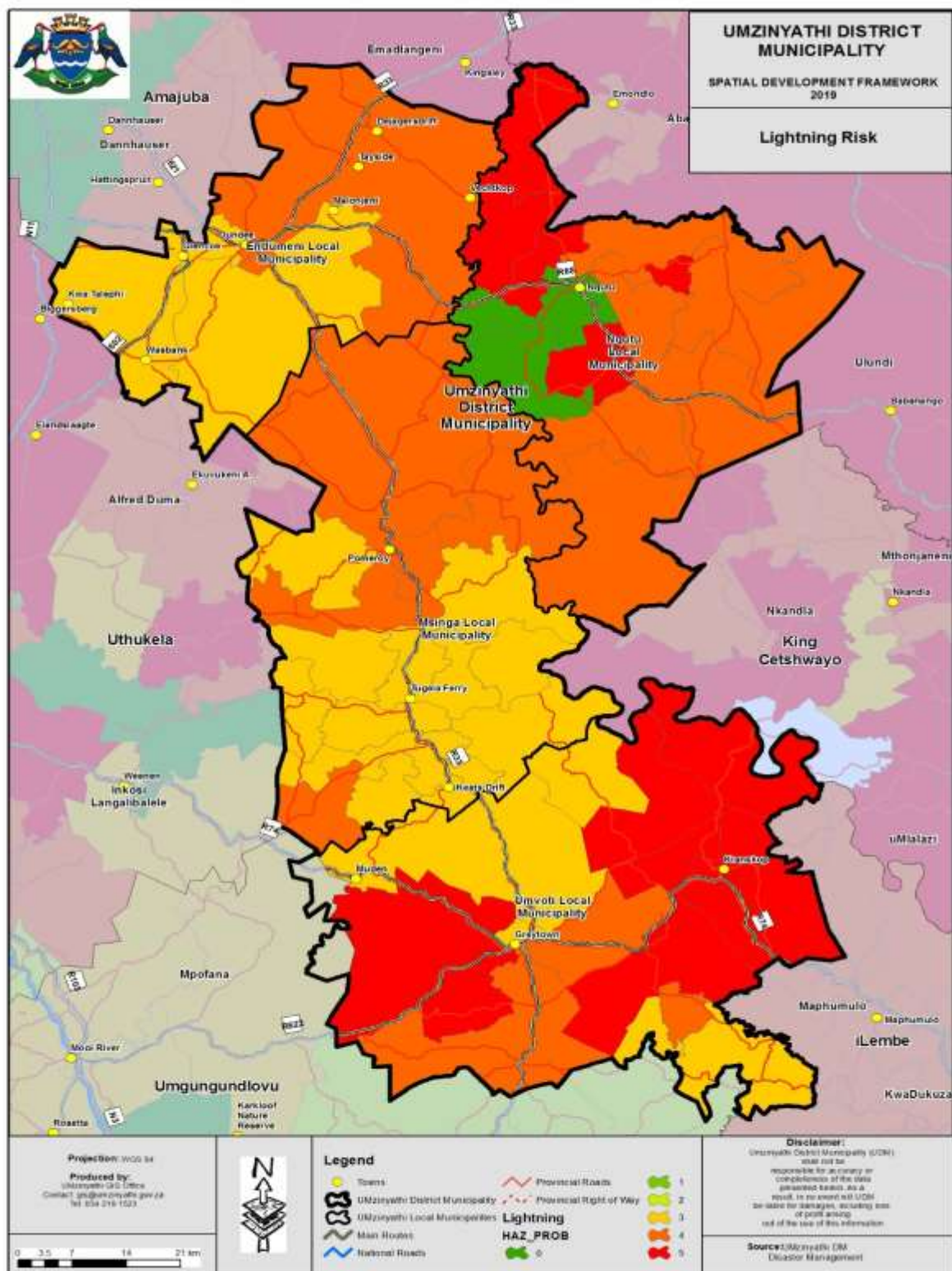
Source: Umzinyathi Disaster Unit 2017

5.8.7 DISASTER MANAGEMENT PLAN

In terms of the Disaster Risk Management Act 2002, (Act No.57 of 2002), Section 53, each municipality must prepare a disaster risk management plan for its area according to the circumstances prevailing in the area. Umzinyathi District municipality, through a service provider, compiled a comprehensive District Disaster Management Plan in 2009 and was reviewed during 2018/19 financial year, and has been under implementation. The municipality reviews the Disaster Management Sector Plan on an annual basis to ensure that it responds to prevailing circumstances and it forms part of the final 2019/20 IDP Review.

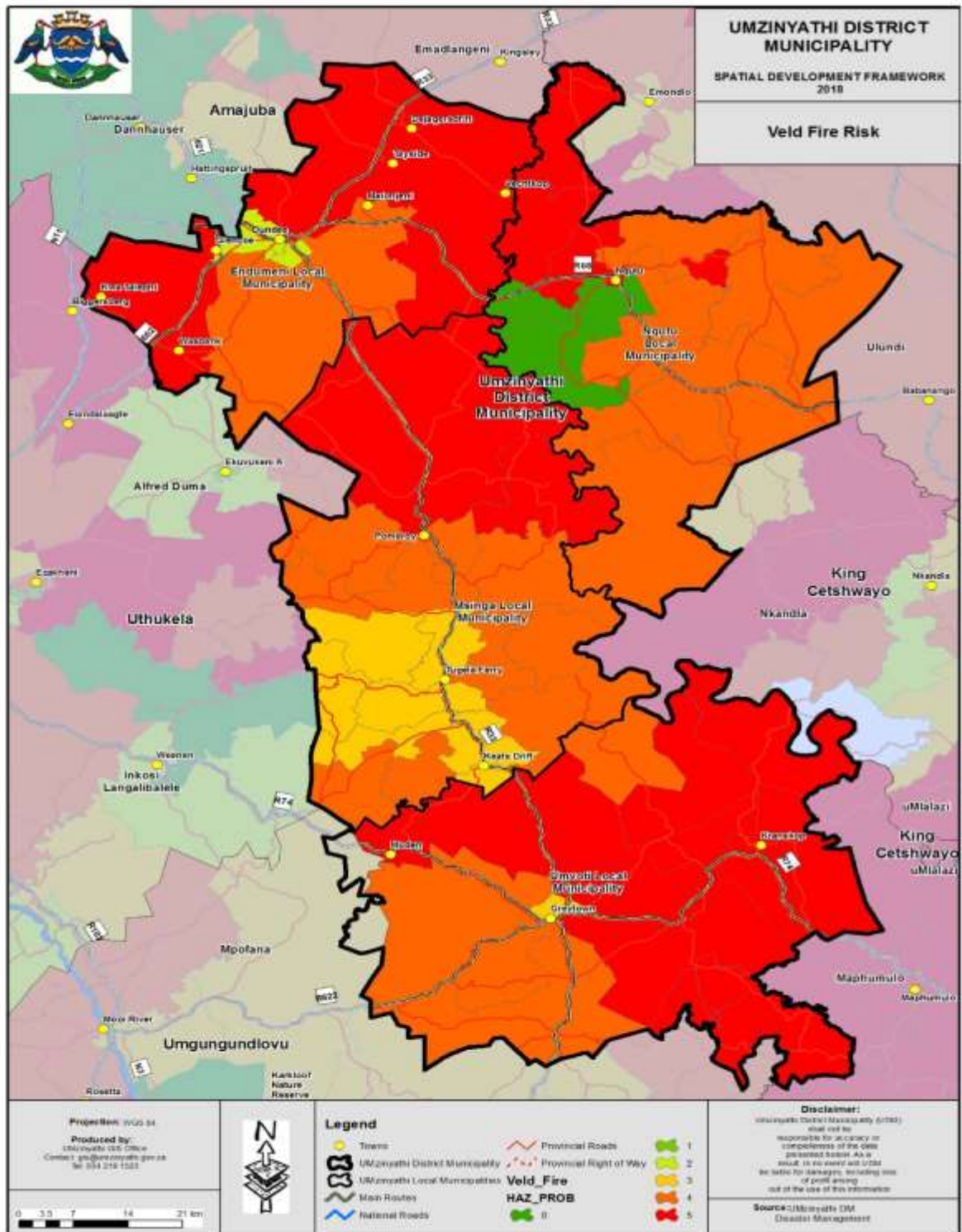
The said plan is also made of the contingency plans for winter, summer, and elections, xenophobic attacks etc. The aim of the contingency plan is to ensure that generic coordination and response is taken in the event of attacks on within communities at Umzinyathi District Municipality. The contingency plan also aims to ensure the preparedness of the District to deal with in all four family of local municipalities.

Map 3: Lightning hazard probability



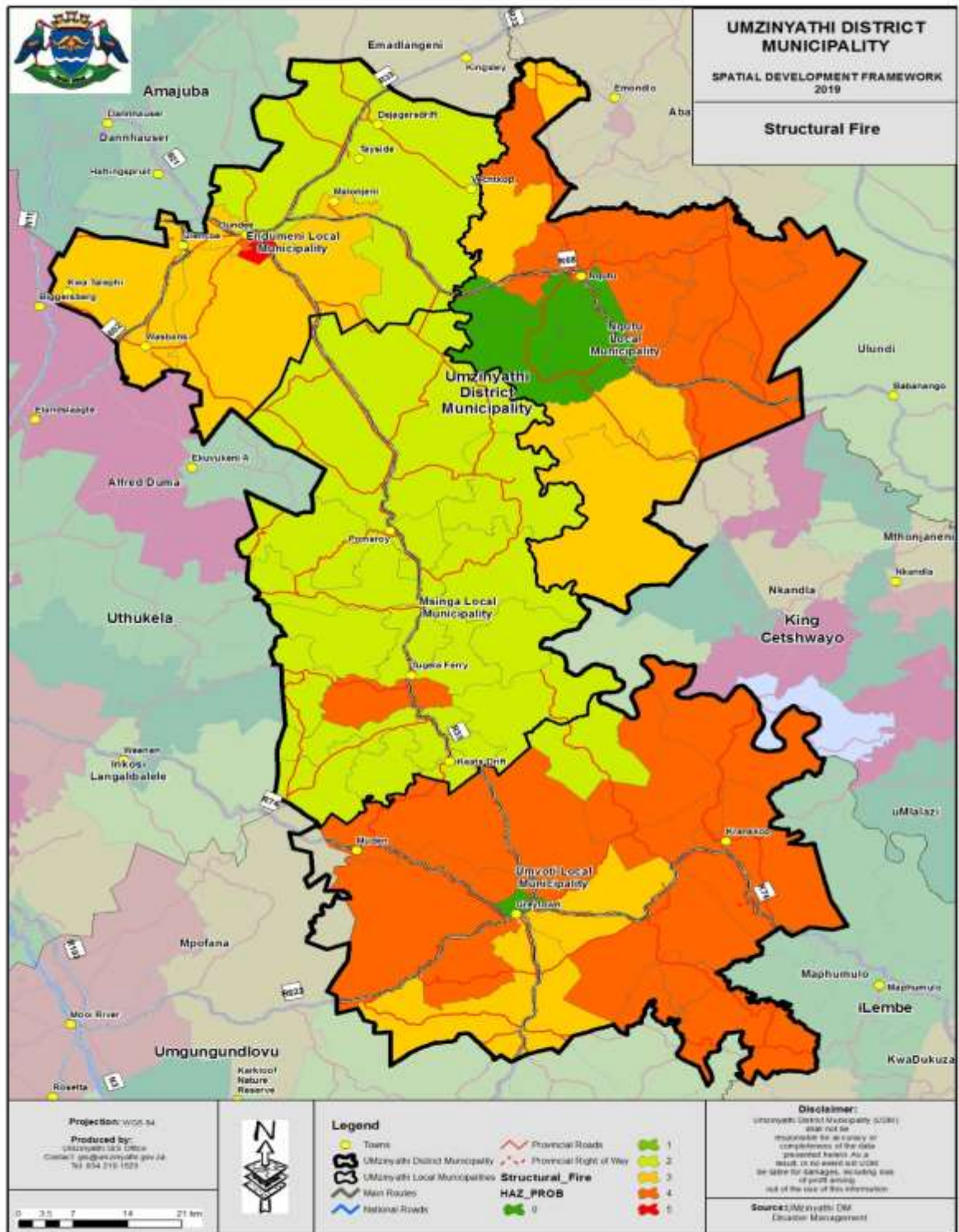
Source: Umzinyathi Disaster Unit 2019

Map 4: Veld Fire Hazard Probability



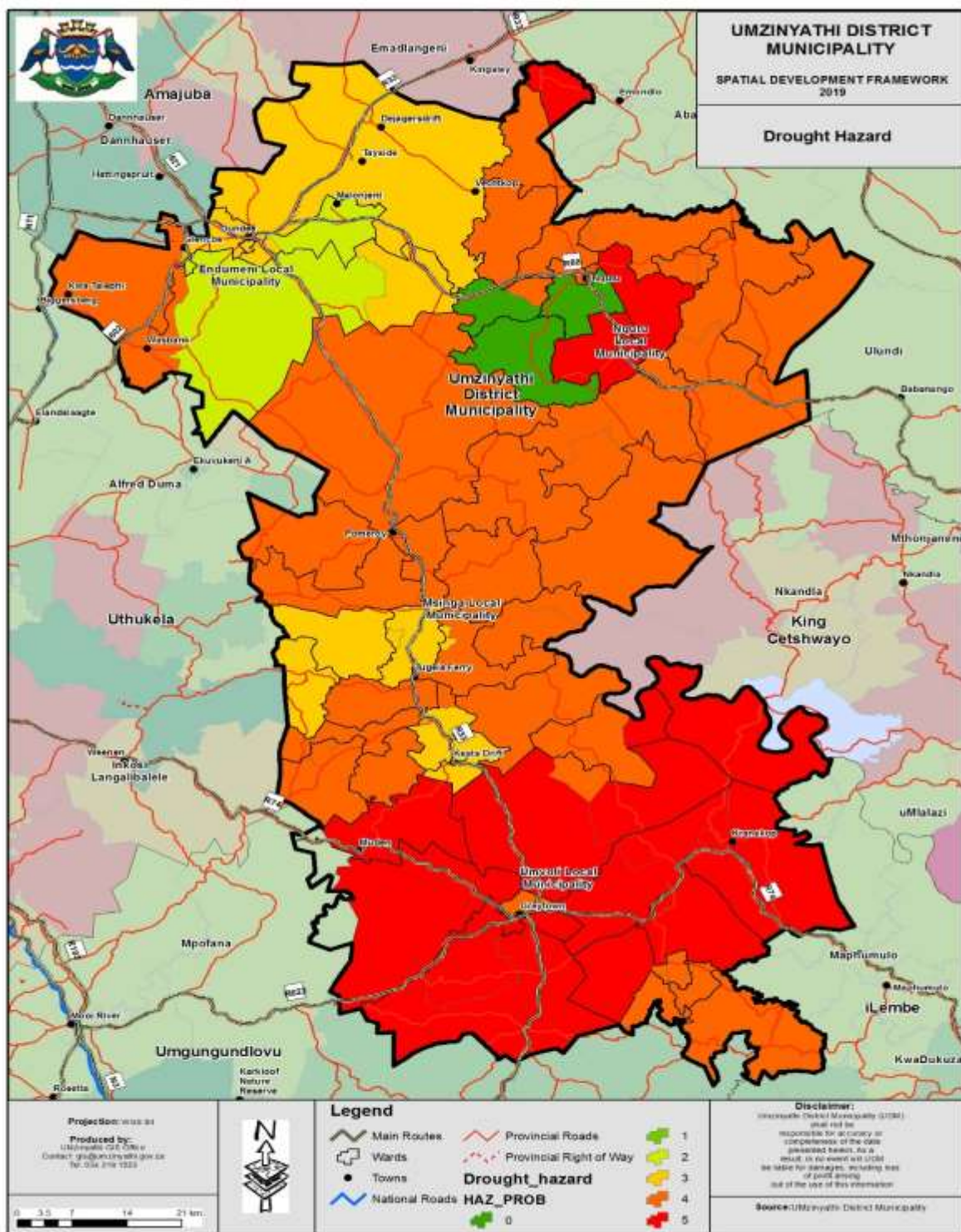
Source: Umzinyathi Disaster Unit 2019

Map 5: Structural fire hazard probability



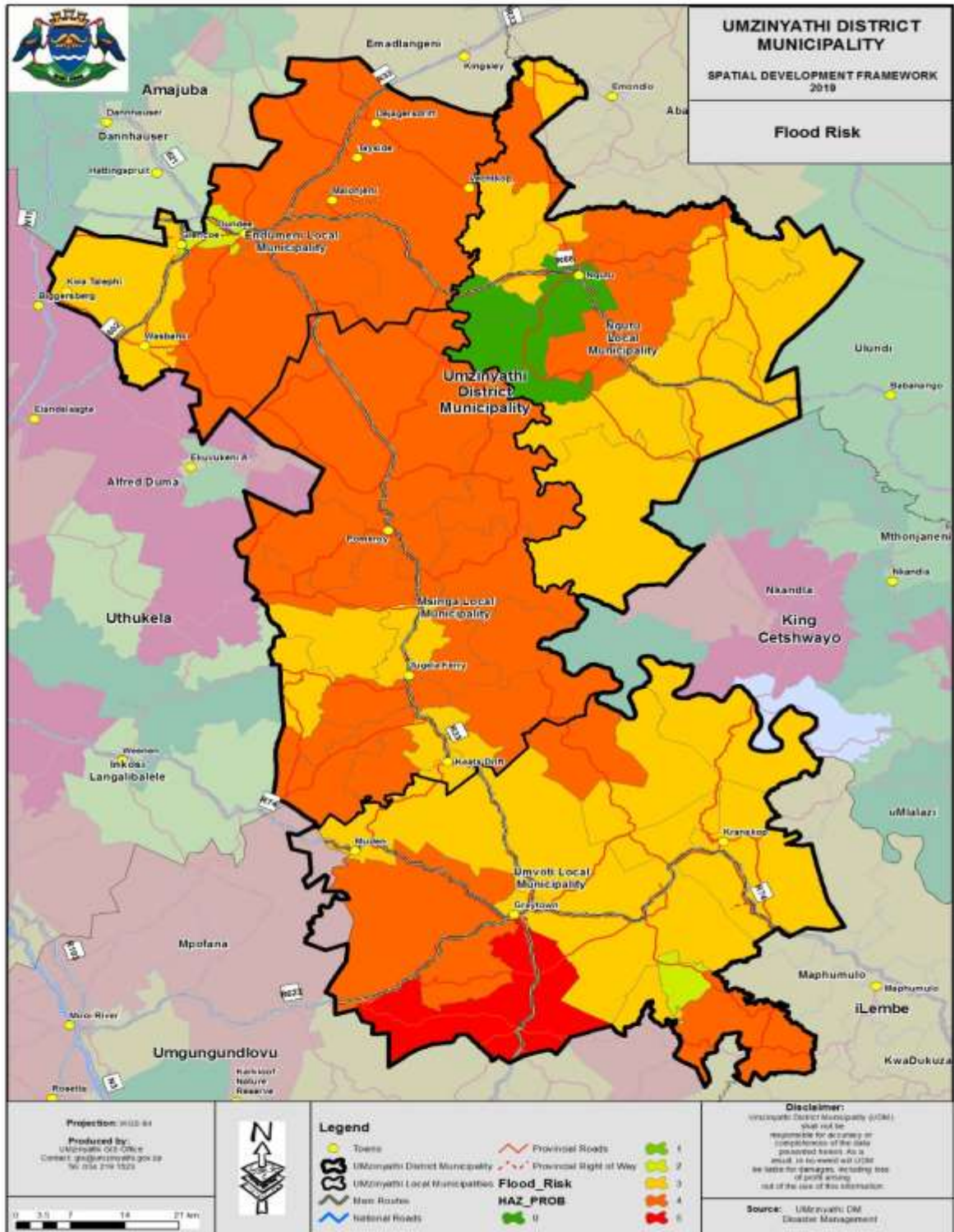
Source: Umzinyathi Disaster Unit 2019

Map 6: Drought hazard probability



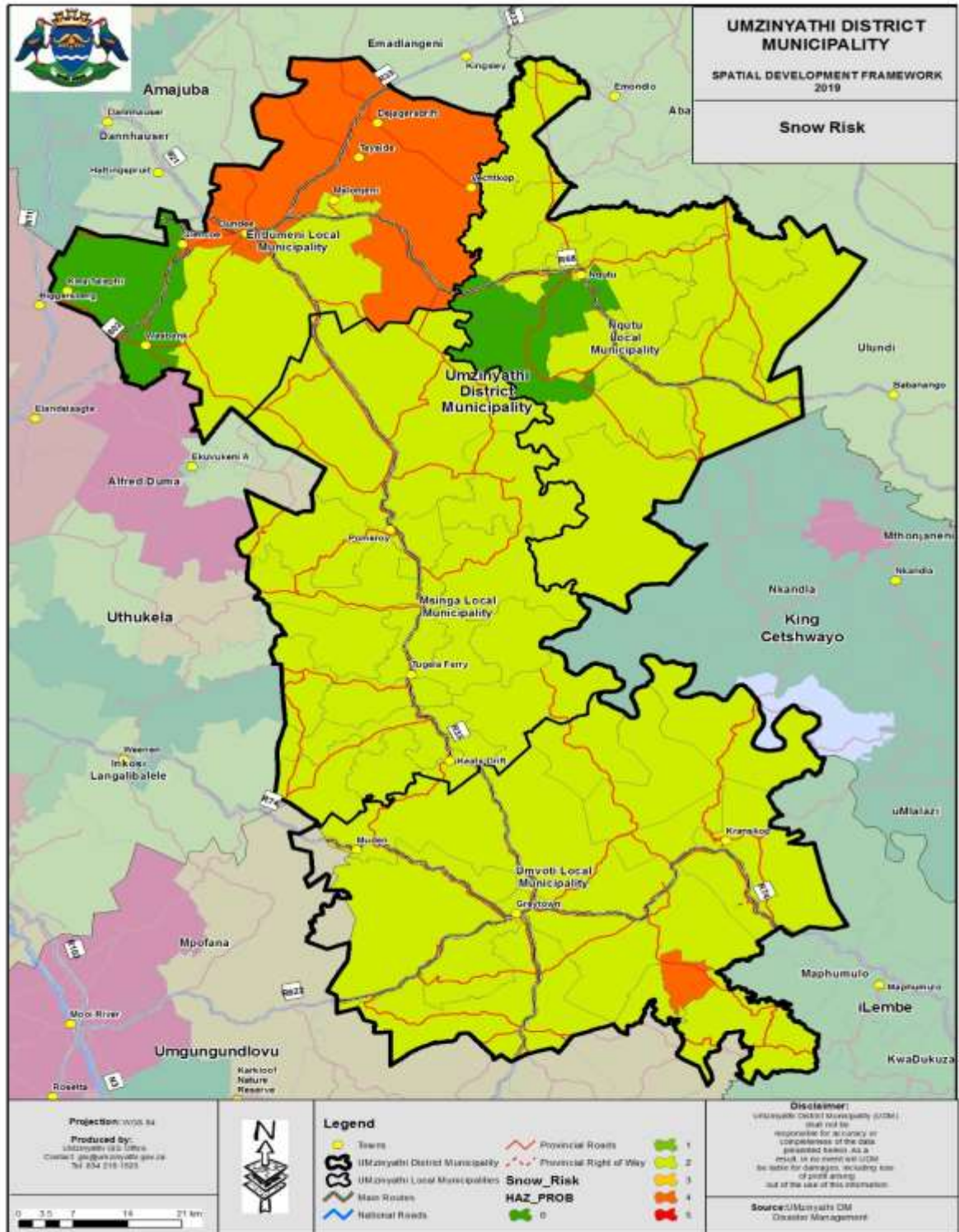
Source: Umzinyathi Disaster Unit 2019

Map 7: Flood hazard probability



Source: Umzinyathi Disaster Unit 2019

Map 8: Snow hazard probability



Source: Umzinyathi Disaster Unit 2019

5.8.8 DISASTER MANAGEMENT ADVISORY FORUM

Section 51 of the Disaster Management Act (Act 57 of 2002) states that the district municipalities may establish a municipal disaster management advisory Forum. Umzinyathi District Disaster Risk Management Advisory Forum was established on 07th December 2004. According to subsection (1), a forum is a body in which the municipality and other key stakeholders consult one another and co-ordinate their actions on matters relating to disaster management in areas under their jurisdiction. The Advisory forum meets quarterly.

5.8.9 DISASTER RISK ASSESSMENT

These risks have been identified during the risk analysis workshops with communities throughout the district as well as historical data gathered from incident assessments over the past five years.

Figure 13: Disaster Risk Assessment

Main Category (DISTRICT RISK RATING)	RISK (District)
Hydro-meteorological - Drought	1.50
Hydro-meteorological Hazards - Severe Storms (Heavy Rainfall)	1.50
Hydro-meteorological Hazards - Floods (River)	1.00
Hydro-meteorological Hazards - Severe Storms (Wind, Hail)	0.85
Hydro-meteorological Hazards - Severe Storms (Snow)	0.72
Transport Hazards - Road Transportation	0.71
Disease / Health - Disease: Animal	0.71
Disease / Health - Disease: Plants	0.70
Pollution - Water Pollution	0.70
Geological Hazards - Rock-fall	0.70
Transport Hazards - Air Transportation	0.69
Transport Hazards - Rail Transportation	0.67
Environmental Degradation - Erosion	0.66
Environmental Degradation	0.65
Pollution - Air Pollution	0.61
Hazardous Material - Hazmat: Spill/Release/Fire/Explosion (Storage & Transportation)	0.59
Pollution - Land Pollution	0.57
Hydro-meteorological Hazards - Extreme Temperatures	0.57
Geological Hazards - Earthquake	0.55
Structural Failure - Dam failure	0.52
Infrastructure Failure / Service Delivery Failure - Information Technology	0.52
Major Event Hazards (Cultural, Religious, Political, Recreational, Commercial, Sport)	0.51
Civil Unrest - Xenophobic Violence	0.45
Civil Unrest - Terrorism	0.38

5.8.10 DISASTER RESPONSE AND RECOVERY

Section 53 of the Disaster Management Act (Act 57 of 2002) deals with disaster management plans for municipal areas. Section 53 (1) (k) of the Act prescribes that a disaster management plan must contain contingency plans and emergency procedures in the event of a disaster, providing for prompt disaster response and relief and the procurement of essential goods and services. The Disaster management center budgets annually for the purchase of relief material in the form of tents, blankets and plastic sheeting. This material is provided to victims of disasters or serious incidents when necessary. All local municipalities are supported in this programme and relief material is provided to them as and when necessary. Relief efforts, in the event of disasters and/or incidents, are coordinated through the local municipality disaster management officials and the district disaster management centre.

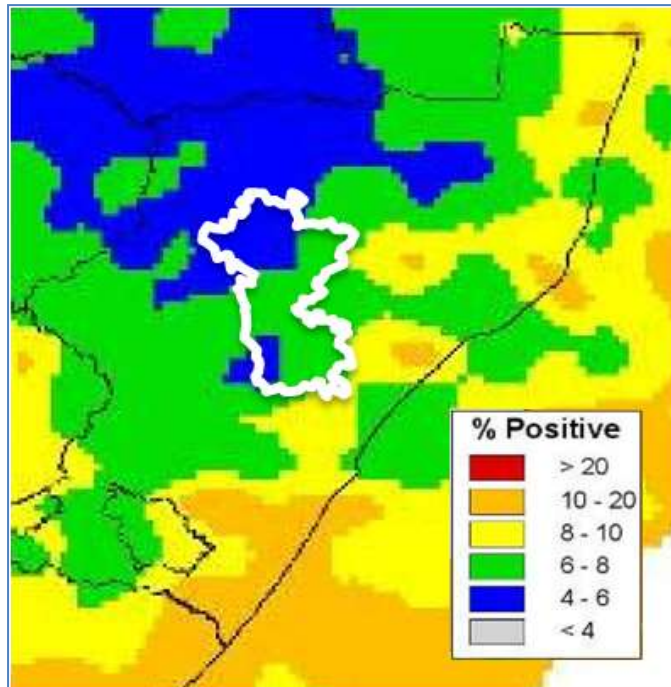
5.8.11 TRAINING AND AWARENESS

Sections 15 and 20(2) of the Disaster Risk Management Act (Act 57 of 2002) specifies the promotion of education and training, the encouragement of a broad-based culture of risk avoidance, and the promotion of research into all aspects of disaster risk management. This key performance area addresses the development of education and training for disaster risk management and associated professions as well as the inclusion of disaster risk management and risk-avoidance programmes in school curricula. It also outlines that awareness needs to be created within the community.

The District Disaster Management Centre in consultation with other stakeholders is rolling out the campaign that will in the form of Community Awareness, Educational Programme, Capacity Building and Workshops, where locals are playing a huge role in identifying proper venues and mobilising local communities, amongst other things. During the programme itself, all messages are based on the district risk profiles for those particular areas.

5.8.12 DISASTER ANALYSIS

Figure 14: Positive Polarity Lightning

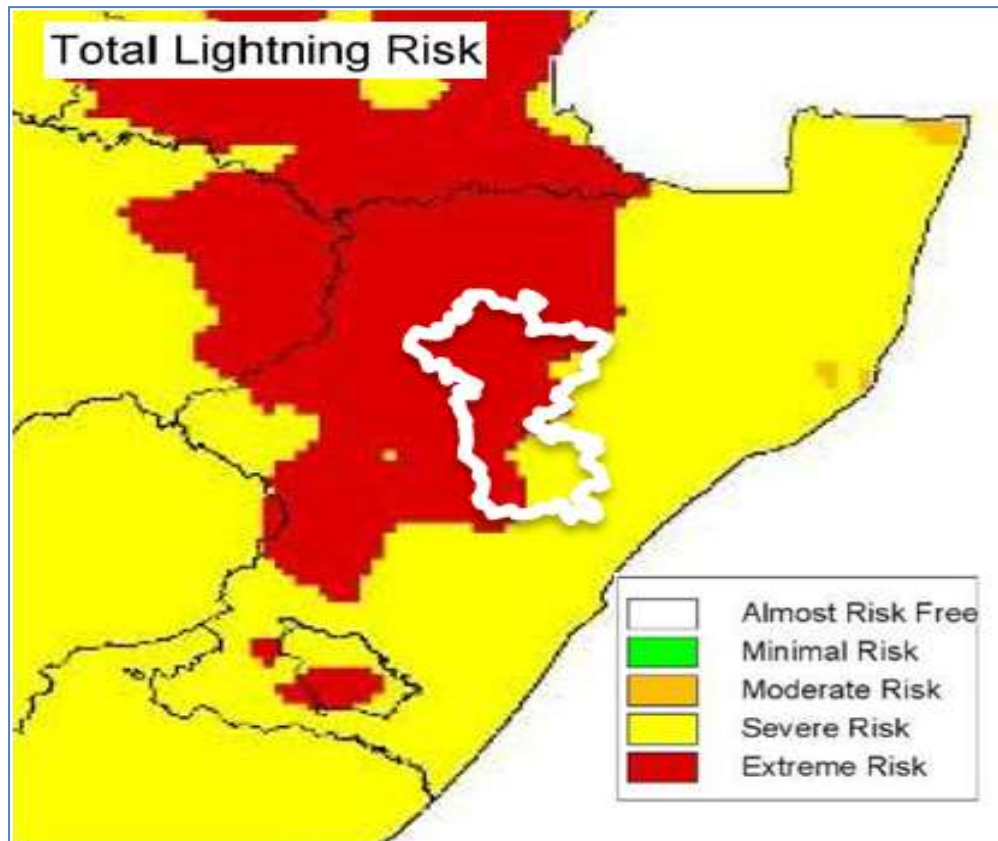


Approximately 70% of the site is identified as an extreme risk area for lightning strikes with polarity levels of between 4-8%. The extreme risks associated with lightning strikes include damage to transmission lines, disruption to communication systems, damage or destruction of infrastructure and increases the risk of forest fires.

5.8.13 DISASTER RISK AREAS

The main disasters risks are lightning risk of fire. The risk of fire is particularly dominant on the southern side of the site which is where the plantations are located

Figure 15: Total Lightning Risks



5.8.14 CONCLUSION

With the foundation of the EMF set through the Status Quo Phase, the next step was to determine a realistic desired state for the environment in UDM. Establishing the desired state included setting a vision for the district and providing the environmental management context for the management zones and related requirements for the various environmental features for the SEMP. It also focused on addressing the imperatives that lead to the instigation of the EMF development process.

The approach to defining a desired state in uMzinyathi is based on evaluating and integrating the aspects presented in the accompanying figure. The desired state was established based on the environmental management priorities, in terms of addressing issues, overcoming constraints and harnessing opportunities. This included finding a balance between land use potential, management endeavours and human aspirations.

The aforementioned elements also steered the ensuing management measures towards

reaching a destination of sustainable development in the district. The desired state includes setting a vision for the UDM and providing the environmental management context for the management zones and related requirements for the various environmental features for the SEMP. It also focused on addressing the imperatives that lead to the instigation of the EMF development process.

The development pressures and trends in UDM were investigated to identify and resolve potential conflict areas, to allow for accurate and realistic delineation of management zones in order to bridge the divide between the status quo and desired state of the environment.

5.9 Analysis of the 2018/19 Key Programmes and Projects

In terms of Cross Cutting Analysis, during the current financial year, the municipality is implementing a range of programmes and projects, and they are as follows but not limited to:

- Review and implementation of the District Disaster Management Sector Plan;
- Installation of the lightning conductors;
- Conducting Disaster Management Awareness Campaigns;
- Finalisation of the development of the South Regional Waste Site (Umvoti Municipality);
- Providing technical support for the development of wall to wall schemes of the local municipalities;
- Providing technical support for the development of the Spatial Development Frameworks and other related IDP Sector Plans of the local municipalities;
- Construction and completion of the District Disaster Management Centre.
- Conducting a Climate change awareness campaigns.

The projects for implementation during 2019/20 financial year, are under Section E.

5.9.1 CROSS CUTTING SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Credible Spatial Development Framework in place • Signed Development Planning Shared Services business plan in place • GIS Strategy and Policy in place • Environmental Health By-laws in place • Strategic Environmental Assessment in place • Disaster Management Plan in place • Disaster Management Volunteers in place • Disaster Management Practitioners in place • Research, awareness and training on Disaster Management • Updated Risk assessment • Environmental Management framework 	<ul style="list-style-type: none"> • Reliance on external resources (DEA) for Environmental Compliance – no internal capacity • High Staff turnover rate on Development Planning Shared Services • Lack of District Disaster Management Centre • Disaster Management equipment • Lack of an updated Strategic Environmental Assessment • Lack of planning capacity in the local municipalities • Lack of financial contribution to the Development Planning Shared Services by some of the local municipalities • Lack of Disaster Management fire bylaws • Inadequate Staff (fire Services)
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Formalization of Nodal Towns and Secondary Nodes • Environmental Management Plan (EMP) – Enabled identification of hotspots for potential projects and programmes to prevent environmental degradation; • Construction of the District Disaster Management Centre. • Bursary funding • South African Weather Services 	<ul style="list-style-type: none"> • Land Admin and Ownership (Ingonyama Trust Board) • Implementation of risk reduction and climate change programmes and project • Budget Provision • Disperse settlements • Terrain

6 MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

Municipal Transformation and Institutional Development narrates to the way in which the municipality performs its functions to deliver services to the community. Transformation strategies form part of the Umzinyathi District Municipality agenda to ensure that the municipality keeps abreast of changing circumstances and latest developments. Whilst Institutional development ensures that there is an efficient and effective workforce, and this is undertaken by aligning institutional arrangements to the overall municipal strategy in order to deliver on the municipal core functions.

6.1 HUMAN RESOURCE STRATEGY 2017-2022

During the 2015/16 financial year, a human Resource strategy was developed. It was adopted in November 2016 and is currently being implemented, to ensure pro-active management of human resource within the organisation and planning strategic ways for an organisation to meet the needs of its employees and for the employees to better meet the needs of the municipality.

The HR Strategy is designed to assist the municipality to meet the needs of their employees while promoting municipal goals. Furthermore a Human Resource Development Plan with a five year horizon was created as an implementing agent of the strategy.

The strategy takes into cognisance Chapter 13 of the National Development Plan which stipulates that critical interventions which need to be identified to build a professional public service capable of playing a transformative and developmental role in realising the vision for 2030 in addition to that the Provincial Growth and Development Strategy (Vision 2035) Strategic Objective 6.2, also requires the province to work towards government capacity to implement policies, strategies and programmes of government as a critical priority of Kwa-Zulu Natal.

The municipality recognises these objectives as outlined above and has thus created the following strategic objectives of the HRD Plan:

Table 24: Strategic Objectives of the HDP Plan

5 Year Strategic Objectives		Plan Of Action
Objective 1	To address lack of skills development and retention of skills.	To review a policy and strategy on skills development and Retention of skills.
Strategic Target	Submit draft policy to relevant committees for Input and amendments.	Ensure that the policy is adopted
Objective 2	To fight poverty, build clean, health, safe and sustainable communities.	Bursaries for non-employees from disadvantaged families. <ul style="list-style-type: none"> • Abet programs. • In-service training. • Learnerships.
Strategic Target	Implement at least one Community skills development initiative per community per annum.	Saturday computer school for matriculants and unemployed. Saturday classes to assist students in Maths, Afrikaans, IsiZulu, Physics and Chemistry etc.
Objective 3	To ensure good governance, financial viability and optimal institutional transformation with capacity to execute its mandate.	Competency framework through ASD implementation will determine. <ul style="list-style-type: none"> • Talent management

Strategic Target	To ensure that 70% essential and rare skills per job category are retained by 2022.	<ul style="list-style-type: none"> • Succession management • Retention strategy • Skills pipeline for professional bands • Reward strategy • Workplace skills plans aligned to 5 year Council strategy. • Leadership charter through ASD implementation. • Linking performance to individual development plans.
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6.2 CASCADING OF PMS TO LEVELS BELOW SECTION 56 MANAGERS

The lack of an appraisal system for middle managers and junior officials has been a growing concern to both the Municipality and the Auditor General . During the 2017/18, the municipality initiated processes of cascading PMS to lower levels below Section 56 Managers, and to be piloted at Middle Management Level, through development of work plans with clear and aligned targets to the one of the Heads of Department, SDBIP and Organisational Scorecard. They will also be assessed twice per year by their superiors on a one on one setting. The municipality has also recently adopted its IPMS policy to further give guidance to the whole process.

6.3 DEPARTMENTAL OUTLINE

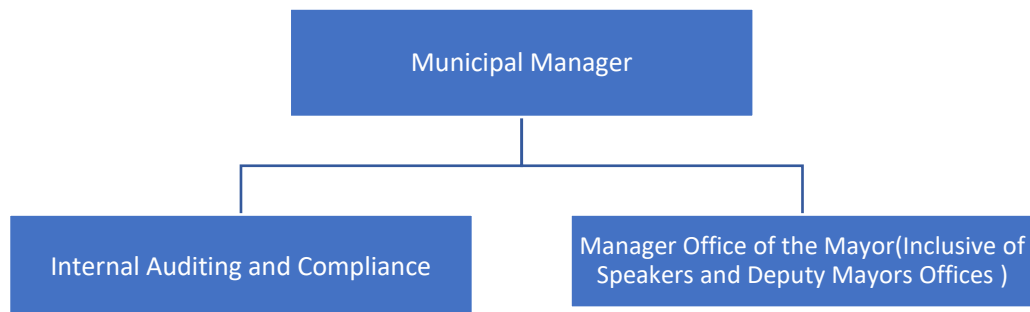
Most of the critical posts for the Top Management positions have been filled and are outlined in the table below. However it must be noted that the Community Services department was in 2018/19 dissolved by council. The Municipal Manager and other Managers directly accountable to the Municipal Manager are occupied as follows:

Table 25: Departmental Outline

Name	Position
Mr SB Ndabandaba	Municipal Manager
Mr Edward Bonga	Executive Manager :Planning and Economic Development
Mr Nkululeko Ndlovu	Executive Manager : Corporate Services
Mrs N Mkhwanazi	Chief Financial Officer
Mr L Mthembu	Executive Manager : Technical Services

The organisational structure in terms of institutional arrangements is organised as follows:

6.3.1 OFFICE OF THE MUNICIPAL MANAGER



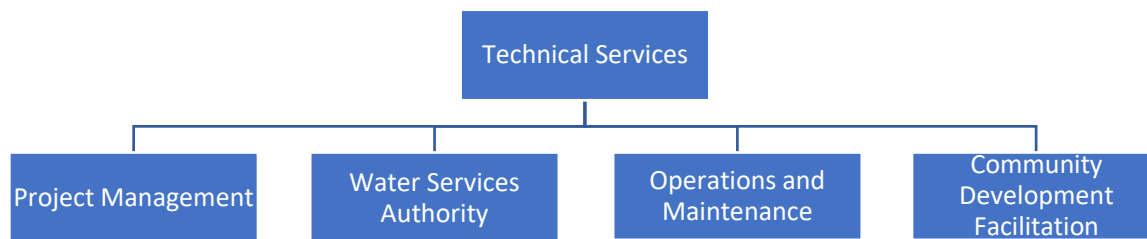
i. Functions:

- Advice, communicate and implement Council decisions.
- Ensure sound financial Management.
- Provide leadership to the municipality and fulfill Council mandate.
- Ensure strategic direction and implementation.

ii. National Key Performance Areas Focus:

- Municipal Transformation and Institutional Development.
- Basic Services and Infrastructure Development.
- Local Economic Development
- Good Governance and Public Participation.
- Municipal Financial Viability and Management
- Cross Cutting

6.3.2 TECHNICAL SERVICES



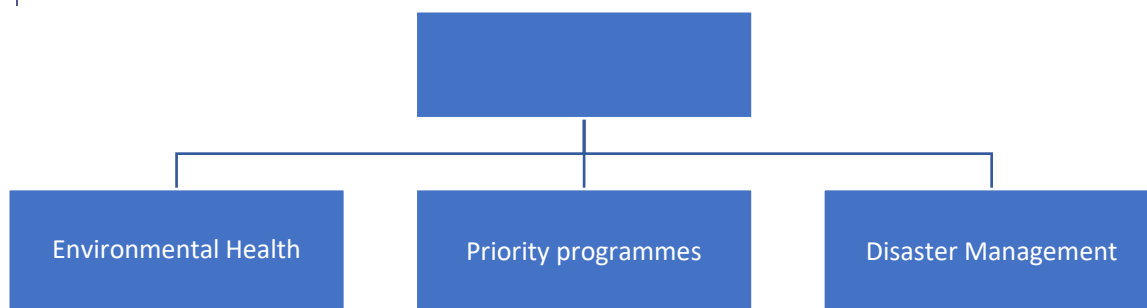
i. Functions:

- Provision of water and sanitation
- Operations and Maintenance of infrastructure assets.
- Management of water quality
- Facilitation of community development programmes and projects.
- Management of infrastructure projects.

ii. National Key Performance Area focus:

- Municipal Transformation and Institutional Development.
- Basic Service Delivery and Infrastructure Development.
- Local Economic Development
- Municipal Financial Viability and Management

6.3.3 COMMUNITY SERVICES



(Community Services department was dissolved by Council in 2018, and its different units put under other departments)

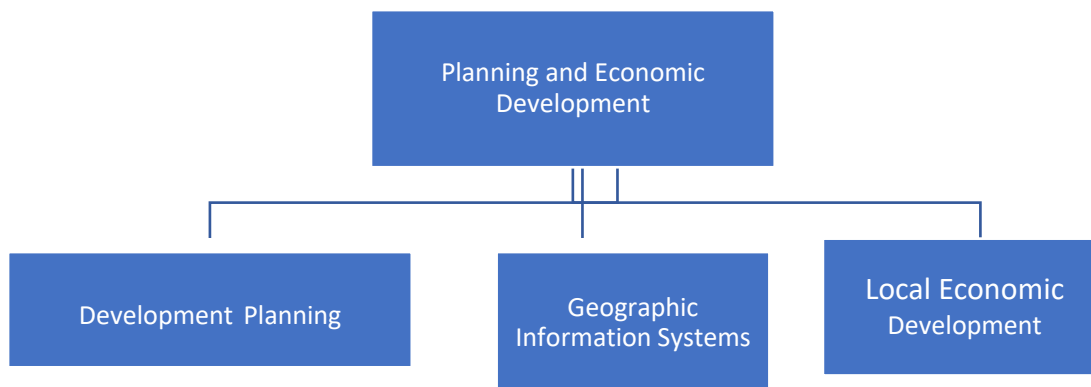
i. Functions:

- Coordination of special programmes (OSS, HIV/AIDS, women and gender, etc.)
- Coordinate and provide support to Local Municipalities on Firefighting services and disaster management.
- Environmental Health monitoring.

ii. National Key Performance Area focus:

- Municipal Transformation and Institutional
- Local Economic Development
- Good Governance and Public Participation.
- Cross Cutting

6.3.4 PLANNING AND ECONOMIC DEVELOPMENT



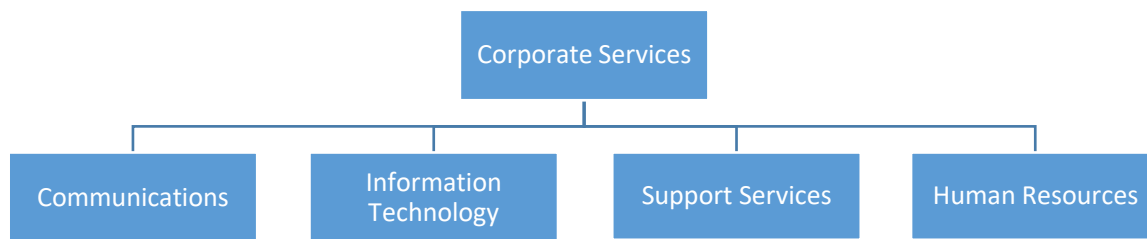
i. Functions:

- Strategic Planning (IDP /PMS)
- Spatial Planning
- Geographic and Infrastructure Technical Support
- Local Economic Development

ii. National Key Performance Area focus:

- Municipal Transformation and Institutional
- Local Economic Development
- Municipal Financial Viability and Management
- Cross Cutting

6.3.5 CORPORATE SERVICES



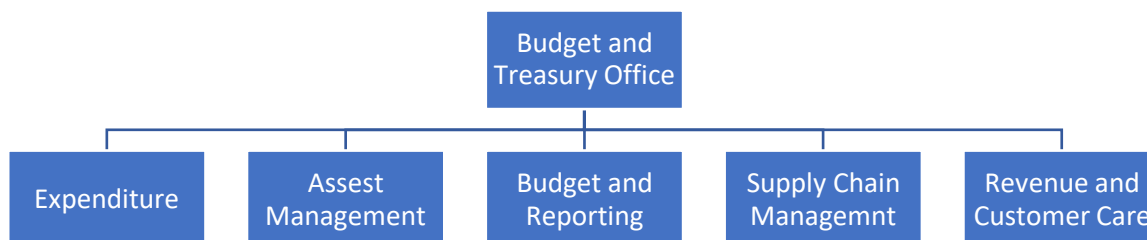
i. Functions:

- Public relations, Internal and external communications
- Labour relations ,Occupational Health and Safety, training and Development
- Provision of secretarial support ,fleet management and maintenance of buildings
- Information Technology Systems

ii. National Key Performance Area focus:

- Municipal Transformation and Institutional Development
- Good Governance and Public Participation.

6.3.6 BUDGET AND TREASURY



i. Functions:

- Financial resources and management.
- Billing and Customer Care
- Revenue Collection
- Maintenance and updating of Indigents register

- Control and account for all expenditure.
- Co-ordinate and consolidate Procurement Plans, bid committee sittings and update contracts register
- Control, record and monitor municipal assets
- Budget compilation and grants reporting
- Asset Management
- Supply Chain Management

ii. National Key Performance Area focus:

- Municipal Transformation and Institutional
- Municipal Financial Viability and Management

6.4 MUNICIPAL WORKFORCE

The municipality has 420 approved posts on the organogram however, the municipality has a staff complement of 385, which indicates that the municipality is strengthening its capacity in order fulfil its developmental mandate. The table below illustrates the staff distribution per demographics.

Table 26: Staff Distribution

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management	04								04
Middle Management	09			01	05				15
Supervisor and Skilled Technical	17		01	01	20	01	03		42
Semi -skilled	103		01		36	01	01		141
Elementary Occupation	147	05			30				183
Grand Total	280	05	02	02	91	02	04	00	385

6.5 VACANCY RATE

The approved structure of the municipality has 420 posts of which 35 are vacant but will be filled as and when the need arises. In terms of Section 54 and 56 Managers posts, all five positions are filled. Community Services department was in 2017/18 dissolved and its units put under other departments. The municipality currently has a vacancy rate of 8 %, processes are however underway to fill vacant posts that are critical as the municipality is implementing cost cutting measures.

6.6 EMPLOYMENT EQUITY PLAN

The Employment Equity Plan seeks to address the numerical goals in the terms of demographics within the municipality. The plan indicates significant progress made thus far by the municipality in addressing challenges relating to enhanced demographics. The 2018/19 Employment Equity Plan is under implementation, and the 2019/20 Employment Equity Plan has been developed and submitted to the Department of Labour accordingly with. In the Table below are the EEP targets of people the municipality seeks to employ.

Table 27 : Employment Equity plan targets

Occupational Levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	0	0	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified mid management	0	0	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers	0	4	1	1	0	1	1	1	0	0	9
Semi Skilled and discretionary decision making	1	0	0	0	0	0	0	0	0	0	1
Unskilled and defined decision making	4	0	0	0	0	1	1	0	0	0	6
Total Permanent	5	4	1	1	0	2	2	1	0	0	16
Temporary Employees	0	0	0	0	0	0	0	0	0	0	0
Grand Total	5	4	1	1	0	2	2	1	0	0	16

6.7 WORKPLACE SKILLS DEVELOPMENT PLAN

In accordance with the Skills Development Act and Skills Levy Act, municipalities have to prepare and review the Workplace Skills Development Plan. The plan seeks to address employee's skills development, scarce skills and also skills audit. The 2018/19 Workplace Skills Plan is under implementation. The municipality has reviewed the Workplace Skills Development Plan as required by the Act, through the undertaking of the skills audit for the employees in order to identify the training interventions, for implementation during 2019/20 financial year, furthermore the HRD Plan initiatives are addressing the findings found in the skills audit to ensure that the human resource capacity challenges are responded to. The 2019/20 Plan will be submitted to LGSETA as required.

The municipality is registered with the Local Government Sector Education and Training Authority (LGSETA) and other SETAs within the public sector to address the scarce skills within the organisation as well as community skills development programmes as a majority of the population within the district is youth with a significant number that is unemployed. Skills development relating to all levels of employees functions have been undertaken and integrated into the plan. Even though there are serious cost cutting measures within the municipality, skills development initiatives through grant funding are being implemented. Below is the table that indicates the projects the municipality plans to implement as part of skills development.

Table 28: Community Skills Development Projects

Projects	Duration	Year & number of learners				
		2017/18	2018/19	2019/20	2020/21	2021/22
In-service training – enrolled	18 months	10 students	10 students	6 students	10 students	10 students
Internships – enrolled(Finance)	24 months	5 students	n/a	6 students	n/a	5 students
Learner ships						
Environmental Practice			60 students	10 Students		
Waste water treatment process			45 students	10 students		
Plumbing		40 students				
Matriculants	12 months		120 learners	60 students		
Joint Venture				60 students		

Table 29: Organisational Skills Development Projects

Projects	Duration	Year & number of learners		
		2017/18	2018/19	2019/20
Municipal Governance	12 months	15 students		
Project Management	12 months		30 students	
Plumbing	12 months		20 students	30 students
MFMP	18 months		20 students	15 students
Water and waste water treatment process	12 months	45 students		60 students
Adult Education and Training	12 months	30 students		
Enviromental Prog				6 students
Customer Care				15 students

6.7.1 RETENTION STRATEGY

Municipalities located outside the main urban centres are unable to retain skilled staff in their posts due to financial constraints, and they can't compete with well - resourced municipalities. In order to address this challenge, the municipality developed the retention strategy which assists the municipality in retaining staff thereby ensuring effective service delivery. The municipality is also aligning the Retention strategy to be in line with the HRD Strategy that was adopted during the 2016/17 financial year. The municipality is committed to implementing the retention policy.

6.7.2 CAPACITY SUPPORT

The municipality also has capacity support through MISA in the form of one Engineer, a Town Planning intern and one official from the Department of Environmental Affairs in a form of an ASD – Local Government Support. The deployed personnel are based at the district but also providing technical support to the local municipalities, their technical support is making meaningful impact in the entire district family of municipalities.

6.7.3 POWERS AND FUNCTIONS

In order to develop a functional capacity of the municipality, it is necessary to be aware of the

powers and functions as they were gazetted. The functional responsibilities applicable to uMzinyathi District Municipality in relation to the shared functions, which have a bearing on district responsibilities, are shown in the diagram below.



6.8 POLICIES

The municipality has prepared policies which will enable the municipality to perform its powers and functions effectively; the policies which are in place are as follows as per the responsible implementing departments, and most of the policies have been reviewed and approved by Council, to ensure that they are relevant and practical in terms of implementation:

Table 30: List of Policies

No	Policy Name	Responsible Department
1.	Risk Management Policy	Budget and Treasury office
2.	Nepotism Policy	Corporate Services
3.	Private Work Policy	Corporate Services
4.	Tariff Policy	Corporate Services
5.	Credit Control and Debt Collection Policy	Budget and Treasury office
6.	Budget Policy	Budget and Treasury office
7.	Asset Management Policy	Budget and Treasury office
8.	Supply Chain Management Policy	Budget and Treasury office

9.	Petty Cash Policy	Budget and Treasury office
10.	Banking and Investment	Budget and Treasury office
11.	Indigent Support Policy	Budget and Treasury office
12.	Subsistence and Travelling Allowance Policy	Budget and Treasury office
13.	ICT Policy	Budget and Treasury office
14.	Debt Impaired and Debt Write Off Policy	Budget and Treasury office
15.	Transfer of Budget Policy	Budget and Treasury office
16.	Grants and Donation Policy	Budget and Treasury office
17.	Treatment and Evaluation Policy	Corporate Services
18.	Financial Regulation Policy	Budget and Treasury office
19.	Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy	Budget and Treasury office
20.	Casual Work Policy	Corporate Services
21.	Recruitment, Selection and Appointment Policy	Corporate Services
22.	Special Leave Policy	Corporate Services
23.	Bursary Policy	Corporate Services
24.	Records Management Policy	Corporate Services
25.	Communications Policy	Corporate Services
26.	Fleet Management Policy	Corporate Services
27.	Sexual Harassment Policy	Corporate Services
28.	Incapacity Due to Ill Health Policy	Corporate Services
29.	Incapacity Due to Intoxicating and Substance Abuse Policy	Corporate Services
30.	Telecommunication Policy	Budget and Treasury office
31.	Attendance and Punctuality Policy	Corporate Services
32.	Human Resource Development Policy	Corporate Services
33.	Succession Planning (Career Pathing) Policy	Corporate Services
34.	Employment Equity Policy	Corporate Services
35.	Acting Allowance Policy	Corporate Services
36.	Incapacity Due to Poor Performance Policy	Corporate Services
37.	Housing Policy	Corporate Services
40.	Relocation Policy	Corporate Services

41.	Transfer Policy	Corporate Services
42.	Funeral Attendance Policy	Corporate Services
43.	Acceptance of Gifts Policy	Corporate Services
44.	Delegation Framework Policy	Corporate Services
45.	Overtime Policy	Corporate Services
46.	Performance Management Policy	Planning and Economic Development
47.	Pauper Burial Policy	Corporate Services
48.	Placement Policy	Corporate Services
49.	EPWP Policy	Planning and Economic Development
50.	Retention Policy	Corporate Services
51.	Promotion and demotion Policy	Corporate Services
52.	Induction Policy	Corporate Services
53.	Smoking Policy	Corporate Services
54.	Dress and Uniform Policy	Corporate Services
55.	Employee identification and badge policy	Corporate Services
56.	Internet and email policy	Corporate Services
57.	Disaster Management Policy	Community Services
58.	Land and assets disposal policy	Budget and Treasury office
59.	Whistle blowing policy	Corporate Services
60.	Free water and sanitation policy	Budget and Treasury office
61.	Student (external) assistance policy	Community Services
62.	Car allowance policy	Budget and Treasury office
63.	Cellular telephone policy	Budget and Treasury office
64.	Anti-fraud and anti-corruption policy	Corporate Services
65.	Fire arm policy	Corporate Services
66.	Occupational health and safety policy	Corporate Services

6.8.1 ICT FRAMEWORK

Umzinyathi District Municipality has recently reviewed its ICT framework so that it aligns to the 2016 DPSA guidelines. The IT unit understands the critical role that is played by IT system in achieving the

municipals objectives .Upgrades to the systems and infrastructure were undertaken to accommodate MSCOA and to ensure that the municipality went live in July 2017. Projects are underway to link all municipal Service centres as well as upgrading the IT infrastructure to accommodate the growing number of IT users.

6.8.2 DEVELOPMENT PLANNING SHARED SERVICES

During 2017/18 financial year, the district and all four local municipalities signed a new business plan for the Development Planning Shared Services for the next three years.

The DPSS agreement makes provision for technical support in terms of Planning, IDP/PMS and GIS related issues as well as the Local Municipality support through the JMPT.

6.8.3 ANALYSIS OF THE 2018/19 KEY PROGRAMMES AND PROJECTS

During the current financial year, the municipality is implementing a range of programmes and projects aimed at strengthening the institutional capacity of the municipality thereby achieving on its developmental mandate, and they are as follows but not limited to:

- Training and development of Councillors, Employees and unemployed youth through Workplaces Skills Plan;
- Ensure the functionality of the IGR Structures (Mayors Forum, Municipal Managers Forum, Planning and Development Forum, CFOs Forum, Technical Services Forum etc);
- Review and implementation of policies;
- Preparation and implementation of the Employment Equity Act; in terms of employment of employees;
- Review and implementation of the Human Resource Development Strategy;
- Ensure provision of quality hardware and software, and attending to ICT queries;
- Revision and implementation of the organisational structure;
- Implementation of the Spatial Planning and Land Use Management Act;
- Preparation of the Annual Report and Annual Performance Report;
- Revision and implementation of the Back to Basic programme; and
- Benchmarking for an innovative model to cascade to middle management and junior officials.

The projects for implementation during 2019/20 financial year, are under Section D.

6.8.4 MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Human capacity/ Organogram • Effective Policies • Functional IGR Structures • Functional Oversight Audit Committee • Functional Internal Audit Unit • Equipment for operational purposes in place • Adherence to Legal Compliance • Effective ICT Infrastructure in place • Effective Information Management in place • Effective implementation of Back to Basics Programme 	<ul style="list-style-type: none"> • Employees not place in proper positions • Tools of trade for employees and shortage of staff • No adherence to Skill Audit, training of staff still need to be conducted • Poor Communication amongst departments • Business Continuity Plan • Intercom (communication)
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Capacitated and discipline organisation • Training of councillors to play effective oversight role • Well structured stakeholders between Amakhosi and councillors which translate to buy in of communities in service delivery • Effective oversight role by councillors • More Skilled employees for the Municipality • Employees to be well informed about the Council activities 	<ul style="list-style-type: none"> • No budget provision made and inconsistency application • Late coming and absenteeism • Protest against municipality • Insufficient budget allocation • Abuse of council vehicles • Debilitating of council buildings

7 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

7.1 Batho Pele Principles

7.1.1 UMZINYATHI DISTRICT MUNICIPALITY UPHOLDS AND ABIDES BY THE FOLLOWING BATHO PELE PRINCIPLES, IN PROVIDING BETTER SERVICES TO THE COMMUNITY.

Table 31: Batho Pele Principles

No.	Principle	Action
1.	Consultation	The municipality engages the community about services through IDP Road Shows, Public meetings, Mayoral imbizos, Radio Slots, Newsletters etc.
2.	Service Standards	The municipality has service standards in place especially on water and sanitation to ensure quality and timeous provision of services.
3.	Access	The municipality is a Water Services Authority. It strives to provide access to basic services to all citizens especially on water and sanitation.
4	Courtesy	Customer satisfaction is a key pillar of good governance. Municipal staff are encouraged to be friendly and treat customers with respect and dignity.
5.	Information	The municipality communicates on all of its activities through radio interviews, newsletters, advertisements, website and public meetings.
6	Openness and Transparency	We are committed to being transparent and accountable through having open council meetings, giving access to Annual Reports, IDPs and other strategic documents.
7.	Redress	The community is encouraged to provide feedback on the services being provided. The municipality is also committed to responding to all complaints in an effective and efficient manner.
8	Value for Money	The municipality is committed to making the best use of its available resources, avoiding wasteful expenditure, fraud and corruption in bringing services to citizens.
9	Encouraging Innovation	Innovation is encouraged at all levels of the municipality to

	and Rewarding Excellence	improve service delivery. Outstanding performance is acknowledged and encouraged for consistency.
10	Customer Impact	We seek to have a community that is happy and positive about government and its delivery of services.
11	Leadership and Strategic Direction	Municipal management is committed in providing leadership and strategic direction that is backed up by the vision, our goals and strategies.

The municipality does not have a Batho Pele Policy and Procedure Manual in place, and intends to develop both documents during the 2019/20 financial year, to enhance effective implementation of Batho Pele. During the current financial year, the municipality developed the Service Delivery Charter and Service Standards, and is busy with the Service Delivery Improvement Plan. The services which the municipality intends to make improvements on thereby improving the lives of the community, have also been indicated which on the main is water and sanitation as it is the core function of the municipality.

7.1.2 2018/19 IDP REVIEW MEC COMMENTS

The Draft 2018/19 IDP Review was approved by Council at the end of March 2018, and was subsequently submitted to the Department of Co-operative Governance and Traditional Affairs for commenting purposes as required by Chapter 5, Section 25 of the Municipal Systems Act. The Final 2018/19 IDP Review was adopted by Council on the 28th May 2018, and subsequently submitted to the Department of Co-operative Governance and Traditional Affairs in June 2018 for consideration.

The Department of Co-operative Governance and Traditional Affairs has then provided the following comments on the Final 2018/19 IDP Review which have been addressed as part of the 2019/20 IDP, and the municipality has developed an action plan to address the comments, and are structured as follows:

No.	Key Performance Area	MEC Comments	Response to the MEC Comments	2018/19 Action Plan	Responsible Department
1)	Municipal Transformation and Institutional Development	<p>Your Municipality is commended for having key human resources policies in place, i.e. Human Resources Strategy and Plan, Recruitment, Selection and Appointment Policy, Retention Policy, Employment Equity Plan (EEP) and a Workplace Skills Plan (WSP), amongst others. I recommend that you also attach your Employment Equity targets as per your EEP in the next IDP Review.</p> <p>In the previous Financial Year your Municipality had two vacancies at the top level (S56 and S54), of which you have been able to fill one of those posts, i.e. Executive Manager: Technical Services.</p>	Comment is noted.	The 2019/20 IDP Review will include Employment Equity targets as stated per the plan.	Corporate Services

		<p>I note that the post for the Executive Manager: Community Services is still vacant and that another post has also been vacated, i.e. Chief Financial Officer. I further note that your Municipality is currently undertaking the necessary processes to fill these posts. I encourage you to fill these posts according to the planned timeframes and further enforce your Retention Strategy stringently, to ensure that these and other posts remain occupied. I commend you for ensuring that you have an ICT Framework in place, which has recently also been reviewed. Overall, your Municipality is commended for the good attempt made to address this KPA</p>	<p>In 2018, Council took a decision to dissolve the Community Service department, and the different units be placed in other municipal Departments.</p>	<p>Due to Council decision the Executive Manager: Community Services has been frozen. The Chief Financial Officer posts is awaiting COGTAs approval.</p>	
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2)	Local Economic Development	Your Municipality is urged to finalise, adopt and implement the Informal Economy Policy and the Business Investment and Retention Policy. The Municipality is requested to identify and implement programmes and projects by targeting the informal economy, to help increase initiatives for SMMEs and co-operatives within the municipal area. Your Municipality is advised to create and maintain an up to date database for all active/registered SMMEs and co-operatives. The Municipality is requested to pronounce on its contribution to the Provincial and District targets such as the total number of jobs to be created in the sectors of the economy, early childhood development and skills development, aligned to these key	<p>The District does not have an Informal Economy Policy of its own but all our local Municipalities do have the policy in place.</p> <p>The municipality has an Investment facilitation plan in place.</p>	<p>The SMME Database is due to be completed this financial year.</p> <p>The 2019/20 IDP review will have targets with regards to the different sectors relating to economy and social development.</p>	Planning and Economic Development
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		<p>economic sectors. You are encouraged to augment the LED capacity with relevant regional sector specific specialists to deliver on the long term objectives and intervention areas for the region. Your Municipality is further urged to strengthen its relationships with the private sector for funding purposes on programmes and projects implementation. You are also requested to develop the M&E Plan to track progress and effectiveness of interventions employed, but not limited to economic development and infrastructure development programmes. The Municipality is urged to give attention to community safety, and to develop a realistic municipal safety plan</p>	<p>Comment is noted.</p> <p>The Municipality currently uses the LED strategy M&E framework and also the Municipal Operational Plan to track progress of the its various projects.</p>		
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3)	Basic Service Delivery and Infrastructure	In terms of this KPA, I note that your IDP meets the minimum requirements as stipulated in the IDP Assessment Criteria. I note with satisfaction that your Municipality has included the following elements in the IDP as required by the IDP Format Guidelines, namely general compliance with the legislative requirements of the MSA; a strategic and logically sound KPA and a systematic approach in the formulation of the KPA. The professional quality of the contents of the KPA is noted. Furthermore, the technical and institutional feasibility of proposed interventions, i.e. an implementable plan, is observed as in good standing. The harmonisation of plans across all spheres of government, or sectoral	Comment is noted		Technical Services
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		<p>alignment in the context of Provincial and National priorities, is also emphasised.</p> <p>I would like to remind your Municipality that as a designated Water Services Authority (WSA), it should provide bulk support infrastructure to human settlements developments. Your Municipality should perform this function in accordance with the Water Services Development Plan (WSDP) that is reviewed every five years. I have observed that the 2018/2019 Reviewed IDP could also be improved by finalising the Operations and Maintenance Plan for water and sanitation infrastructure and implementation of this plan. I recommend that the District reviews the Integrated Waste Management Plan (IWMP)</p>	<p>The municipality is providing bulk infrastructure to the communities. It is only the WSDP that needs to be reviewed, but in its place the municipality is currently using Water Services master Plan.</p> <p>In preparation of the O&M plan, the municipality first had to finish its asset verification before developing the plan.</p>	<p>The Operations and maintenance Plan is to be developed in 2019.</p> <p>The District municipality will continue to solicit funds through different departments</p>	
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		<p>in consultation with the Department of Economic Development Tourism and Environmental Affairs (EDTEA). I am pleased to note that the engineering information for the landfill site is clearly reflected in the IDP. This will provide a basis for informed decisions to address challenges with regards to waste management in the district.</p> <p>I have noted that the District has developed the Integrated Transport Plan (ITP). This Plan needs to be reviewed, as required by the National Land Transport Act 5 of 2009, to address the current road infrastructure challenges. You could liaise with the Provincial Department of Transport for the necessary guidelines for the drafting of the Plan.</p>	<p>Comment is noted.</p>	<p>including EDTEA to review the Integrated Waste Management Plan.</p> <p>The Municipality will seek guidance from the DOT as well as solicit funding to review the Integrated Transport Plan.</p>	
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		I request your Municipality, in conjunction with the IEC and your Local Municipalities, to plan and assist with the development of temporary and permanent infrastructure for the National Government Elections in 2019.	Comment is noted.		
4)	Financial Viability and Management	I would like to commend your Municipality for an attempt made to structure this KPA in accordance with the IDP Format Guidelines. However, it has been noted that the Municipality did not consider all the criteria stipulated with respect to relevant details when preparing			Budget and Treasury Office

		<p>the review of the current IDP, hence the following observations are made that should be noted and addressed, namely a comprehensive presentation on the capital funding and expenditure, the 3-year synopsis of funds received, spent, unspent, source of funding, variance tables and contingency plans to address challenges such as delays, was not provided per grant. The Municipality did indicate the balance of a loan, as inherited, however, the capacity of the Municipality to repay the loan was not indicated. I note the effort that was made in improving this section of the IDP, the Municipality must; therefore; keep up the standard with the inclusion of the few outstanding information as listed above.</p>	<p>Comment noted</p>	<p>The 2019/20 final IDP Review will incorporate the missing inform including the 3-year synopsis of funds as well as challenges that are being experienced.</p>	
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5)	Good Governance and Public Participation	<p>Your Municipality is again congratulated for the comprehensive coverage and detailed reporting on all aspects of the Good Governance KPA. As per the Cabinet Resolution dated September 2016, all Municipalities are required to implement the Batho Pele Principles. The Municipality has developed the Batho Pele Service Delivery Charter/Standard and Service Delivery Improvement Plan (SDIP). The Municipality is encouraged to ensure that the Batho Pele Policy and Procedure Manual is developed and included in the next IDP review.</p> <p>The District Municipality is</p>	Comment is noted.		Corporate Services

		encouraged to facilitate the IGR structures and the Local Municipalities should implement the IGR Terms of Reference. The District is further encouraged to coordinate Sector Departments' and traditional leadership participation in District IGR Structures. All IGR Forums should be convened at least once a quarter	Most of the Municipalities forums are functional and are sitting on a Quarterly bases. Sector Departments, Local Municipalities and traditional leadership are continuously encouraged to participate.		
6)	Cross Cutting Intervention	In terms of your Municipal Spatial Development Framework (SDF), I am aware the Spatial Planning and Land Use Management Act (No 16 of 2013) (SPLUMA) has introduced a number of requirements, which your Municipality has been grappling with, and which have not totally been translated into your SDF, which has roots in 2014. My Department would like to assist			Planning and Economic Development

		<p>your Municipality financially to develop a SPLUMA compliant SDF in the next financial year, however, there is no guarantee at this stage. In light of this, it is advisable that your Municipality set aside funding to address your SDF. It is important that the development of your SDF align to the SDF Guidelines of 2017, issued by the Department of Rural Development and Land Reform (DRDLR) and distributed and presented by our Department during the District Spatial Planning “Operation Mbo” engagements in May 2018 and September 2018.</p> <p>During the SDF assessment process EDTEA commended your Municipality for the level of consideration in regard to environmental matters. The</p>			
			<p>The EMF will be integrated with both the 2019/2020 IDP and SDF</p>	<p>The district will draft Business plans to seek funding to develop the required strategic</p>	

		<p>Department commends you for developing an Environmental Management Framework (EMF) and recommends that it be integrated into the IDP and SDF. The IWMP, as mentioned above, needs refinement. The following strategic environmental tools need to be developed and reviewed, namely a Strategic Environmental Assessment (SEA) and the Air Quality Management Plan. The District is encouraged to deal with the protection of environmental sensitive areas, such as wetlands and to develop bylaws that will enhance the environment, while providing guidance to the Local Municipalities.</p> <p>The Department of Agriculture and Rural Development (DARD) commended the Municipality for</p>	<p>Due to financial constraints, the municipality is currently unable to develop the recommended strategic environmental tools such as the SEA and Air quality management plan.</p> <p>It is not the function of the district municipality to develop bylaws; however the district does provide support to the locals in terms of environmental management issues.</p> <p>The district has a quarterly planner's forum where representatives</p>	<p>environmental tools</p> <p>Projections of the employment opportunity that will be created</p>	
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		<p>efforts in reflecting a comprehensive Agri-Park Plan. It is recommended that the Municipality should further intensify efforts to provide a leadership role among the Local Municipalities by providing unified statistical agricultural data and identify the agricultural potential and farming activities within the Municipality in terms of commodities and other agriculturally related outputs, all of which need to assist in identifying the agricultural employment trends for the next five years.</p> <p>The Provincial Disaster Management Business Unit within COGTA was pleased with the Disaster Management Sector Plan (DMSP), Disaster Risk Profiles,</p>	<p>from Stats SA to are invited to provide unified statistical data and data for each of the locals.</p> <p>Has undertaken a revised LED strategy and an Agri-Park Master Plan that has identified the agricultural potential and farming activities within the Municipality in terms of commodities and other agriculturally related outputs.</p>	<p>by different economic sectors will be reflected in the reviewed IDP and SDF.</p>	
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		<p>the mapping and the Disaster Risk Reduction (DRR) Programmes. The District is commended for the high standard of integration of climate change and disaster management issues in the Reviewed IDP. Noting these commendations, and not to take away any glory, it is recommended that the District provides greater disaster management support to the Msinga Local Municipality. It is recommended that the District provides enhanced support to all the Local Municipalities in regard to Fire and Rescue services and in particular guiding their DMSP and Disaster Management Plan (DMP) with associated budget.</p> <p>I note the District Municipality's commitment and support to the Family of Local Municipalities in</p>	<p>Comment is noted</p> <p>A satellite disaster Centre has been proposed for the Cwaka Area in Msinga LM which is aimed to enhance response to Disaster risk issues; however due to financial constraints the project is yet to be implemented.</p>	<p>The district will draft Business plans to seek funding to develop the satellite disaster Centre.</p>	
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		<p>terms of the required SPLUMA institutional arrangements. The District is commended for this support and also for providing a District Municipal Planning Authorising Officer (MPAO) and secretariat function to all the Local Municipalities, as part of a Joint Municipal Planning Tribunal (JMPT). It is noted that there is only one or two registered planners within the District Family and it is acknowledged that this is not a sustainable situation. In this regard the Local Municipalities will be encouraged to ensure that posts are filled with registered Town (Urban) and Regional Planners and current Town (Urban) and Regional Planners are registered through the South African Council of Planners (SACPLAN).</p>	<p>Msinga and Mvoti LM have filled their vacant Town Planning posts in with professionally registered Town Planners; therefore all the locals and the district have a registered Town Planner.</p>		
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		<p>The DRDLR notes that the SDF is partially compliant with the provisions of Section 21 of SPLUMA. It is noted that the quantification of services, economic growth and need for housing in comparison to the population estimates is lacking, but the proposed ten year Infrastructure Investment Plan should address this shortfall. It is also recommended that the Municipality contributes in the review of the District Rural Development Plan this year and ensure that relevant elements are incorporated into the SDF.</p> <p>In striving for municipal SDFs to address poverty, unemployment and equity in the Province of KwaZulu-Natal, as directed by</p>	<p>The district has been engaging with DRDLR in regards to the development of the District Rural Development Plan.</p>	<p>As part of the TOR for the review of the 2019/20 SDF, issues of section 21 of SPLUMA were of prioritisation and will be addressed to ensure a SPLUMA compliant SDF and IDP</p>	
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		<p>SPLUMA, there are key areas in the municipal SDFs which need particular attention, namely: (i) a longer term spatial development vision statement for the municipal area which indicates a desired spatial growth and development patterns for the next ten to twenty years. This implies that the SDF must guide the development of the IDP and five year Spatial Development Plan for the spatial form of the municipality (S21(b) and (c)); (ii) include population growth estimates for the next five years which need to be depicted spatially (S21(e)); (iii) provide estimates of economic activity and employment trends and locations in the municipal areas for the next five years (S21(g)); (iv) identify, quantify and provide locational requirements of engineering</p>			
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		infrastructure and services provision for existing and future development needs for the next five years (S21(h)); (v) a Capital Expenditure Framework (guided by a Capital Investment Framework) for the Municipality's development programmes, depicted spatially (S21(n)); and most importantly, (vi) to provide the spatial expression of the coordination, alignment and integration of sectoral policies of all Municipal departments (S21(m)). To this end, Department awaits the successful development and outcome of your SPLUMA compliant SDF.			
No.	Key Performance Area	MEC Comments	Response to the MEC Comments	2018/19 Action Plan	Responsible Department
	Other key observations:	Below are points that Municipalities are facing in the			

		included in the SDBIP			
8)	Implementation of Operation Sukuma Sakhe.(OSS)	The District Municipality is commended for the progress made with the roll out of Operation Sukuma Sakhe in the District. I note that you have taken my comments from 2017 into consideration. Your reporting on the background, status, OSS stakeholders, functionality of the OSS structures and War Rooms, together with challenges experienced with implementation, is, therefore, duly noted. You are again commended for the roll out of the Best Practice Service Delivery Model initiative to enhance service delivery. I note that the focus will be to enhance the analyses, facilitation, capacitation, measurement and coordination in order to achieve full functionality and alignment, as well	Comment is noted.		Corporate Services

		as ensuring that the Model aligns to the national program of B2B.			
09)	Overall credibility assessment of your IDP	<p>I commend you Municipality on a well-presented user-friendly document. There is a strategic flow of the document and it is noted that the IDP Format Guidelines and the IDP Assessment Criteria were consulted in compiling the document.</p> <p>You are commended on the overall representation of the Municipal Transformation, Financial Management and Good Governance KPAs. You are, however, encouraged to give extra attention to my comments on the LED and Cross Cutting KPAs, in order to improve the credibility of your 2019/20 IDP even further.</p>	Comment is noted	The 2019/20 IDP Review will take all the comments within the letter into cognisance in order to improve the credibility of the IDP.	Planning and Economic Development

7.1.3 IDP ORGANISATIONAL AND INSTITUTIONAL ARRANGEMENTS

In order to ensure ownership of the process, the municipality makes use of existing institutions as much as possible. i.e. IDP Alignment Committee, the IDP Manager, Municipal Manager, IDP Representative Forum etc. The roles and responsibilities of participants are clearly defined as follows:

Table 24: Organisational and Institutional Arrangements

ENTITY	RESPONSIBILITY	Functionality
Municipal Council	As the ultimate political decision-making body of the municipality, the Municipal Council has to: <ul style="list-style-type: none">○ Consider, approve and adopt the Process Plan for IDP, Budget and PMS.○ Approve and adopt the IDP, Budget and PMS.	Yes
Executive Committee	The Executive Committee: <ul style="list-style-type: none">○ Delegate the overall management, co-ordination and monitoring of the process and reviewing the IDP to the Municipal Manager; and○ Approve nominated persons to be in charge of the different roles, activities and responsibilities of the process and preparation.	Yes
IDP Alignment Committee	<ul style="list-style-type: none">○ Consists of the district IDP / PMS Manager, GIS Specialist, Chief Planner, Senior Planners, IDP / PMS Managers and Planners from the four Local Municipalities within the uMzinyathi District, key sector departments, including Department of Co-operative Governance and Traditional Affairs (DCOGTA) and Department of Environmental Affairs.○ The alignment committee deals with the alignment, co-ordination, management of strategic issues of the IDP in terms of the planning process.	Yes

IDP Representative Forum	<p>Consists of the Planning and Development Forum members, IDP Steering committee members, LED Practitioners from the district and local municipalities, sector departments, business, private sector, NGO's and civil society organizations. The role of the IDP_LED Technical Committee is to:</p> <ul style="list-style-type: none"> ○ Streamlining planning process; ○ Finding a common district wide development vision; ○ Consolidation and alignment of programmes and budgets; ○ Unifying the channelling of both private and public sector investments; ○ Combating socio-economic ills in a strategic and coordinated manner; and ○ Put forward a plan of action that will enjoy political buy-in at levels 	Yes
Municipal Manager	<p>The role of the Municipal Manager being assisted by the IDP Manager is as follows:</p> <ul style="list-style-type: none"> ○ Chairing of the IDP Steering Committee and IDP RF meetings; ○ Responsible for the management and co-ordination of IDP process; ○ Respond to comments on the IDP; ○ Avails documents to inform the IDP process; ○ Promote involvement of all stakeholders; ○ Adjust the IDP according to the MEC's proposals; ○ Ensure vertical and horizontal alignment of the IDP; ○ Ensure integration and alignment of the IDP and Budget; 	Yes

	<ul style="list-style-type: none"> ○ Ensure submission of the IDP to the MEC on time; and ○ Ensure effective implementation of the IDP. 	
IDP Manager	<p>The role of the IDP manager is to assist the Municipal Manager in the review, co-ordination and management of the IDP process. This entails:</p> <ul style="list-style-type: none"> ○ Being responsible for secretarial services associated with the IDP meetings; ○ Responding to comments on the draft IDP from the public; ○ Vertical and horizontal alignment with other spheres of government to the satisfaction of the Municipal Council; ○ Ensuring proper documentation of the results of the planning process; ○ Day to day preparation and management of the IDP; and ○ Ensure that the IDP fully complies with the provisions of the Chapter 5 of the Municipal Systems Act and the IDP provincial framework. 	Yes
IDP Steering Committee	<p>Consists of Heads of Departments to:</p> <ul style="list-style-type: none"> ○ Provide relevant technical, sector and financial information for priority issue analysis; ○ Contribute technical expertise in the consideration of strategies and development of projects; ○ Provide departmental operational and capital budgetary information; and ○ Be responsible for ensuring that project proposals are integrated with cross cutting dimensions such as Gender Equity, Employment Equity, Operation Sukuma Sakhe, Back to Basics, HIV/AIDS etc. 	Yes

7.1.4 COMMUNICATION POLICY

UMzinyathi District Municipality has a communication policy and strategy in place which has been adopted by Council, the purpose of the two documents is to promote the objectives of Section 32 of the Constitution. The promotion of access to information Act (No 2 of 2000) provides that the public has the right to information held by the organs of state or a private body. It is therefore upon the premise that the Communication Policy is developed. It also serves to safeguard the processes of communication, proper systems that need to be in place to ensure that procedures as per the Municipal System Act (32 of 2000) are adhered to.

For UMzinyathi District Municipality to be accountable in terms of communication, it needs to have an understanding of its mandate. The policy is also crucial in communicating municipal plans like the IDP, Budget, PMS etc. The target groups for the policy are as follows:

- Internal Audience
- Mayor, Speaker, ExCo, Council, Top management, Management, Staff
- External audience
- Political parties, business people, NGO's, Media, Faith based organisations, general public, the local municipalities, government departments etc.

Some of the tools which are being utilised by the municipality in communicating the IDP / Budget are as follows:

- Public engagements – one in each of the four local municipalities;
- Quarterly external newsletter;
- Monthly radio talk show by the Mayor on Ukhozi FM;
- Umzinyathi Website;
- Annual Report – planned for March of each year
- IDP Rep Forum meetings;
- Planning and Development Forum;
- Municipal Managers Forum;
- District Mayors Forum; and
- Audit Committee.

7.1.5 PUBLIC PARTICIPATION

In terms of Chapter 4, Section 16 of the Municipal Systems Act, municipalities are required to develop a culture of public participation and consult their respective communities on developmental issues. The municipality held Public consultations meetings in all four Local Municipalities during the month of April 2019, to solicit comments and inputs on the Draft 2019/20 IDP. The comments were considered in the finalisation of the 2019/20 IDP, and an advert for a period of 21 days placed in the local newspapers, and both the IDP and Budget documents be placed at the reception of the district and of the local municipalities.

7.1.6 CUSTOMER SATISFACTION SURVEY

Effective and efficient service delivery to communities features high on the agenda of the South African government. Local government (municipalities) is one of the major delivery channels in the South African three-tiered governmental system that can impact positively on the daily lives of South Africans. Basic services and facilities such as water, electricity, a clean environment and secure living conditions are some of the basic needs provided by municipalities to their communities.

During the 2020/21 financial year, the municipality will undertake the preparation of the Customer Satisfaction Survey. The Customer Satisfaction Survey will contribute towards improving communication between the municipality and the community in determining the social and economic needs which require urgent attention and deemed necessary to improve the quality of lives. The outcome of the survey will be integrated as part of the 2021/22 IDP Review.

7.2 INTERGOVERNMENTAL RELATIONS FRAMEWORK

The Intergovernmental Relations Framework Act (No 13 of 2005) stipulates that there must be a district Intergovernmental forum to promote and facilitate intergovernmental relations between the district and local municipalities within the district. Section 25 (1) of the legislation further indicates that:

A district intergovernmental forum consists of:

- the mayor of the district municipality;
- the mayors of the local municipalities in the district or, if a local municipality does not have a mayor, a councillor designated by the municipality; and
- the administrator of any of those municipalities if the municipality is subject to an intervention in terms of section 139 of the constitution.

In terms of Section 26 (1), the functions to be performed by the forum as stipulated in the legislation are as follows:

- National and provincial legislation relating to matters affecting local government interests in the district;
- the implementation of national and provincial policy and legislation with respect to such matters in the district;
- matters arising in the Premier's intergovernmental forum affecting the district;
- mutual support in terms of section 88 of the Municipal Structures Act (No 177 of 1998);
- the provision of services in the district;
- coherent planning and development in the district;
- the co-ordinations and alignment of the strategic and performance plans and priorities, objectives, strategies of the municipalities in the district;
- Any other matters of strategic importance which affect the interests of the municipalities in the district.

The municipality has an Intergovernmental Relations Officer in place which monitors the functionality of the forums, However attendance varies, and the following forums are in place:

Table 32: Intergovernmental Relations Structures

Intergovernmental Relations Forum	Objective of the Function	Functionality
Umzinyathi District Coordinating Forum	The objective of the forum is to promote and facilitate intergovernmental relations and co-operative governance between the district and local municipalities, the forum meets on quarterly basis and is functioning properly.	Yes

Municipal Managers Forum	The Municipal Managers Forum serves as a technical support to the District Co-ordinating Forum and implements their resolutions. The members of the technical support structure are the Municipal Managers of the district family of municipalities, or officials designated by them, and it also meets on quarterly basis and is functioning properly.	Yes
Speakers Forum	The forum is in place and is functional, the members of the forum are the Speakers of the district family of municipalities, and they serve to promote public participation issues on the main, and it meets on quarterly basis and is functioning properly.	Yes
General and Social Service Forum	The forum deals with matters relating to the Special groups which is youth, women, people living with disability, gender, children and elderly, and it also consist of government departments whose line function deals with the special groups, and the forum is functional.	
Provincial COGTA Forums	These are provincial structures which are being attended by the municipalities which Include PCF, munimec and IGR. their purpose is to track municipal progress in various sectors and departments .	
Corporate Services Forum	The purpose of the forum is to share information on Administrative, Human Resource and Information Technology issues matters, and also to provide advice to the Municipal Managers Forum such matters.	Yes
Planning and Development Forum	The purpose of the forum is to co-ordinate planning	Yes

	and development within Umzinyathi District by ensuring improved and continued communication amongst the various planning sectors, and also to ensure that planning and development within the District is undertaken in a holistic way and that it takes place within the framework of all Municipalities' Integrated Development Plans, and it meets on quarterly basis and is functioning properly.	
Disaster Advisory Forum	The purpose of the forum is to implement, monitor and co-ordinate all disaster management related issues within Umzinyathi District by ensuring improved and continued communication. The forum consists of representatives from the district and local municipalities, SAPS, Traffic, emergency services etc.	Yes
District Communicators Forum	The functions of the forum include but not limited to the following: <ul style="list-style-type: none"> • To coordinate the sharing of information pertaining to all spheres of government; • To coordinate and organise a calendar of events for the district to ensure that these activities are streamlined across the district to avoid duplication and waste of resources; and • To provide support to local municipalities with regard to development of communication strategies. 	Yes
Planning Cross border alignment Forum	The forum ensures alignment and integration of functional areas on the IDP and Spatial development framework. It also assists the municipalities to align development issues in an efficient, effective and	Partially functional

	sustainable manner especially where there are shared and interdependent functional areas across the district, and it's not fully functional.	
Disaster Cross border alignment Forum	This forum ensures alignment and integration of functional areas on the Disaster Management.	
Chief Financial Officer Forum	The purpose of the forum is to share information on financial management and also to provide advice to the Municipal Managers Forum on financial matters.	Yes
Infrastructure Forum	The purpose of the forum is to ensure integration and alignment of Infrastructure projects being implemented within the district.	Yes
IDP_LED Planning Technical Committee	<p>The purpose of the forum is to:</p> <ul style="list-style-type: none"> • Streamline the planning process; • Finding a common district wide development vision; • Consolidation and alignment of programmes and budgets; • Unifying the channelling of both private and public sector investments; • Combating socio-economic ills in a strategic and coordinated manner; and • Put forward a plan of action that will enjoy political buy-in at all levels, and it meets on quarterly basis and is functioning properly. 	Yes
Tourism Forum	Tourism is one the key economic sectors within the district. Therefore, the purpose of the forum is to coordinate and implement economic Tourism programmes and projects within the district.	Yes

7.2.1 AUDIT COMMITTEE

The municipality has a functional Audit Committee as required in terms of section 166 (6) (a) of the Municipal Finance Management Act 56 of 2003 and Section 14 (2) (a) of Municipal Planning and Performance Management Regulations 2001, and the broad objectives of the committee are as follows: -

- Maintaining oversight responsibilities of all financial and performance reporting;
- Seeking reasonable assurance that the operations of the Municipality are conducted efficiently and effectively;
- Seeking reasonable assurance that the Council has developed and complies with its policies, plans, procedures and internal controls; and
- Seeking assurance that the Council complies with relevant legislation, regulations and professional pronouncements.

7.2.2 BID COMMITTEES

The municipality has functional Bid Committees as required by the Supply Chain Management Policy. The committees are selected by the Accounting officer on an annual bases. The Specification and Evaluation Committee consist of seven middle managers each, including the secretary. While the Adjudication Committee consists of six senior managers, including the secretary. The committees are mostly responsible for:

- Providing accountability and transparency in the awarding of contracts;
- Maintaining an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective; and
- Considering and ruling on all recommendations/reports regarding amendment, variation, extension, cancellation or transfer of contracts awarded.

7.2.3 INTERNAL AUDITORS

In order for the Audit Committee to meet the broad objectives, the municipality has an internal audit unit consisting of three members and has also partially outsourced the function to Service provider while also strengthening the internal capacity. The responsibilities of the Internal Auditing Unit are amongst others:

- Review the Internal Audit Charter;
- Review the annual risk based plan and the internal audit program; and
- Ensure that all identified risk areas are prioritized and incorporated in the annual internal audit plan.

7.2.4 PORTFOLIO COMMITTEES

The uMzinyathi District Council was elected after the 2017 Ngquthu by-election. the municipality then established functional Portfolio Committees for all of its five Departments and there are as follows:

- Budget and Treasury;
- Planning and Economic Development,
- Co -Operative Services
- Technical Services; and
- Community Services.

7.2.5 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

The municipality has a functional Municipal Public Accounts Committee in place which serves as an oversight committee for Council, and they are responsible for the following:

- Assist Council to hold the executive and administration to account;
- Exercising oversight over both the executive and administration;
- Proper administration of oversight requires Councillors to be fully informed of their own agenda, business or affairs; and
- Councillors are accountable for the performance of the Council, hence they must supervise the Municipal Council agenda, in order to achieve the desirable performance.

7.2.6 OPERATION SUKUMA SAKHE

The main aim of Operation Sukuma Sakhe / War on Poverty campaign is to reach out to more poverty stricken communities, with the intention of making maximum impact on those communities in the shortest possible way, and also to ensure that communities including the private and the public sector join forces to fight against poverty.

The Operation Sukuma Sakhe programme is the new approach of how government and its social partners would fight poverty. Umzinyathi District Municipality belongs to Umzinyathi Operation Sukuma Sakhe, also known as War On Poverty. The district has fifty two (52) functional war rooms out of fifty six (56), and the District Task Team is also fully functional. The only challenge at the present moment is that some of the Local Task Teams are not fully functional, and also late submission of the monthly reports for consolidation and submission to Provincial Task Team.

During the new financial year, the municipality aims to continue with intensifying the programme of Operation Sukuma Sakhe through implementation of a Best Practice Service Delivery Model to attain extra ordinary road to excellence in service delivery. The focus areas will be to enhance the analyses, facilitation, capacitation, measurement and co-ordination to achieve full functionality and alignment, as well ensuring that it aligns to the national program of Back to Basics. The aim is to position the municipality as a Model District in achievement of excellence in Service Delivery and achieve Champion status in radical transformation of service delivery.

7.2.7 GOVERNANCE

- In terms of the participation of Amakhosi in municipal structures as per the provisions of Section 81 of the Municipal System Act, Five of Amakhosi participate in the municipal structures(Council).
- In terms of Risk Management Committee, the Top Management Committee of the municipality serves as the Risk Management Committee, and the municipality also has the Risk Management Officer that monitors the implementation of the Risk Management Plan which also includes the fraud risks; and
- In terms of the By-laws which have been promulgated, the municipality has two Bylaws which have been promulgated which is for Water Services and Environmental Health; and

are in place and being implemented.

7.2.8 LAND USE MANAGEMENT

The Umzinyathi family of Municipalities has established a Joint Municipal Planning Tribunal (JMPT) in terms of the Spatial Planning and Land Use Management Act (16 of 2013). It's a functional institutional body that is responsible for planning decisions within the district, and meets on quarterly basis to review and approved the development applications as required in terms of SPLUMA. The JMPT functions as follows;

- Meets on Quarterly Basis;
- The Local Municipalities' Executive Committees serve as Appeal Authorities respectively;
- Each local Municipality has an Authorised Officer;
- Each Local Municipality has categorised the development applications;
- Each Local Municipality has a delegated representative that sit on the JMPT;
- All the Local Municipalities have adopted and Gazetted their Bylaws; and
- All Local Municipalities have approved their fee structures.

7.2.9 ANALYSIS OF THE 2018/19 KEY PERFORMANCE AREA PROGRAMMES AND PROJECTS

During the current financial year, the municipality is implementing a range a special programmes aimed at developing and capacitating the community at large within the district, the projects under implementation are as follows but not limited to:

- Special Programmes for Vulnerable Groups (Plan for people living with disability, HIV/AIDS, Elderly and Widows, Children and Youth etc);
- Sport and Culture – promotion of sports through participation in the KwaNaloga Games;
- District Cultural Event - promotion of culture through participation in the cultural event;
- Fire Services – Effective operation for fire services;
- Disaster Relief – purchase the disaster management relief material;
- Marketing and Promotions – development of the organisational corporate image, and marketing of the organization;
- Environmental Health;
- Special Programmes;

- Operation Sukuma Sakhe; and
- Back to Basics Programme;

The projects for implementation during 2019/20 financial year, are under Section E.

7.2.10 GOOD GOVERNANCE AND PUBLIC PARTICIPATION SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • IGR Structures are fully functional i.e Speakers forum, MM's Forum, Mayors Forum etc • Functional Committees (MPAC, Audit Committee, Internal Audit Unit) • Functional Operation Sukuma Sakhe (War rooms) • Good Governance in place • Effective Public Participation (Communication Policy in place) 	<ul style="list-style-type: none"> • Lack of attendance / co-operation from sector departments and other stakeholders • Limited funds and resources for strategy implementation • Lack of buy in in terms of the implementation of some of the programmes and projects • Deprived coordination of Special Programmes • Lack of adherence to Batho Pele principles e.g accessibility, name tags, office identification tags etc
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Enhancement of the IGR Structures • Fully functional community section needs buy-in. • Bursary funding • Assupol Community Trust ECD massification • Provincial Disaster Management Center 	<ul style="list-style-type: none"> • Budget constraints and its potential to hinder service delivery • Illiteracy and poverty rate • Geographical location of the district • Unavailability of water sources (fire hydrants) • Low staff morale

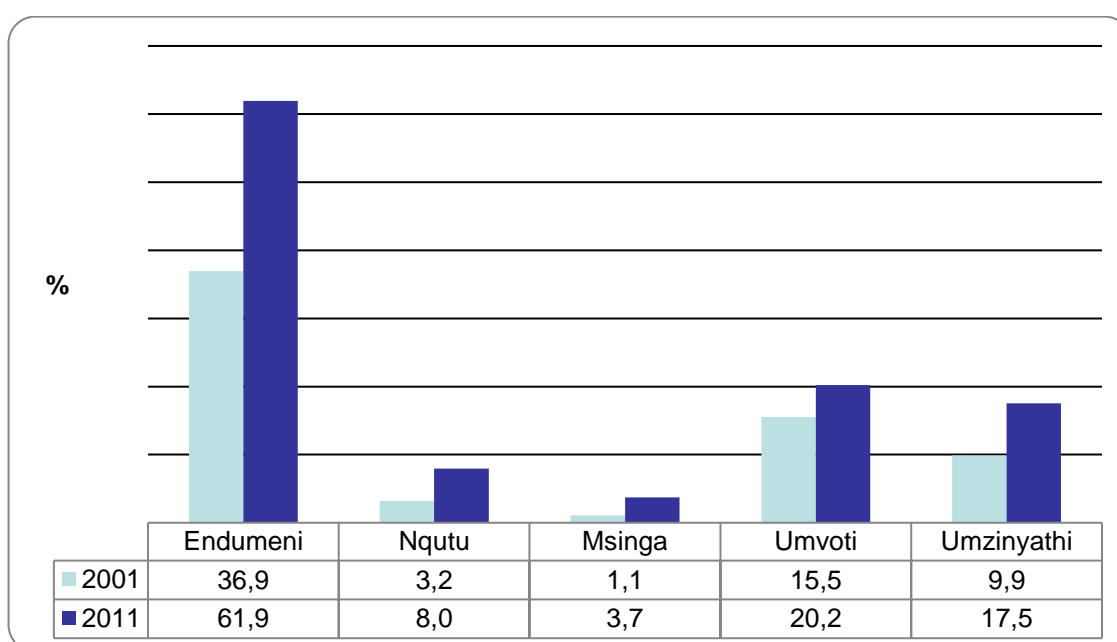
8 SERVICE DELIVERY & INFRASTRUCTURE INVESTMENT

8.1 ACCESS TO INFRASTRUCTURE SERVICES

8.1.1 WATER

The following figure illustrates the provision of water to households in the district, as it can be seen, the number of households without access to piped water inside the dwelling has improved, as it was 9.9% in 2001 and to 17.5% in 2011

Figure 16: Water Provision



Source : Statistics SA, Census 2011

The figure below indicates that in terms of the 2016 CSS, the number of households with access to piped water inside the dwelling is 79 642. In terms of the local municipalities, the largest number of households with access to piped water inside the dwelling are under Nquthu Municipality with 25 638. The largest number of households which are using other sources of water is 27 790 and they are under Msinga Municipality, and the municipality is noting this number for improvement during 2018/19 financial year.

Figure 17: Access to Piped Water

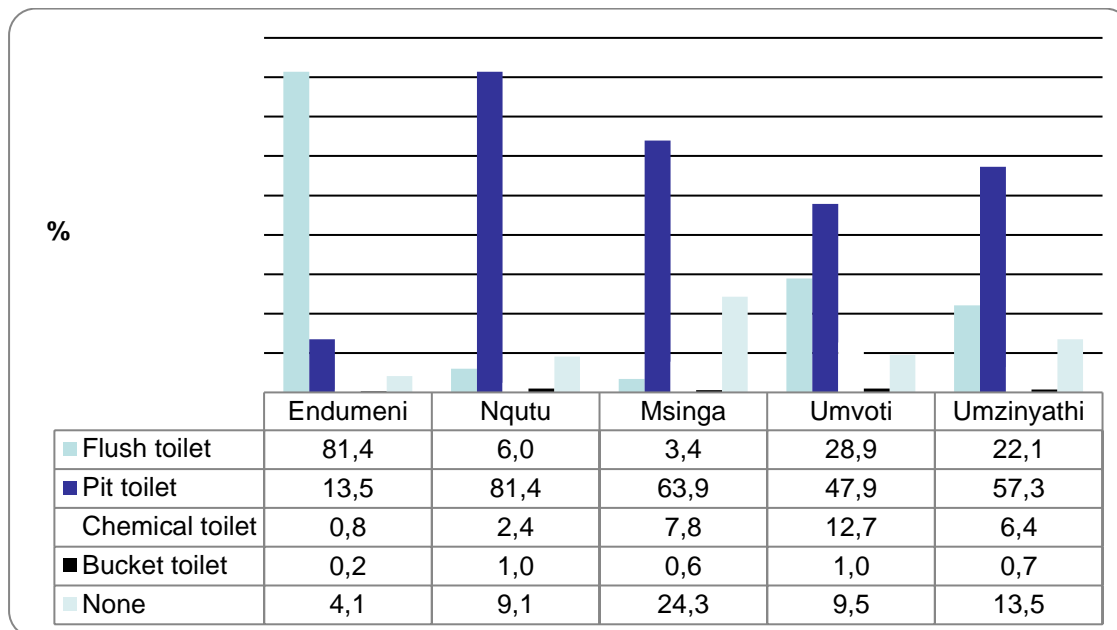
Municipality	Piper Water	Other
Umzinyathi	79 642	46 429
Endumeni	18 653	2 480
Nquthu	25 638	6 984
Msinga	15 701	24 790
Umvoti	19 650	12 175

Source : Statistics SA, CSS 2016

8.1.2 SANITATION

The following figure illustrates the access provision by type of toilet to households in the district, As it can be seen, the number of households without access to toilet facilities has improved significantly which is 86% in 2011, while there are still households with no sanitation facilities accounting to 13.5%. The municipality disputes the percentage of 0.7% relating to households utilising the bucket system, as the bucket system was eradicated by the municipality in 2008.

Figure 18: Sanitation Provision



Source : Statistics SA, Census 2011

The table below indicates in terms of the 2016 CSS, 25 800 households have access to flush toilets, while 2 938 households have no access to sanitation facilities and this number is being noted for improvement during the 2018/19 financial year. More households within the municipality are utilising the Pit Latrine VIP toilets with Ventilation Pipe, which is 55 191 households. The municipality disputes the number of 3 169 households which are categorised as using the bucket system, as the bucket system was eradicated by the municipality in 2008.

Figure 19: CSS 2016 Sanitation Provision

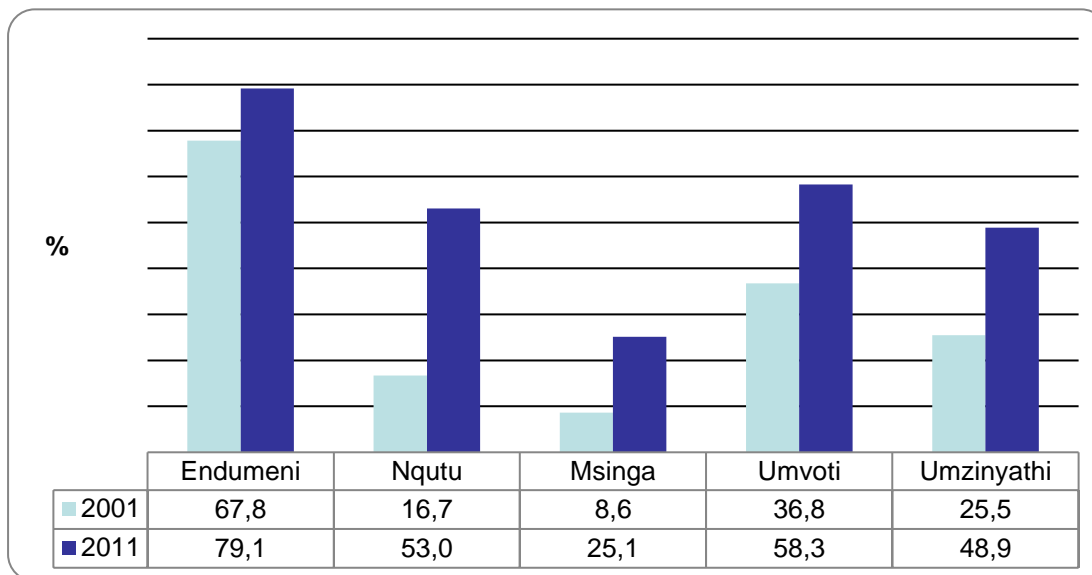
Toilet Facilities	Umzinyathi	Endumeni	Nqutu	Msinga	Umvoti
Flush toilet connected to a public sewerage system	25800	16468	1426	341	7566
Flush toilet connected to a septic tank or conservancy tank	1178	234	308	309	327
Chemical toilet	15108	2804	4478	2261	5565
Pit latrine/toilet with ventilation pipe	55191	154	12819	30121	12095
Pit latrine/toilet without ventilation pipe	15508	375	6669	3438	5026
Ecological toilet (e.g. urine diversion; enviroloo; etc.)	3726	-	917	22	2787
Bucket toilet (collected by municipality)	57	-	57	-	-
Bucket toilet (emptied by household)	3112	266	2219	92	535
Other	4173	321	3294	353	206
None	2938	512	435	1435	557
Total	126791	21134	32622	38372	34664

Source : Statistics SA, CSS 2016

8.1.3 ELECTRICITY

The following figure illustrates access to electricity for lightning purposes in the district, As it can be seen, the number of households without access to electricity has increased as it was 25.5% in 2001 and 48.9% in 2011

Figure 20: Electricity Provision



Source : Statistics SA, Census 2011

The table below indicates in terms of the 2016 CSS, the number of households which are connected to electricity is 91 216, and the highest number of households connected to electricity in terms of the local municipalities are under Msinga Municipality with 23 186, while the highest number of households which are using other sources of energy are also under Msinga Municipality with 3 458, and this number needs to be noted by the relevant municipalities and Eskom for improvement in the 2018/19 financial year.

Figure 21: CSS 2016 Electricity Provision

	2016		
Municipality	Connected to electricity	Other source	None
Umzinyathi	91 216	7 973	26 882
Endumeni	18 257	1 014	1 862
Nquthu	25 594	3 081	3 947
Msinga	23 186	3 458	13 847
Umvoti	24 179	420	7 226

Source : Statistics SA, CSS 2016

8.1.4 SOLID WASTE MANAGEMENT

The table below indicates in terms of the 2016 CSS, a significant number of households within the district are utilising their own refuse dump for waste management purposes which is 76 463 households, and followed by 23 730 households whose refuse is being removed by the local authority / private company at least once a week.

Figure 22: Solid Waste Management

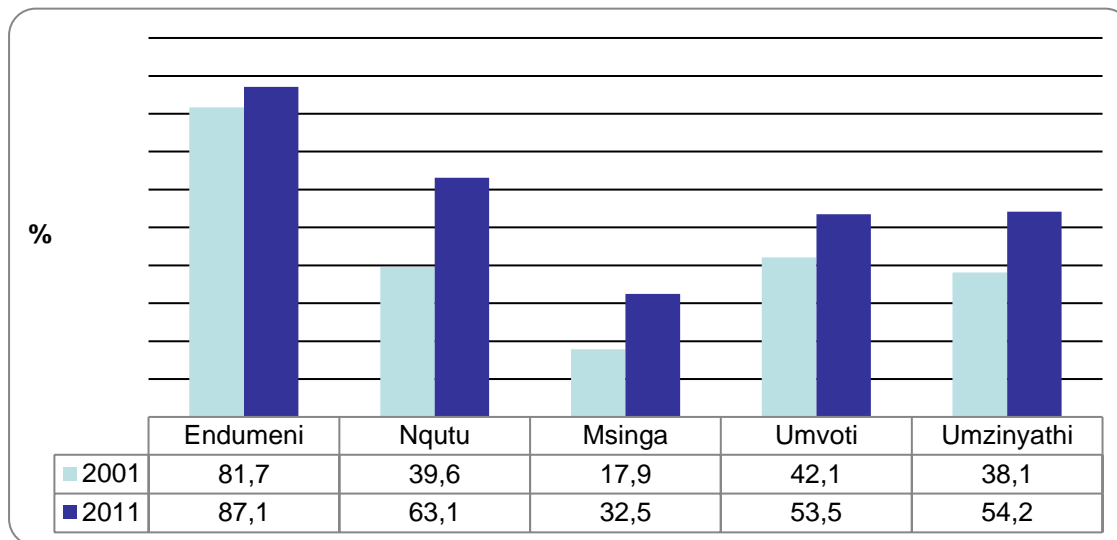
Waste Removal	Umzinyathi	Endumeni	Nquthu	Msinga	Umvoti
Removed by local authority/private company/community members at least once a week	23730	15579	1867	113	6171
Removed by local authority/private company/community members less often than once a week	1844	402	456	47	939
Communal refuse dump	5450	377	1990	2482	601
Communal container/central collection point	3802	15	1496	74	2217
Own refuse dump	76463	3105	20042	32839	20478
Dump or leave rubbish anywhere (no rubbish disposal)	10140	849	4923	484	3884
Other	5362	807	1848	2333	374
Total	126791	21134	32622	38372	34664

Source : Statistics SA, CSS 2016

8.1.5 HOUSING

The following figure illustrates access to formal dwelling house within the district, As can be seen, that there has been a significant increase in terms of the number of the households within the access to formal dwelling housing 38.1% in 2001 and 54.2% in 2011.

Figure 22: Access to formal dwelling housing



Source : Statistics SA, Census 2011

The following table indicates that in terms of 2016 CSS, as it can be seen, there is a significant number of the households within the access dwelling housing which is not RDP as part of the government programme, most of the households have access to the dwelling type which were constructed on their own which is 110 371.

Table 27: Main Dwelling Type (RDP / Government)

	Umzinyathi	Endumeni	Nquthu	Msinga	Umvoti
Yes	15836	4658	3363	2751	5064
No	110371	16000	29220	35606	29544
Do not know	568	475	23	14	56
Unspecified	16	-	16	-	-

Source : Statistics SA, Census 2011

8.2 2017 WATER AND SANITATION STRATEGY

Umzinyathi DM is the Water Services Authority (WSA) for the entire district in terms of Section 1 of the Water Services Act, 1997. In order to efficiently plan the development of water services in the DM's jurisdictional area. During the 2016/17 financial year the municipality developed the water and sanitation strategy to address backlogs. The strategy has specific short, medium and long term objectives. The strategy has been prepared in order to make representations for funding for detailed feasibility studies, design and construction of regional bulk water supplies and standalone regional water supply schemes to address the water backlogs. The primary objectives of the strategy are as follows:

- Reduce water backlogs to 7874 households by 2022 and eradicate sanitation backlogs by 2020;
- Develop a Bulk Water Master Plan and Regional Schemes for water supply planning that will ensure sustainable water services delivery throughout the District;
- Revise the planning and design approach that has developed over time since the initiation of the RDP programme in 1996 which has resulted in numerous unsustainable and inefficient local stand alone schemes that have problems such as:
 - High operating and maintenance costs and management and skills resource requirements;
 - High dependency on groundwater – springs and boreholes;
 - Boreholes which are used above their proven yield capacity or which have failed;
 - Frequent failures due to the limited resources and consequent inadequate maintenance;
 - Little or no attention given to regular monitoring of water quality on smaller schemes;
 - Low incomes of people in the communities served resulting in low consumption and little or no revenues from the sale of potable water;
 - Dependence on MIG funding for the development of water supply services which is not sufficient to achieve the objective of eradicating backlogs within the planned timeframe as set by the Sector Department; and
 - The water and sanitation funding requirements for the district and local municipalities as determined through strategy to eradicate backlogs are as follows:

Most of the bulk water schemes which are being implemented by the municipality, they are multi year schemes, and therefore no scheme completed as they are all under construction to provide water to the community in phases. There has been no allocation in terms of the volume of water allocated to historically disadvantaged individuals as the municipality has no dams, but only rivers.

In terms of the distribution of the rain water tanks, the municipality delivered to communities of Dundee and Glencoe where water tanks fill the tank weekly due to ongoing drought. During the current financial year, there were no households served through the Rural Household Infrastructure Grant to eradicate sanitation backlogs, as there was no grant allocation.

Water Funding Requirements

- Umvoti LM – R 460 815 151.83
- Nquthu LM – R 852 645 160.75
- Msinga LM – R 1 425 533 087.65
- Endumeni LM – R 17 584 989.49

Total funding requirements for the entire district for water is estimated to be **R 4,009,344,842.72**

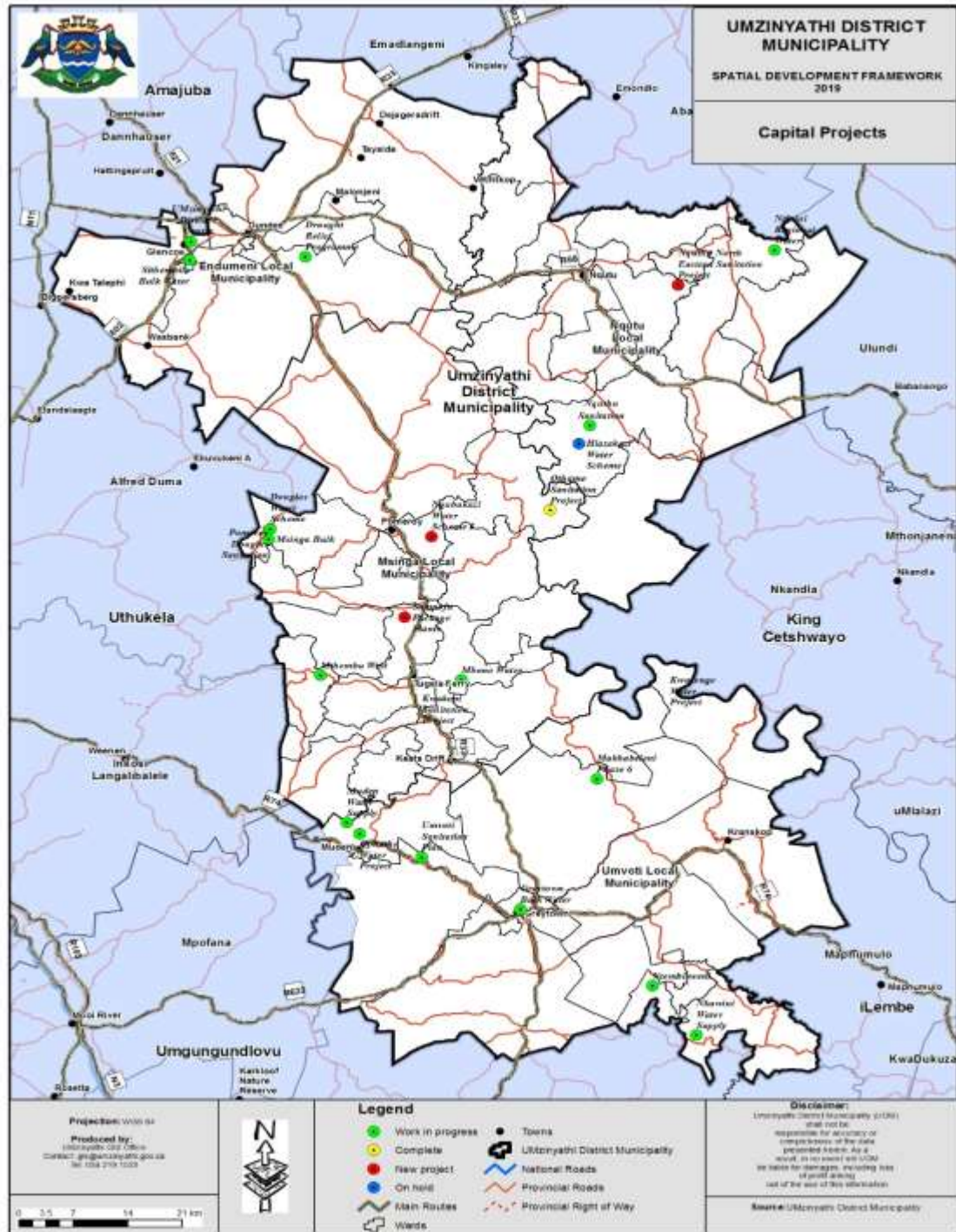
Sanitation Funding Requirements:

- Umvoti LM – R 34 224 703.00
- Nquthu LM – R 263 601 338.61
- Msinga LM – R 122 470 174.00

Total funding requirements for the entire district is estimated to be approximately **R 420,296,215.61**

The map below indicates the infrastructure projects in terms of water and sanitation which are being currently being implement and proposed, and also their location within the municipality.

Map 9: Spatially Referenced Infrastructure Capital Projects



Source: Umzinyathi DM – GIS 2019

8.3 CAPITAL INVESTMENT PLAN

The municipality has reviewed the Capital Investment Plan which also provides the details of the funding required in terms of eradication of backlogs, promotion of economic development and to address the eradication of backlogs in terms of water and sanitation, electricity provision, operation and maintenance, this process is done thorough consultation and coordination with local municipalities and other stakeholders, and it is structured as follows:

- R 4.7 Billion to address Water and Sanitation Backlogs including LED Projects to be sourced from Grants and Loans; and
- R 1.0 Billion to provide renewable energy programmes to address Electricity / Energy Backlogs, to be sourced from the Department of Energy;

8.3.1 EXPANDED PUBLIC WORKS PROGRAMME

Umzinyathi District Municipality is also committed in training and developing communities through the EPWP programme, thereby promoting economic growth and creating sustainable development. During the current financial year, the municipality received an allocation of R 5,900,000.00 from the Department of Public Works and jobs created is 264 while the target is 2607 to be achieved by the end of June 2019.

The jobs being created as part of the programme range from various sectors including Disaster Management, Local Economic Development, Infrastructure, Environmental Services, etc. The municipality is reporting on monthly basis to the department in terms of the progress made in terms of implementation. A target for the 2018/19 financial year is 2607 jobs to be created. An allocation for 2019/20 Financial year is still to be communicated and then a series of business plans will be developed to break down how this amount will be used.

8.3.2 DROUGHT PROGRAMME

During June 2014, Umzinyathi District Municipality received numerous cases in terms of impending dry conditions in various areas, and also all four local municipalities were affected. According to the recent reports received from the South African Weather Services, most of the affected areas have been constantly receiving less average rainfall for the past five years. As a result, drought has caused reduction of crop yield for farmers as well as steady decline in water reserves for consumption. An amount of R8 000 000.00 has been made available to the municipality by the Department of Water and Sanitation, and the aim of the funding is to provide relief to the communities that are currently suffering through the water shortages.

Most of the communities do not have any form of water infrastructure or have systems which are in need of repair, refurbishment or upgrading. The drought relief programme in terms of implementation was then divided into two sub projects, namely Drought Intervention and Water Tankers. The municipality is currently running fifteen (15) water tankers which will assist in providing water to the communities where water schemes are not yet in place. The project also involves the identification of new boreholes for drilling, testing and equipping across the district for the provision of clean water to the communities.

In the current financial year the municipality has developed a business plan for funding to tackle Drought in the Msinga area. The project involves the drilling and equipping of Boreholes as well as extension of reticulation networks to reduce water tanker deliveries. This project is being carried out in over nine areas which include Ngujane and Nkamba. Due to evidently high rate of water leaks, forced water leaks are being introduced in the towns of Glencoe and Dundee to save on supply.

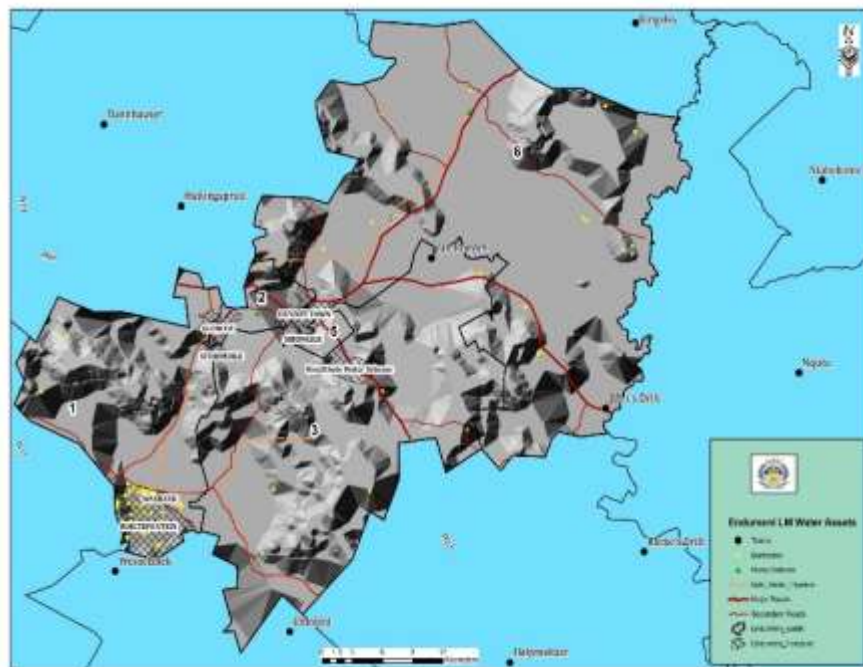
8.3.3 2018/19 REDUCTION OF WATER AND SANITATION BACKLOGS

- **Water**

At the end of June 2019, the water backlog will be 25 688 households and to be reduced by 3950 households by the end of June 2020.

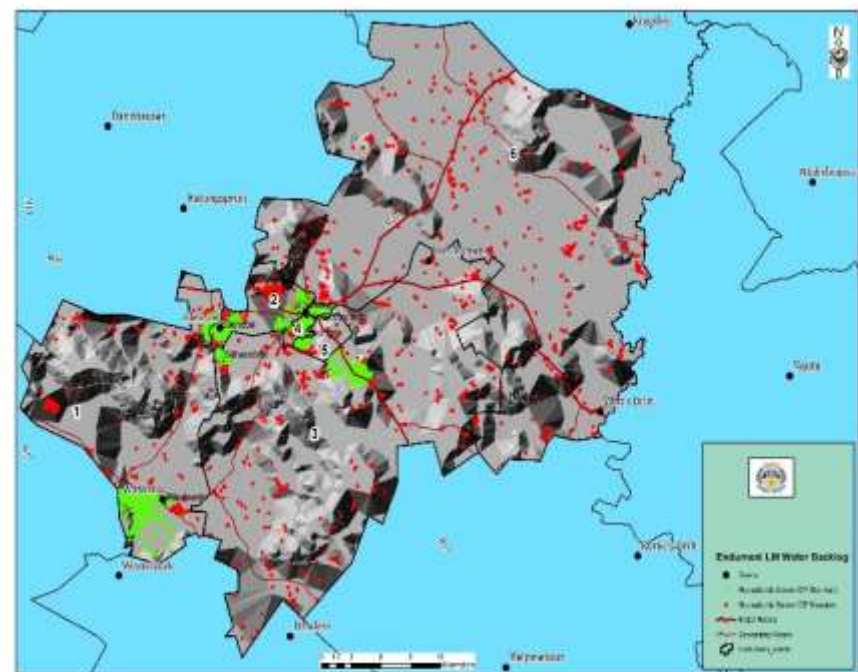
In terms of short term measures for the provision of water, the municipality is implementing spring protection programme and also the refurbishment and drilling of new boreholes. The projects for implementation during 2019/20 financial year, are under Section E.

Map 10: Endumeni Water Assets



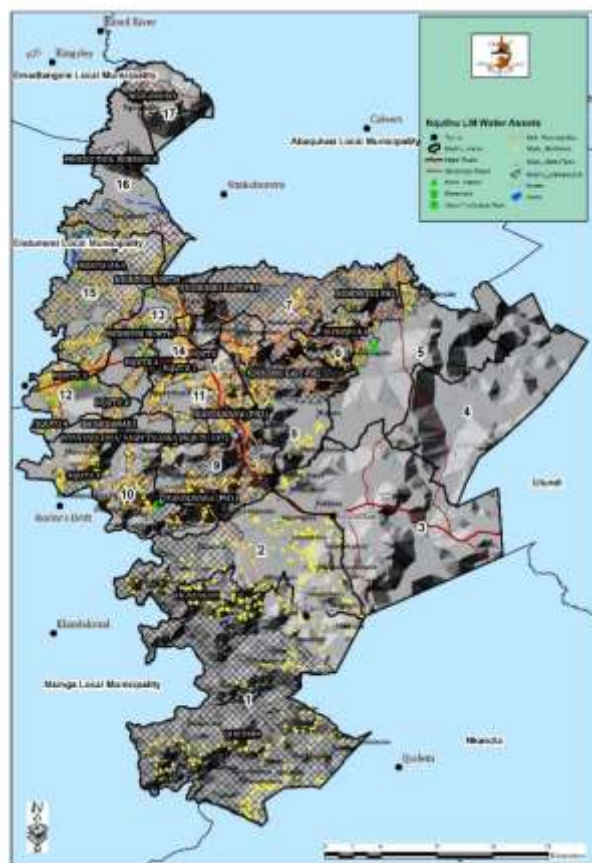
Source: Umzinyathi GIS 2019

Map 11: Endumeni Water Backlog



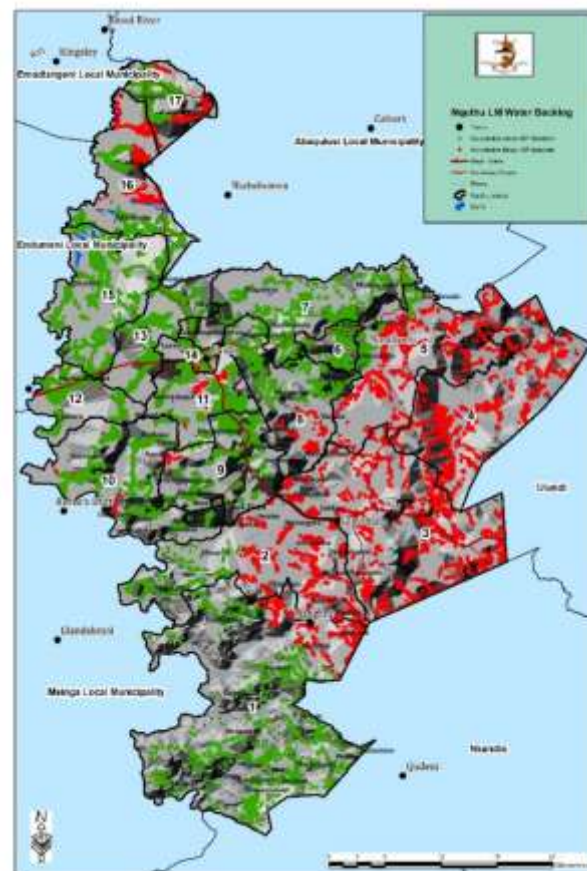
Source: Umzinyathi GIS 2019

Map 12: Nquthu Water Assets



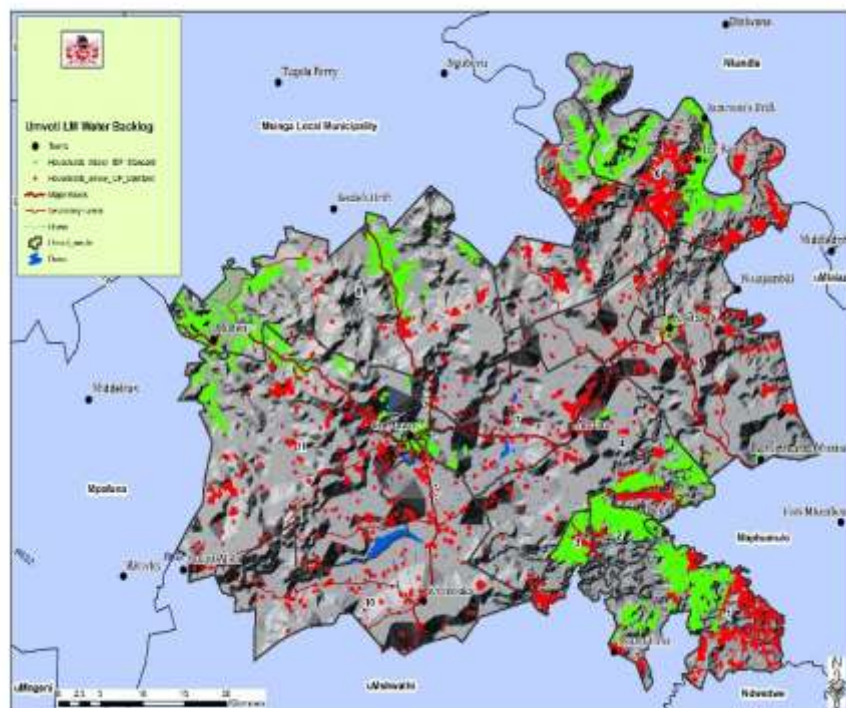
Source: Umzinyathi GIS 2019

Map 13: Nquthu Water Backlog



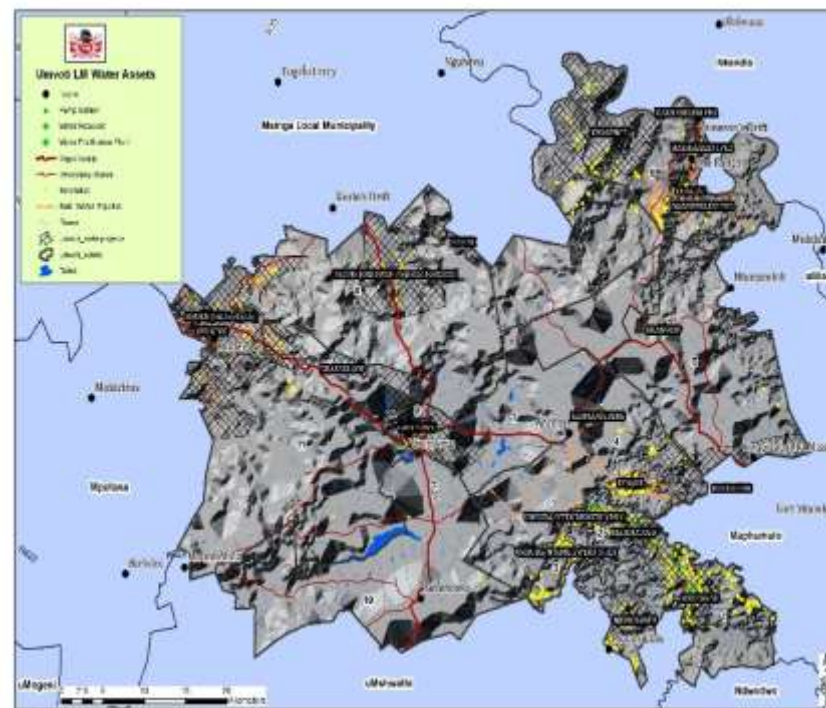
Source: Umzinyathi GIS 2019

Map 14: Umvoti Water Backlog



Source: Umzinyathi GIS 2017

Map 15: Umvoti Water Assets



Source: Umzinyathi GIS 2017

- **Sanitation**

At the end of June 2019, the sanitation backlog will be 6,691 households, and to be reduced by 1400 households by the end of June 2020, The projects for implementation during 2019/20 financial year, are under Section E.

- **Five Year Targets for Backlogs Reduction**

The municipality has developed a plan with five year targets for backlogs eradication for both water and sanitation, and its in line with the MIG Allocation, and also projections for the outer years, and the targets are as follows:

Table 33: Five Year Water Targets

Water backlog as at 30 June 2018	Households Targets					Total
	2017/18	2018/19	2019/2020	2020/2021	2021/2022	
25 688 households	404	1532	3950	4980	7352	18 218

Table 34: Five Year Sanitation Targets

Sanitation backlog as at 30 June 2018	Households Targets					Total
	2017/18	2018/19	2019/2020	2020/2021	2021/2022	
7 168 households	1329	2477	1400	1300	1500	491

- **Electricity**

The provision of electricity within the district lies with Eskom and the local municipalities, during 2020/21, the municipality plans to prepare the Electrification Master Plan which will provide a comprehensive approach in providing and managing electricity within the district, and the municipality will engage the Department of Mineral Resources and other related departments for funding to develop the plan, as the municipality can not be able to develop the plan using its own budget due to costs cutting measures.

Map 16: Electricity Services



Source: Umzinyathi GIS, 2018

- **Landfill Site**

The municipality partnered with the Department of Environmental Affairs in developing the South Regional landfill Site (Umvoti Municipality) which is now operational and is now going through a section 78 assesment to determine how its operations will be run.

The North Regional Landfill site (Endumeni Local Municipality) is also operational. It has an estimated lifespan of 22 years. The site has recently be upgraded to include weighbridge, office and ablution facilities. Operations on site is according to compliance, awaiting water sampling reports and external reports from service provider. The licence was renewed in July 2013 for another 10 years. The District also has a number of small landfill sites, buy back centers, garden and refuse , as well as transfer sites for temporary storage.

8.3.4 OPERATIONS AND MAINTENANCE

On the 01 July 2013, the municipality took over the Operation and Maintenance, Retail and Reticulation function from Uthukela Water. All water schemes except Biggarsberg and Sanitation schemes have been taken over by the municipality. During the 2017/18 financial year, the municipality prepared the Operation and Maintenance Policy which was adopted on 18th December 2018 and is being implemented. The district will also be developing the O & M Plan during 2018/19, the plan and policy will serve to ensure sustainability thereby providing water to the communities for a longer period. On the main, Operations deals direct with the day to day running and handling of water supply and Maintenance deals with activities that are required to sustain the water supply in a proper working conditions.

The Operation and Maintenance focuses on the maintenance of water treatment works, waste water treatment plants, fixing water leaks through pipe burst. The municipality has made an allocation of R176,876,155.00 for 2019/20 financial year for water services operational costs. The budget for 2018/19 financial year was R 145,126,358.00

8.4 SECTOR PLANS

8.4.1 WATER SERVICES DEVELOPMENT PLAN

Umzinyathi DM is the Water Services Authority (WSA) for the entire district in terms of Section 1 of the Water Services Act, 1997. The municipality has developed the water and sanitation strategy to address backlogs. The strategy has specific short, medium and long term objectives. The WSDP was last reviewed in 2009 and is overdue for a review as it is more than five years old. It needs to be reviewed in order to make representations for funding for detailed feasibility studies, design and construction of regional bulk water supplies and standalone regional water supply schemes to address the water backlogs, and the review is anticipated to be undertaken during the 2020/21 financial year.

8.4.2 INTEGRATED WASTE MANAGEMENT PLAN

Umzinyathi District Municipality has an Integrated Waste Management Plan (IWMP) in place which serves to address the waste management and disposal matters, but it was developed during 2007. Due to costs cutting measures, the municipality will continue to solicit funding from relevant departments to enable the review of the plan, and outcomes thereof will be integrated into the IDP. The municipality has recently finalised the Environmental Management Framework, and has been integrated as part of the Fourth Generation of IDPs. Waste minimization strategies such as recycling and reusing, are also be explored.

8.4.3 INTEGRATED PUBLIC TRANSPORTATION / RURAL ROAD ASSET MANAGEMENT SYSTEM

During 2013/14 financial year, the municipality reviewed the Integrated Public Transport Plan as required in terms of the National Land Transport Transition Act (Act 20 of 2000). The plan assists the district family of municipalities in making informed planning decisions regarding public transport. The Plan is outdated and needs to be reviewed to also take into consideration the new Kzn Master Spatial Plan which seeks to be the underpinning design for Human Settlements, but due to costs cutting measures, the municipality will prepare a business plan to source funding from relevant departments to enable the review of the plan, and outcomes thereof will be integrated into the IDP Review.

The municipality is also developing a Rural Road Assessment Management System through grant funding provided by the Department of Transport. The aims of the programme are as follows:

Identify the road networks under the jurisdiction of the Umzinyathi District Municipality. Only roads in rural areas and all streets in urban areas are to be assessed which is class 1 to class 5;

- Create the roads database;
- Visual assessment of the agreed road network;
- Data capture of the assessment data and verification thereof;
- Data processing to identify remedial measures, priorities and costs;
- Reporting of the findings in a format as required by the DOT; and
- Training of RRAMS Technicians.

Data has been collected, and project is undergoing the data processing to identify remedial measures, priorities and costs thereof.

8.5 WATER CONSERVATION AND DEMAND MANAGEMENT (NON REVENUE WATER)

The Department of Water and Sanitation requested the municipalities to reduce water loss due to water scarcity in the country and also limited resources for providing water. Water loss is being attributed to ageing infrastructure, and poor operations and maintenance of the water schemes. During 2015/16 financial year, Umzinyathi District Municipality received funding from COGTA and DWS to implement an intervention with the aim of reducing water loss. Through the funding provided, the municipality first implemented the intervention at Endumeni Municipality where pressure reducing valves were installed due to high water pressure which was leading to the burst of pipes, 40% - 50% water loss was being experience under Endumeni Municipality.

The municipality has managed to save two million litres a day at Endumeni Municipality which can be utilised for consumption. The municipality is currently rolling out the programme to other local municipalities within the district to reduce water loss.

8.5.1 FREE BASIC SERVICES

The municipality has a policy in place, which provides for provision of free basic services to the households in terms of water. Indigent households within the district receive 6 kilolitres (6000 litres) of free basic water. The current costs of providing free basic services is R 7,600,411.00, and the

proposed budget for 2019/20 financial year is R 8 114,958.00. The municipality has an indigent register in place and it has 27 620 registered indigent households, and its being updated on an annual basis.

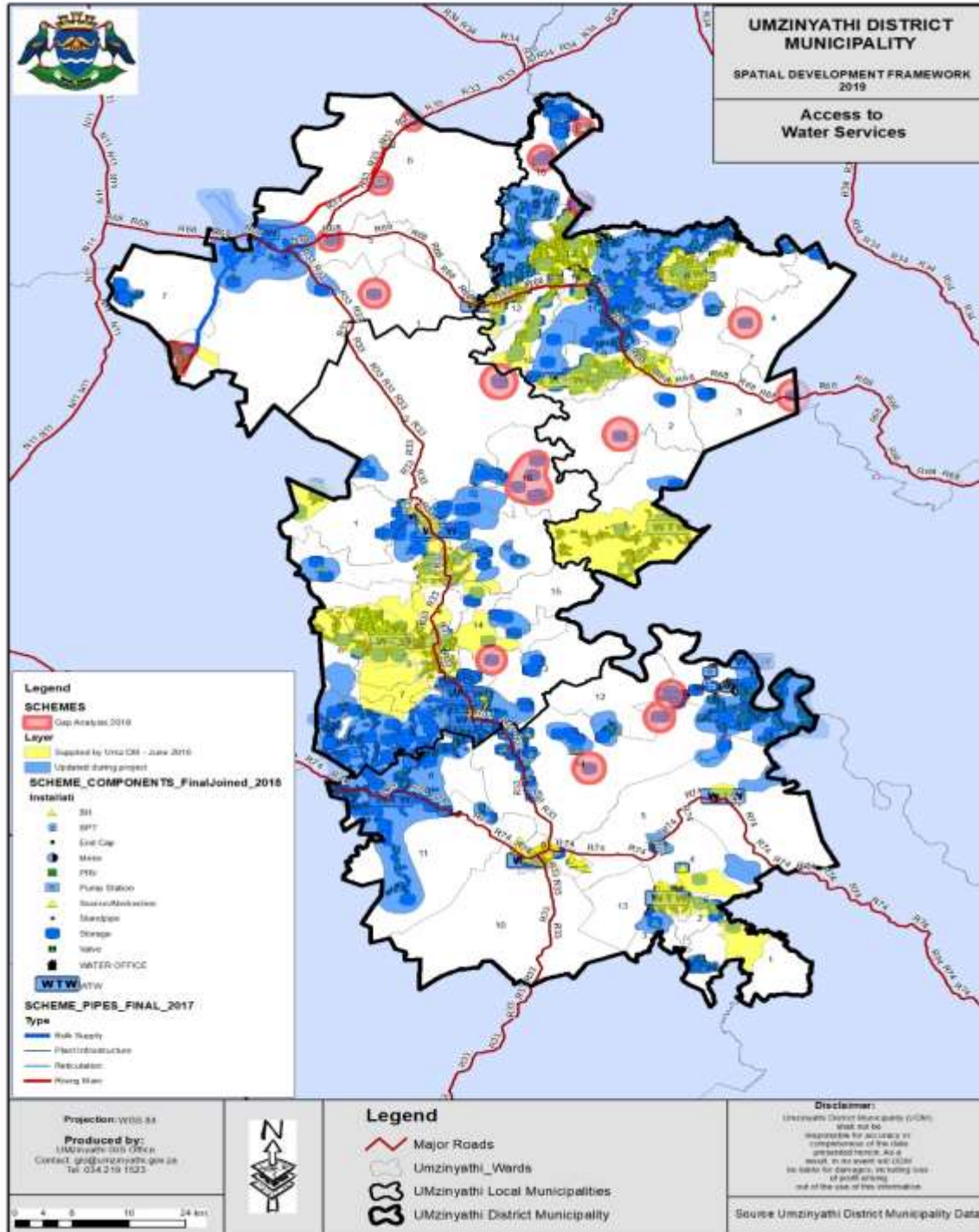
8.5.2 GREEN AND BLUE DROP STATUS

The municipality is committed in ensuring that the 61.46% of Green Drop and 73.2% Blue Drop is increased to a higher percentage in line with the quality standards for the water and sanitation treatment works and plants, and to achieve more 99% as per legislation.

8.5.3 WATER INFRASTRUCTURE VERIFICATION PROJECT

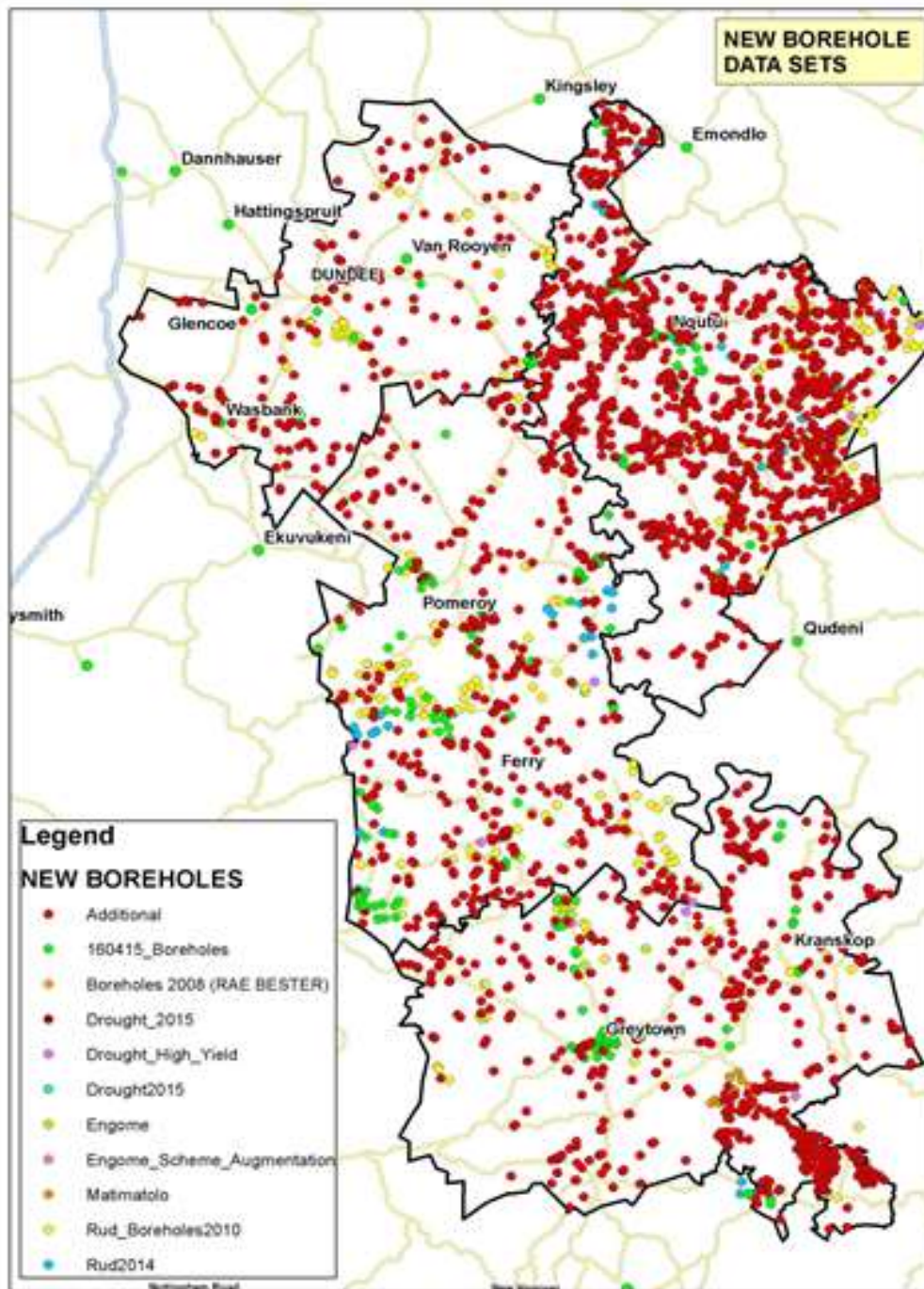
Umzinyathi District Municipality initiated a water infrastructure capture and verification project within the uMzinyathi District for new infrastructure to be consolidated into the existing GIS database of Umzinyathi DM. As part phase one of the project, household points were captured from the latest 2013 high resolution aerial photography. The second verification process related to demographic verification and analysis. The existing settlement names, boundaries and related information with regards to service delivery and were verified and updated for the whole district. To date, water level of services has been updated for settlements, households and infrastructure data, and the project is now complete. Some of the maps indicating the information which has been updated are indicated below:

Map 17: Access to Water services/ Bulk Components



Source: Umzinyathi GIS 2019

Map 18: New Boreholes Data Set



Source: Umzinyathi GIS 2019

Table 35: Basic service delivery and infrastructure investment swot analysis

STRENGTHS	WEAKNESSES
Physical Infrastructure <ul style="list-style-type: none"> • Good Infrastructure Master Plan • Municipal infrastructure • Roads (compliance with national road's legislation, functional roads) • Sanitation (compliance, functionality) • Water (compliance with relevant standards, functional) • The municipality has commenced with water loss management programme. • Technical Support from COGTA and DWS 	<ul style="list-style-type: none"> • Shortage of funds for infrastructure development • Huge infrastructure backlogs • Lack of bulk infrastructure for new / proposed developments • Roads (lack of access roads in rural areas, road maintenance) • Ageing infrastructure resulting in water losses and expensive maintenance • Illegal connections • Lack of skills and training for operations staff • Slow progress on implementation of bulk projects • Low water tariffs • Technical staff posts not filled
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Umzinyathi DM is one of the 27 districts prioritized for development by government and the president • Job opportunities through Expanded Public Works Programme • Enhancement of the inter-governmental relations framework • Increase revenue through meter installation • All government Departments to pay for water • Sell of water to schools directly • Implementation of cost effective tariff. • Implementation of Free Basic Water • Avail more water for economic advancement and job creation. • Back to Basics – Involve Department of Water and Sanitation 	<ul style="list-style-type: none"> • Vandalism of infrastructure • Terrain: resulting in escalated costs of infrastructure provision; • Delays in obtaining approval for Environmental Impact Assessment; • Non – payment of services. • Drought • High Non Revenue Water • Illegal connections • Low levels of funding and increasing population growth • Lack of reliable raw water sources • Increased electricity costs • Increased litigation cases • No By-laws approved by council

9 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

9.1 2019/20 BUDGET

The 2019/20 Budget was finalised on the 22 May 2019 and adopted by council on the 30 March 2019. The budget below also contains projected figures for 2019/20 and original budget figures for 2018/19, indicative figures for 2020/19 and 2021/2022.

- The municipal income for 2018/19 financial year is 712,450,508.00 and the projected figure for 2019/20 financial year is 739,930,749.00 ,which is an increase from the previous financial year, and this is based on the allocation increase in terms of the grants to the municipality; and the indicating figure for 2020/21 is 783,010,481.00
- The expenditure for 2018/19 financial year is 769,887,003.00, and the projected expenditure for the 2019/20 financial year is 749,043,926.00 which is a decrease from the previous financial year, and the indicating figure for 2020/21 is 796,970,378.00;
- The budget for operational programmes for 2018/19 financial year is 59,150,857.00, and the projected figure for the 2019/20 financial year is 16,500,000 which is a decrease from the previous financial year, and the indicating figure for 2020/21 is 17,671,500.00
- The budget in terms of MIG for capital projects for 2018/19 financial year is 188,488,000.00, and the projected figure for 2019/20 financial year is 199,563,000.00 which is a increase from the previous financial year, and this means a positive impact on service service delivery in terms of water and sanitation, and the indicating figure for 2020/21 is 202,240,000.00

TOTAL OPERATING AND CAPITAL BUDGET FOR 2019/20 2020/21 AND 2021/22

	Approved Original Budget 2018/2019	Adjusted Budget 2018/2019	Proposed Original Budget 2019/2020	Proposed Original Budget 2020/2021	Proposed Original Budget 2021/2022
Operating Grants	331,671,753	331,798,641	362,387,000	386,946,000	421,391,000
Other Income	92,283,686	89,386,867	98,266,749	102,214,481	109,880,568
Capital Grants	281,765,000	291,265,000	279,277,000	293,850,000	293,190,000
Total Revenue	705,720,439	712,450,508	739,930,749	783,010,481	824,461,568
Employee related costs	158,813,881	137,157,065	147,479,845	157,950,915	169,797,233
Remuneration of councillors	4,853,065	5,170,717	5,697,101	6,101,595	6,559,215
Bulk Purchases	18,400,000	18,400,000	19,632,800	21,026,729	22,603,733
Other Materials	56,644,000	73,397,042	63,690,066	68,212,061	73,327,966
Contract services	87,449,091	78,520,315	110,991,824	118,872,244	127,787,662
Debt Impairment	12,606,172	12,606,172	13,450,786	14,405,791	15,486,226
Depreciation	41,373,608	41,373,608	44,147,630	47,282,112	50,828,270
General Expenditure	48,465,766	56,346,227	48,176,874	51,597,432	55,467,239
Internal Capital Expenditure	4,574,106	59,150,857	16,500,000	17,671,500	18,996,863
Capital grant expenditure	272,540,750	287,765,000	279,277,000	293,850,000	293,190,000
Total Expenditure	705,720,439	769,887,003	749,043,926	796,970,378	834,044,406
	-	-57,436,495	-9,113,177	-13,959,897	-9,582,838
% of Salaries Total expenditure	23%	18%	20%	21%	21%

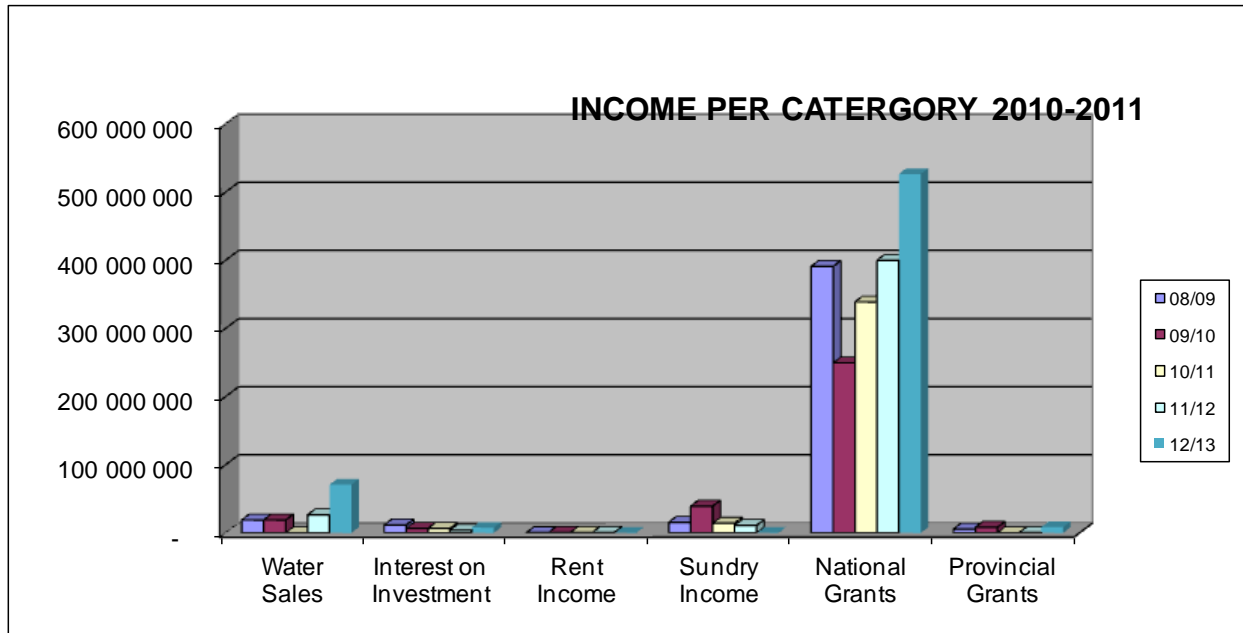
Source: 2019/20 Budget

TOTAL OPERATING AND CAPITAL BUDGET FOR 2019/20, 2020/21 AND 2021/22

Operational budget	Approved Original Budget 2018/2019	Adjusted Budget 2018/2019	Proposed Original Budget 2019/2020	Proposed Original Budget 2020/2021	Proposed Original Budget 2021/2022
Income					
Operating Grants	331,671,753	331,798,641	362,387,000	386,946,000	421,391,000
Water sales: Conventional (Billing)	49,390,000	49,390,000	52,733,703	56,477,796	60,713,631
Interest from receivables: Water (Billing)	13,281,000	13,281,000	15,500,000	16,600,500	17,845,537
Sanitation Charges (Billing)	14,386,000	11,292,215	12,056,698	12,912,724	13,881,178
Water: Connection/Reconnection	159,276	159,276	170,059	182,133	195,793
Interest from Short Term Investments	14,509,211	14,509,211	17,000,000	18,207,000	19,572,525
Rental of premises	548,712	548,712	585,860	627,456	674,515
LGSETA Grant training	185,753	185,753	198,328	212,410	228,340
Publications: Tender Documents	20,700	20,700	22,101	23,671	25,446
Total Revenue	424,152,405	421,185,508	460,653,749	492,189,688	534,527,964
Expenditure					
Employee related costs	158,813,881	137,157,065	147,479,845	157,950,915	169,797,233
Remuneration of councillors	4,853,065	5,170,717	5,697,101	6,101,595	6,559,215
Bulk Purchases	18,400,000	18,400,000	19,632,800	21,026,729	22,603,733
Other materials	56,644,000	73,397,042	63,690,066	68,212,061	73,327,966
Contract services	87,449,091	78,520,315	110,991,824	118,872,244	127,787,662
Debt Impairment	12,606,172	12,606,172	13,450,786	14,405,791	15,486,226
Depreciation	41,373,608	41,373,608	44,147,630	47,282,112	50,828,270
General Expenditure	48,465,766	56,346,227	48,176,874	51,597,432	55,467,239
Total Expenditure	428,605,583	422,971,146	453,266,926	485,448,878	521,857,544
Surplus / (Deficit)	-4,453,178	-1,785,638	7,386,822	6,740,810	12,670,421
% of Salaries Operational expenditure	38%	34%	34%	34%	34%

The following graph provides a summary of income sources for the municipality, the most important element regarding the income is that more than 51% of the income for the municipality is being sourced from the grants.

Graph 1: Income per category 2010-2011



Source: 2018/19 Budget

The following table indicates the projected figures for 2019/20 and 2020/21 in terms of the municipal internal departments. The biggest budget for the municipality has been allocated for Water Services to the amount of 549,143,232.00 as it is the core function of the municipality, which is an increase from the current financial year as the budget allocation was 520,860,659.00, and it also serves to ensure the eradication of the water and sanitation backlogs thereby improving access to the communities.

TOTAL OPERATING AND CAPITAL BUDGET FOR 2019/20 AND 2020/21 PER DEPARTMENTS

Total by Departmental Vote	Approved Original Budget 2018/2019	Adjusted Budget 2018/2019	Original Budget 2019/2020	Original Budget 2019/2020	Original Budget 2019/2020
Council Vote	8,282,693	8,161,157	9,594,820	10,276,052	11,046,756
MM Office Vote	17,160,286	13,076,286	49,548,212	53,066,135	57,046,095
Budget & Treasury Office Vote	48,354,025	43,657,291	42,740,683	45,775,271	49,208,416
Corporate Service Vote	47,514,136	44,330,667	17,743,402	19,003,183	20,428,422
Water and Infrastructure development Vote	524,275,857	615,918,637	562,750,897	597,450,543	619,560,584
Planning & Economic Development Vote	21,775,519	19,142,306	36,707,870	39,314,129	42,262,689
Community Service Vote	33,567,107	22,974,221	33,958,043	36,369,064	39,096,744
Total Municipal Budget	700,929,623	767,260,565	753,043,926	801,254,378	838,649,706

Source: 2019/20 Budget

9.2 FREE BASIC SERVICES

The municipality has a policy in place, which provides for provision of free basic services to the households in terms of water. Indigent households within the district receive 6 kilolitres (6000 litres) of free basic water. The current costs of providing free basic services is R 7,600,411.00, and the proposed budget for 2019/20 financial year is R 8,114,958.00. The municipality has an indigent register in place and it has 27620 registered indigent households, and its being updated on an annual basis.

9.3 REVENUE ENHANCEMENT / COLLECTION RATE

The municipality plans to increase the collection rate through the Billing process as the current average collection rate is at 45%, and the municipality aims to increase it to 55% during 2019/20 financial year, which will be achieved through addressing the issue of illegal connections, vandalism of water schemes, water pipe leaks, non payment of the services and applying the 6 kl (6000 litres) to only indigent communities.

The municipality has a revenue enhancement strategy in place which aims to assist the municipality with increasing the revenue collection and also the identification of the additional potential revenue streams, and its under implementation. The challenge facing the municipality is to successfully turn around the revenue enhancement and to build a sustainable municipality for the future, revenue enhancement which is one of the arsenal of "turn around strategies" that can address the challenges. The municipality also has an indigent policy in place.

9.4 DEBT IMPAIREMENT AND WRITE OFF POLICY

The municipality has a debt impairment and write off policy in place which assist the municipality to identify bad debts during the course of the financial year, the writing off of bad debts at least three months before the end of the financial year, proper delegation of powers to the Chief Financial Officer to write off bad debts up to a certain level, and the proper provision for doubtful debt, and policy is being fully implemented.

9.4.1 PERCENTAGE OF THE CAPITAL BUDGET SPENT

Below is an indication of the percentage of the capital budget which has been spent in the last three years:

2016/2017	2017/2018	2018/2019 – As at 30/04/2019
72%	67%	65%

9.4.2 MUNICIPAL CONSUMER DEBT POSITION

Below is an indication of the municipal consumer debt position for the last three years

2016/2017	2017/2018	2018/2019 – As at 30/04/2019
79 044 922	66 365 012	81 018 566

9.4.3 PERCENTAGE OF THE MUNICIPAL REVENUE INCOME

Below is an indication of the percentage of the municipal revenue which is funded through grants and subsidies

2016/2017	2017/2018	2018/2019 – As at 30/04/2019
89%	92%	88%

9.4.4 EMPLOYEE RELATED COSTS

Below is an indication of the employee related costs (Employees & Councilors).

2016/2017	2017/2018	2018/2019 – As at 30/04/2019
116 410 587	133 619 577	107 947 216

9.4.5 PRIOR YEAR OPERATIONAL BUDGET

Below is an indication of the prior year operational budget.

2016/2017	2017/2018	2018/2019 – As at 30/04/2019
402 519 065	375 007 711	422 971 146

9.5 STATUS OF THE CURRENT BORROWINGS AND PLANNED BORROWINGS

The Municipality has no further borrowings which it still need to be paid therefore has not budgeted. There is however a planned loan of R30.9 Million for the purchase of vehicles, but will still need to be approved by relevant structures of the municipality.

9.5.1 PERCENTAGE OF THE EMPLOYEE RELATED COSTS

The percentage of employee related Costs as at 30 April 2019 is = 13% of total expenditure and 37% of operational expenditure.

9.5.2 TECHNICAL SERVICES

The municipality has Technical Services Department in place, and it is being managed by the Senior Manager. The department has the following units: Project Management Unit, Development Facilitation, Water Services and Operation and Maintenance, and all these units have relevant management and personnel in place. There are lines of communication between the Technical Services and Budget and Treasury Office, through bi-monthly meetings taking place involving the two departments, and being chaired by the Municipal Manager.

Most of the critical positions in the Technical Services Department are filled to ensure the achievement of the desired results which on the main is the provision of water and sanitation, however quality control officers and Technicians are still needed. The SWOT Analysis for this department is indicated under the Basic Service Delivery and Infrastructure Investment Key Performance Area.

9.5.3 BUDGET AND TREASURY OFFICE

The municipality has Budget and Treasury Department in place, and it is being managed by the Chief Financial Officer. The department has the following units, which is the Budget and Reporting, Asset Management, Expenditure, Supply Chain Management and Billing Section, and also these units have relevant management and personnel in place. There is however staff shortages within all the units, especially Accountants, Clerks and Store controllers, which heavily impacts on functioning of the entire office resulting in low collection of revenue, poor contract management, as well as cash flow constraints.

9.5.4 BUDGET AND REPORTING

The municipality has an investment register in place which indicates how the funds of the municipality are invested in order to make interest which can then be utilised for the provision of the basic services. In terms of the equitable shared allocated for indigent support, the municipality has allocated an amount of R 189,974,172.00 from the equitable share for indigent support. The indigent support for 2018/19 financial year is 27,620.

In terms of the monitoring mechanism to ensure that the budget allocated for people living with disabilities is fully utilised, its being applied through the implementation of the Service Delivery and Budget Implementation Plan, being monitored and reported on quarterly, mid - year and annual basis.

The Budget and Treasury Office does not utilise the services of the Consultants for the development and implementation of the financial systems and procedures, its being undertaken inhouse. In terms of the repayment of loans and borrowings, the municipality does not have any to pay therefore has not budgeted for repayment of loans and Borrowings.

9.6 SUPPLY CHAIN MANAGEMENT

The municipality has a Supply Chain Management Unit in place which falls under the Budget and Treasury Office, and has a Sectional Manager and relevant personnel. There is also a Supply Chain Management Policy and Procedures in place as required in terms of section 111 of the Municipal Finance Management Act (No.56 of 2003). The implementation of the policy is applied when the municipality, procures goods or services; disposes goods no longer needed; selects contractors to

provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; or selects external mechanisms referred to in section 80 (1) (b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.

There is also a procurement plan in place which is fully aligned to the Service Delivery and Budget Implementation Plan, which assist and provide guidance on the procurement of goods and services, so to make sure the primary objectives of service delivery are achieved. The municipality also has functional Bid Committees in place which include the Bid Specification Committee, Evaluation Committee and Adjudication Committee, and the members who serve on this committees are Middle Managers and Senior Managers. The procurement plan also assist in keeping to timeframes, from advert to award.

In terms of the irregular expenditure, the municipality incurred irregular expenditure during the year under review. In order to ensure that this does not re-occur during the current financial year, the municipality has put systems in place as part of the action plan to address the audit queries, which management has committed to review all billings submitted by the suppliers to allow for identification of the nature of work performed to enable the municipality to accurately record the transaction on the accounting records before the payment is made to the supplier. The contracts schedule is being compiled and updated on a monthly basis for review and approval by the Chief Financial Officer.

In terms of the deviations, there were 113 deviations as at the end of May 2019, and the approval of these deviations was based on the emergency situations like disaster management, and any other exceptional cases where SCM processes could not be followed. One of the challenges to the unit has been shortage of staff which is being addressed through the organogram for the new financial year.

At the present moment, the Supply Chain Management Policy does not make preferential provision for people living with disabilities, and the municipality intends to review the policy to make provision for youth, women and people living with disabilities during 2019/20 financial year.

9.6.1 ASSET MANAGEMENT

The municipality has an Asset Management Unit in place which falls under the Budget and Treasury Department, and has a Section Manager and relevant peronnel. The Unit also has an asset management plan and policy in place, and the plan is being updated on monthly, quarterly and on an annual basis in line with the assets procured and disposal of assets which are no longer needed. In terms of the asset renewal plan, it forms part of the Operation & Maintenance Plan, and more than 8.6% has been allocated for infrastructure renewal.

9.6.2 REPAIRS AND MAINTENANCE

In terms of the 2019/20 Budget financial year, the budget for repairs and maintenance is R 145,976,158.00 which is about 8.6 % of the fixed assets of the municipality. The municipality has a O &M policy and also working on a Plan to address challenges when the budgeted amount is not sufficient.

9.6.3 FINANCIAL RATIOS

Below is a ratio analysis report which indicates the norm for the municipality, the audited prior years.

Ratio Analysis Report			Restated	Audited	Projected
		Norm	2017	2018	2019
FINANCIAL POSITION					
Asset Management/Utilisation					
1	Capital Expenditure to Total Expenditure	10% - 20%	38%	31%	46%
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	0%	0%	0%	0%
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	8%	6%	10%	54%
Debtors Management					

1	Collection Rate	95%	12%	3%	100%
2	Bad Debts Written-off as % of Provision for Bad Debt	100%	1098%	0%	100%
3	Net Debtors Days	30 days	1,527 days	1,115 days	205 days
Liquidity Management					
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	1 - 3 Months	1 Month	2 Month	2 Month
2	Current Ratio	1.5 - 2:1	1.39	1.31	1.05
Liability Management					
1	Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure	6% - 8%	0%	0%	0%
2	Debt (Total Borrowings) / Revenue	45%	1%	0%	0%
FINANCIAL PERFORMANCE					
Efficiency					
1	Net Operating Surplus Margin	= or > 0%	-30%	-42%	5%
2	Net Surplus /Deficit Electricity	0% - 15%	N/A	N/A	N/A
3	Net Surplus /Deficit Water	= or > 0%	57%	72%	60%
4	Net Surplus /Deficit Refuse	= or > 0%	N/A	N/A	N/A
5	Net Surplus /Deficit Sanitation and Waste Water	= or > 0%	100%	100%	80%
Distribution Losses					
1	Electricity Distribution Losses (Percentage)	7% - 10%	N/A	N/A	N/A
2	Water Distribution Losses (Percentage)	15% - 30%	62%	56%	-150%
Revenue Management					
1	Growth in Number of Active Consumer Accounts	None	N/A	N/A	N/A
2	Revenue Growth (%)	= CPI	-10%	-1%	1%
3	Revenue Growth (%) - Excluding capital grants	= CPI	11%	12%	4%
Expenditure Management					
1	Creditors Payment Period (Trade Creditors)	30 days	11 days	77 days	492 days

2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	0%	54%	49%	0%
3	Remuneration as % of Total Operating Expenditure	25% - 40%	26%	24%	34%
4	Contracted Services % of Total Operating Expenditure	2% - 5%	24%	36%	19%
Grant Dependency					
1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	None	4%	3%	17%
2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	None	4%	3%	17%
3	Own Source Revenue to Total Operating Revenue (Including Agency Revenue)	None	122%	102%	90%
BUDGET IMPLEMENTATION					
1	Capital Expenditure Budget Implementation Indicator	95% - 100%	71%	81%	100%
2	Operating Expenditure Budget Implementation Indicator	95% - 100%	113%	147%	100%
3	Operating Revenue Budget Implementation Indicator	95% - 100%	103%	103%	100%
4	Service Charges and Property Rates Revenue Budget Implementation Indicator	95% - 100%	96%	116%	100%

9.6.4 DEBTORS AGE ANALYSIS

Below is an indication of the Debtors Analysis as at 28 February 2019.

RECEIVABLES FROM EXCHANGE TRANSACTIONS AGE ANALYSIS					
		BUSINESS	INDIGENT	DOMESTIC	STATE
Water Charges	130753130,74	9872458,97	31324449,32	75925966,04	13630256,41
Sewer Charges	39977174,02	2101789,90	12136977,36	23500982,98	2237423,78
Value added taxation	35214762,50	2112531,36	9523497,72	21341785,97	2236947,45
Interest	73637601,18	4182065,85	20410266,68	45118240,86	3927027,79
Payments made in Advance/Adjustments	-1602521,90	-183180,85	-10523,12	-1420157,97	11340,04
Bad debts	1425,38	1204,01	288,01	-5111,24	5044,60
Total service debtors	277981571,92	18086869,24	73384955,97	164461706,64	22048040,07
Total	277981571,92				
Value Added Taxation: Ageing					
		BUSINESS	INDIGENT	DOMESTIC	STATE
Current (0 – 30 days)	1136359,44	302559,89	133358,46	400061,15	300379,94
31 - 60 Days	712625,61	97413,25	142842,78	393840,41	78529,17
61 - 90 Days	685989,90	67409,90	150921,72	404912,11	62746,17
91 - 120 Days	711342,30	-34438,37	181624,32	411765,28	152391,07
120 - 150 Days	541896,01	15363,69	129707,08	303236,86	93588,38
150 - 180 Days	440663,37	20107,70	111016,38	255041,93	54497,36
180 - 210 Days	3711051,44	301710,74	903121,29	2055374,76	450844,65
Greater than 1 Year	27274834,43	1342404,56	7770905,69	17117553,47	1043970,71
Total	35214762,50	2112531,36	9523497,72	21341785,97	2236947,45
Water : Ageing					
		BUSINESS	INDIGENT	DOMESTIC	STATE
Current (0 – 30 days)	6353643,27	1723847,20	654264,76	2135284,32	1840246,99
31 - 60 Days	3821288,31	576509,47	692968,62	2107177,87	444632,35
61 - 90 Days	3611288,91	400849,67	736785,69	2096552,17	377101,38
91 - 120 Days	3752485,36	-181910,25	870830,82	2191106,43	872458,36
120 - 150 Days	3033627,63	258187,37	631478,74	1581590,39	562371,13
150 - 180 Days	2473465,82	148069,15	548699,96	1438676,47	338020,24
180 - 210 Days	19596931,91	1823522,25	4368633,10	10626393,29	2778383,27
Greater than 1 Year	88110399,53	5123384,11	22820787,63	53749185,10	6417042,69
	0,00				
Total	130753130,74	9872458,97	31324449,32	75925966,04	13630256,41
Sewerage: Ageing					
		BUSINESS	INDIGENT	DOMESTIC	STATE
Current (0 – 30 days)	293441,57	258693,53	258693,53	617879,33	124374,89
31 - 60 Days	80386,41	260740,74	260740,74	602756,84	71745,10
61 - 90 Days	68264,54	271526,15	271526,15	594397,00	56006,48
91 - 120 Days	5383,57	315965,39	315965,39	668474,04	121812,06
120 - 150 Days	59275,36	245462,82	245462,82	500860,85	68444,46
150 - 180 Days	42851,60	220547,64	220547,64	599756,22	30190,46
180 - 210 Days	268451,12	1697951,88	1697951,88	3276047,73	426770,33
Greater than 1 Year	1283735,73	8866089,21	8866089,21	16640810,97	1338080,00
Total	2101789,90	12136977,36	12136977,36	23500982,98	2237423,78
Interest: Ageing					
		BUSINESS	INDIGENT	DOMESTIC	STATE
Current (0 – 30 days)	1677280,88	123664,37	431611,54	992543,82	129461,15
31 - 60 Days	1627397,81	117992,93	427800,62	974924,57	106679,69
61 - 90 Days	1588027,82	113355,72	416893,91	950738,23	107039,96
91 - 120 Days	1581908,65	115390,28	403979,70	923246,94	139291,73
120 - 150 Days	1535267,69	112285,04	396224,80	905503,94	121253,91
150 - 180 Days	1469652,99	106311,21	388484,31	881130,04	93727,43
180 - 210 Days	7815266,65	523408,70	2100378,49	4759153,89	432325,57
Greater than 1 Year	56342798,69	2969657,60	15844893,31	34730999,43	2797248,35
Total	73637601,18	4182065,85	20410266,68	45118240,86	3927027,79
Add back credits included above: Ageing					
		BUSINESS	INDIGENT	DOMESTIC	STATE
Current (0 – 30 days)	-375968,24	-70639,85	-3458,99	-174392,40	-127477,00
31 - 60 Days	-139948,36	-70951,00	-2870,88	-57869,14	-8257,34
61 - 90 Days	-57743,02	-9139,22	-1638,72	-46340,15	-624,93
91 - 120 Days	-104943,90	-945,26	-1472,59	-102526,05	0,00
120 - 150 Days	-96875,38	-350,00	-1201,19	-92242,88	-3081,31
150 - 180 Days	-44720,51	-6096,31	-891,02	-37674,75	-58,43
180 - 210 Days	-242415,34	-37451,83	-1935,89	-192642,59	-10385,03
Greater than 1 Year	-534304,93	12392,62	2946,16	-715912,39	166268,68
Total	-1596919,68	-183180,85	-10523,12	-1419600,35	16384,64

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the council on Umzinyathi District Municipality

Report on the audit of the financial statements

Adverse opinion

1. I have audited the financial statements of the Umzinyathi District Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2017, and the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, because of the significance of the matters described in the basis for adverse opinion section of this report, the financial statements do not present fairly, in all material respects, the financial position of the Umzinyathi District Municipality as at 30 June 2017, and its financial performance and its cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2016 (Act No. 3 of 2016) (DoRA).

Basis for adverse opinion

Infrastructure assets

3. The municipality did not recognise all items of infrastructure assets in accordance with SA Standard of GRAP 17, *Property, plant and equipment*. Completed assets were recognised as assets under construction and completed projects were not componentised and depreciated. Additionally, the useful lives for infrastructure assets were revised by management without estimating the period over which the asset was expected to be available for use. I was unable to determine the impact of this misstatement as it was impracticable to do so for the infrastructure assets stated at R1,82 billion and depreciation stated at R24,96 million in note 7 and note 27, respectively to the financial statements. Additionally, there was a resultant impact on the surplus for the period and on the accumulated surplus.

Payables from exchange transactions – Retentions

4. The municipality did not recognise payables in accordance with SA Standard of GRAP 104, *Financial instruments*. The municipality did not record all retention monies withheld on progress payments made for construction contracts. In addition, the amount recorded in the financial statements did not reconcile to the creditors age analysis. I was unable to determine the impact of this misstatement as it was impracticable to do so for the payables stated at R67,45 million and infrastructure assets stated at R1,82 billion in note 13 and note 7, respectively to the financial statements.

Revenue from exchange transactions - Service charges

5. The municipality did not recognise all revenue from the service charges in accordance with SA Standard of GRAP 9, *Revenue from exchange transactions*. The amount of kilolitres used by the municipality to bill consumers did not agree to the actual meter readings. I was unable to determine the impact of this misstatement as it was impracticable to do so for the service charges stated at R44,11 million and consumer debtors stated at R193,10 million in note 18 and note 5, respectively to the financial statements. Additionally, there was a resultant impact on the surplus for the period and on the accumulated surplus.

General expenses

6. I was unable to obtain sufficient appropriate audit evidence for general expenditure due to the status of the accounting records. Supporting documentation did not have adequate information to determine whether all expenditure was properly recorded for water services operating costs and consulting and professional fees. I could not confirm this recorded expenditure by alternative means. Consequently, I was unable to determine whether any further adjustment to general expenses stated at R227,45 million (2015-16: R312,09 million) was necessary.

Water losses

7. I was unable to obtain sufficient appropriate audit evidence for water losses, due to inadequate systems and processes for the recording and monitoring of these losses. I was unable to confirm the water losses by alternative means. Consequently, I was unable to determine whether further any adjustments were necessary to water losses stated at R53,09 million in note 47 to the financial statements.

Context for the opinion

8. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this report.
9. I am independent of the Umzinyathi District Municipality in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
10. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse opinion.

Emphasis of matter

11. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Material underspending of conditional grant

12. As disclosed in note 23 to the financial statements, the municipality materially underspent the regional bulk infrastructure grant by R29,54 million. This was due to the contracts of poorly performing contractors being cancelled.

Other matter

13. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

14. In terms of section 125(2)(e) of the MFMA the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

15. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA, DoRA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
16. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the intention is to liquidate the municipality or cease operations, or there is no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

17. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
18. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

19. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.

20. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

21. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priorities presented in the annual performance report of the municipality for the year ended 30 June 2017:

Development priorities	Pages in the annual performance report
KPA 2 – Basic services delivery and infrastructure investment	18 – 20
KPA 4 – Good governance and public participation	27 – 30

22. I performed procedures to determine whether the reported performance information was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

23. The material findings in respect of the usefulness and reliability of the selected development priority is as follows:

KPA 2 – Basic services delivery and infrastructure investment

Number of households to be provided with access to sanitation facilities within the Reconstruction and Development Programme (RDP) standards: Indicator not reliable

24. The reported achievement for the number of households to be provided with access to sanitation facilities within RDP standards was misstated as the evidence provided indicated an estimated 3 777 and not 5 395 as reported.

Number of households to be provided with access to water within RDP standards: Indicator not reliable

25. The reported achievement for the number of households to be provided with access to water within RDP standards was misstated as the evidence provided indicated an estimated 379 and not 647 as reported.

26. I did not identify any material findings on the usefulness and reliability of the reported performance information for the development priority: good governance and public participation.

Other matters

27. I draw attention to the matters below.

Achievement of planned targets

28. The annual performance report on pages xx to xx; xx to xx includes information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 24 and 25 of this report.

Adjustment of material misstatements

29. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of good governance and public participation and basic services delivery and infrastructure investment development priorities. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information for the basic services delivery and infrastructure investment development priority. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

30. In accordance with the PAA and the general notice issued in terms thereof I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
31. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

32. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements identified by the auditors on infrastructure assets, general expenses, water losses, payables from exchange transactions and service charges in the submitted financial statements were not adequately corrected and the supporting records could not be provided subsequently, which resulted in the financial statements receiving an adverse audit opinion.

Procurement and contract management

33. Goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by supply chain management (SCM) regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation 36(1). Similar non-compliance was reported in the prior year.

Expenditure management

34. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.

35. Effective steps were not taken to prevent irregular expenditure of R244,10 million disclosed in note 44 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the disclosed irregular expenditure was caused by non-compliance with SCM regulations.
36. Effective steps were not taken to prevent fruitless and wasteful expenditure of R103 693 disclosed in note 43 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest and penalties charged on invoices paid late.

Consequence management

37. Some irregular expenditure and fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Other information

38. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report which includes the mayor foreword, accounting officer's report and the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported in the auditor's report.
39. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
40. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
41. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein; I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate; however, if it is corrected this will not be necessary.

Internal control deficiencies

42. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon.
43. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the adverse opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

Leadership

44. Leadership did not adequately oversee financial and performance reporting and compliance with legislation. In this regard, leadership did not ensure that effective measures were taken to address previous findings to support the achievement of credible reporting and compliance with legislative requirements.

Financial and performance management

45. Management did not implement a proper records management system to maintain documents supporting reported performance information as well as revenue, asset and liability management.
46. Systems and controls were not designed in a manner that would prevent, detect and address risks that had an impact on financial; performance and compliance reporting. In this regard, management did not ensure that regular, accurate and complete financial and performance reports that were supported and evidenced by credible information were prepared.

Other reports

47. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
48. An independent consultant investigated an allegation of possible financial misconduct at the request of the municipality, which covered the period 01 July 2015 to 31 December 2016. The investigation was concluded on 11 August 2017 and resulted in criminal and civil proceedings against one official and a disciplinary proceeding against another official.
49. An independent consultant investigated an allegation of possible financial misconduct at the request of the municipality, which covered the period 12 December 2016 to 22 December 2016. The investigation was concluded on 22 June 2017 and resulted in criminal and civil proceedings against one official.
50. The provincial treasury investigated instances of irregular expenditure that covered the period 01 July 2011 to 30 June 2014. The investigation was concluded on 30 June 2017 and resulted in disciplinary proceedings against fifteen officials.

Auditor - General
Pietermaritzburg

30 November 2017



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

9.8 Report of the auditor general to the kwazulu-natal provincial legislature and council of umzinyathi district municipality (year under review 2017/18)

9.8.1 UNDER REVIEW – 2017/18)

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the council on the Umzinyathi District Municipality

Report on the audit of the financial statements

Adverse opinion

1. I have audited the financial statements of the Umzinyathi District Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2018, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget with actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, because of the significance of the matters described in the basis for adverse opinion section of this auditor's report, the financial statements do not present fairly, in all material respects, the financial position of the Umzinyathi District Municipality as at 30 June 2018, and its financial performance and its cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2017 (Act No. 3 of 2017) (DORA).

Basis for adverse opinion

Infrastructure assets

3. The municipality did not recognise all items of infrastructure assets in accordance with SA Standards of GRAP 17, *Property, plant and equipment*. Assets completed were reported as one asset in the fixed asset register and not componentised to allow each asset to be separately identifiable for physical verification. I was unable to determine the impact of this misstatement on infrastructure assets stated at R952,65 million (2016-17: R919,02 million) in note 7 to the financial statements, as it was impracticable to do so.

Value-added tax (VAT) receivable

4. The municipality's VAT receivable balance was overstated due to the municipality's financial system duplicating certain VAT transactions. Consequently, I was unable to determine whether any further adjustment was necessary to the VAT receivable balance, stated at R15,19 million in note 4 to the financial statements.

Trade payables

5. The municipality did not recognise all trade payables from exchange transactions in accordance with SA Standards of GRAP 104, *Financial instruments*. Consequently, I was unable to determine whether any further adjustments were necessary to trade payables stated at R66,22 million (2016-17: R8,61 million) as stated in note 13 to the financial statements.

Expenditure

6. I was unable to obtain sufficient appropriate audit evidence for general expenditure and contracted services due to the status of the accounting records. Supporting documentation did not contain adequate information to determine whether all the expenditure was properly recorded. Consequently, I was unable to determine whether any further adjustments were necessary to general expenses stated at R83,39 million (2016-17: R120,05 million) and contracted services stated at R196,37 million.

Revenue from exchange transactions

7. The municipality did not recognise all revenue from service charges in accordance with SA Standards of GRAP 9, *Revenue from exchange transactions*. The amount of the kilolitres of water that the municipality billed the consumers did not agree to the actual meter readings. I was unable to determine the impact of this misstatement, as it was impracticable to do so for the sale of water amount stated at R57,51 million (2016-17: R33,76 million) in note 19 and consumer debtors stated at R254,09 million (2016-17: R196,27 million) in note 5 to the financial statements. Additionally, there was a resultant impact on the surplus for the period and the accumulated surplus at year-end.

Restatement of corresponding figure - water losses

8. I was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding figure for water losses. As described in note 50 to the financial statements, the restatement was made to rectify a previous year misstatement, but the restatement could not be substantiated by supporting audit evidence. I was unable to confirm the restatement by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the water losses figure stated at R23,16 million in the financial statements.

Context for the opinion

9. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
10. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
11. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse opinion.

Emphasis of matters

12. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Material losses – water

13. As disclosed in note 50 to the financial statements, material water losses of R21,72 million were incurred. Technical and non-technical losses amounted to 6,89 million kilolitres and were due to burst pipes in the reticulation system due to ageing infrastructure and illegal connections.

Unauthorised expenditure

14. As disclosed in the statement of comparison of budget with actual information, the municipality materially overspent its budget by R176,63 million mainly due to overspending, resulting in unauthorised expenditure being incurred.

Other matter

15. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

16. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

17. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

18. In preparing the financial statements, the accounting officer is responsible for assessing the Umzinyathi District Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

19. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

20. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

21. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
22. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
23. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priorities presented in the annual performance report of the municipality for the year ended 30 June 2018:

Development priorities	Pages in the annual performance report
KPA 2 – basic service delivery and infrastructure investment	XX – XX
KPA 3 – local economic development	XX – XX

24. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

25. The material findings in respect of the usefulness and reliability of the selected development priorities are as follows:

Development priority 2 – basic service delivery and infrastructure investment

Various indicators

26. The reported targets in the annual performance report were not consistent with those approved in the integrated development plan (IDP), as the IDP did not include targets for the following indicators:

Indicator description	Target per integrated development plan	Target per annual performance report
Percentage of compliance to quality standards for the waste water treatment works	N/A	75%
Percentage of compliance to quality standards for drinking water	N/A	80%
Turnaround time to attend to water and sanitation related incidents	N/A	3-6 hours
Volumes of water purified and distributed	N/A	10 087 368
Percentage reduction of non-revenue water	War on leaks	1%

Various indicators

27. The measures taken to improve performance against targets for the following indicators were not included in the annual performance report:

Indicator description	Planned target	Actual target
Number of households to be provided with access to water within RDP standards	966	404
Number of households provided with sanitation facilities	2 700	1 318
Percentage of compliance to quality standards for the waste water treatment works	75%	41%
Volumes of water purified and distributed	10 087 368	0
Percentage reduction of non-revenue water	1%	0%

Various indicators

28. The municipality did not have an adequate record keeping system to enable reliable reporting on the achievement of the indicators listed below. As a result, I was unable to obtain sufficient appropriate audit evidence in some instances; while in other cases, the supporting evidence provided did not agree to the reported achievements. Based on the supporting evidence that was provided, the achievement of these indicators was different to the reported achievement in the annual performance report. I was also unable to further confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any further adjustments were required to the reported achievements for the indicators listed below.

Indicator description	Reported achievement
Number of households to be provided with access to water within RDP standards	404
Number of households provided with sanitation facilities	1 319
Percentage of compliance to quality standards for drinking water (SANS 241)	96%
Percentage of compliance to quality standards for the waste water treatment works	41%
Turnaround time to attend to water and sanitation related incidents	3-6 hours
Volumes of water purified and distributed	0

Development priority 3 – local economic development

Various indicators

29. The targets approved in the IDP were inconsistent with the targets reported in the annual performance report.

Indicator description	Target per integrated development plan	Target per annual performance report
Date of adoption of LED strategy	30 December 2017	30 June 2018
Number of SMME /informal economy programmes /supported project.	Not included	1
No of farmer production support units (FPSU) supported	Not included	1
Number of tourism structures supported with grant	Not included	1
Number of jobs created through municipality's LED initiatives including capital projects.	Not included	957

Number of project phases completed for tourism signage

30. The indicator approved in the IDP was not reported in the annual performance report.

Various indicators

31. The following indicators were not specific in clearly identifying the nature and the required level of performance.

Indicator description
Number of SMME /informal economy programmes /supported project.
No of farmer production support units (FPSU) supported
Number of tourism structures supported with grant

Number of project phases completed for tourism signage

32. The indicator and target approved in the IDP was not reported in the annual performance report and no evidence was obtained to confirm that the change had been approved.

Date of adoption of the LED strategy

33. The target approved in the IDP was 30 December 2017. However, the target was changed to 30 June 2018 and no evidence was obtained to confirm that the change had been approved.

Number of jobs created through municipality's LED initiatives

34. The measures taken to improve performance against target of 957 and actual of 0 were not included in the annual performance report.

Various indicators

35. The reported achievement in the annual performance report did not agree to the supporting evidence provided for the indicators listed below. The supporting evidence provided indicated that the achievements of these indicators were as follows:

Indicator description	Reported achievement	Audited value
Date of adoption of LED strategy	30 June 2018	20 September 2018
No. of jobs created through municipality's LED initiatives including capital projects	0	24
Number of tourism structures supported with grant	1	2
Number of SMME /informal economy programmes supported project	1	3

Other matter

36. I draw attention to the matter below.

Achievement of planned targets

37. The annual performance report on pages xx to xx includes information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 28 to 39 of this report.

Report on the audit of compliance with legislation

Introduction and scope

38. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
39. The material findings on compliance with specific matters in key legislation are as follows:

Financial statements

- 40. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA.
- 41. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and/or the supporting records could not be provided subsequently, which resulted in the financial statements receiving an adverse audit opinion.

Expenditure management

- 42. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
- 43. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The majority of the disclosed irregular expenditure was caused by non-compliance with municipal supply chain management (SCM) regulations.

Asset management

- 44. An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.

Revenue management

- 45. An effective system of internal control for debtors and revenue was not in place, as required by section 64(2)(f) of the MFMA.
- 46. I was unable to obtain sufficient appropriate audit evidence that accounts for charges for municipal services were prepared on a monthly basis, as required by section 64(2)(c) of the MFMA.

Consequence management

- 47. Irregular and fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Strategic planning and performance management

- 48. The local community was not consulted on the drafting of the IDP, as required by section 29(1)(b)(ii) of the Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000) (MSA) and municipal planning and performance regulation 15(1)(a)(i).
- 49. The IDP was not developed or adopted by the council after the start of its elected term, as required by section 25(1) of the MSA.

Conditional grants

- 50. Performance in respect of programmes funded by the regional bulk infrastructure, water services infrastructure and rural transport services infrastructure grants was not evaluated, as required by section 12(5) of Dora.

Procurement and contract management

51. Sufficient appropriate audit evidence could not be obtained that contracts were awarded in accordance with the legislative requirements, due to an inadequate filing system.
52. Some goods and services with a transaction value below R200 000 were procured without obtaining the required price quotations, in contravention of SCM regulations 13(c) (GNR 868 of 30 May 2005) and 17(a) and (c).
53. Sufficient appropriate audit evidence could not be obtained that goods and services with a transaction value above R500 000 were procured by inviting competitive bids and/or that deviations were only approved by the accounting officer if it was impractical to invite competitive bids, as required by SCM regulations 19(a) and 36(1).
54. Sufficient appropriate audit evidence could not be obtained that contracts were awarded only to bidders who submitted a declaration on whether they were employed by the state or connected to any person employed by the state, as required by SCM regulation 13(c).
55. Sufficient appropriate audit evidence could not be obtained that the preference point system was applied in all procurement of goods and services above R30 000, as required by section 2(a) of the Preferential Procurement Policy Framework Act of South Africa, 2000 (Act No. 5 of 2000).
56. Sufficient appropriate audit evidence could not be obtained that all extensions or modifications to contracts were approved by a properly delegated official, as required by SCM regulation 5.
57. Awards were made to service providers who were in the service of other state institutions or whose directors / principal shareholders were in the service of other state institutions, in contravention of section 112(j) of the MFMA and SCM regulation 4.

Other information

58. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported in this auditor's report.
59. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
60. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
61. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.

62. The other information I obtained prior to the date of this auditor's report are the mayor's foreword and the municipal manager's overview, while the audit committee's report is expected to be made available to me after 30 November 2018.
63. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.
64. When I do receive and read the report of the audit committee, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

65. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
66. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the adverse opinion, the findings on the performance report and the findings on compliance with legislation included in this report.
67. The leadership did not adequately exercise oversight responsibility over the preparation and review of the financial statements and the annual performance report.
68. There has also been an increase in the vacancy levels and instability in key management positions, which resulted in a lack of proper supervision, reviews as well as monitoring of the implementation of the audit action plan.
69. Management did not ensure that monthly information was reconciled for infrastructure assets, revenue and receivables to ensure the quality of monthly management information and ultimately the year-end financial statements.
70. Management did not adequately monitor and review the performance information to ensure that it was well defined and agreed to supporting information.
71. There was also inadequate ongoing monitoring of compliance with the applicable laws and regulations.

Other reports

72. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

Investigations

73. An investigation in terms of section 106 of the MFMA was conducted by an independent consulting firm, on behalf of the Department of Cooperative Governance and Traditional Affairs. The investigation covered the period 1 July 2015 to 30 June 2017 and related to expenditure for boreholes and debt collection that was not supported by adequate documentary evidence. The municipality is awaiting the release of the final report.
74. An investigation covering the period 1 July 2014 to 30 June 2018 is being conducted by an independent consulting firm at the request of the municipality. The firm is looking into value for money on expenditure and whether supply chain processes were followed relating to the construction of the municipality's disaster management centre. The investigation is currently in progress.

Auditor-General
Pietermaritzburg

30 November 2018



AUDITOR-GENERAL
SOUTH AFRICA

Aiding to build public confidence

9.8.2 ACTION PLAN TO ADDRESS THE AUDIT QUERIES

The municipality has developed an action with the aim of addressing the issues which were raised by the Auditor General as part of the Audit Outcome. The Action plan serves as an agenda item as part of the Top Management Committee Meetings to monitor and track progress, and also serves part of the agenda item for the Audit Committee to provide guidance and oversight. The Internal Audit Unit monitors the progress in terms of the implementation of the Action Plan and reports are then submitted to the to Top Management Committee and Audit Committee, and the action plan is indicated below:

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
1. MISSTATEMENT ON INFRASTRUCTURE ASSETS	The municipality did not recognise all items of infrastructure assets in accordance with SA Standards of GRAP 17, <i>Property, plant and equipment</i> . Assets completed were reported as one asset in the fixed asset register and not componentised to allow each asset to be separately identifiable for physical verification.	<p><u>Audit action</u> <i>The municipality will engage with uThukela Water(entity) to gather all documentation for the componentisation of assets acquired prior to the transfer.</i> <u>Responsible Official</u> CFO AO DIRECTOR: TECHNICAL SERVICES</p> <p><u>Target Date</u> 30 APRIL 2019</p>	<i>All assets relating to 2015 to 2018 have been componentised, the challenge was that it was too late for the Auditors to audit. This information is available for audit.</i>	<ul style="list-style-type: none"> A took place between UTW and UDM and it was resolved that all the documents for componentisation will be collected from UTW on the 25th of February 2019. A meeting will be convened between the municipality and National Treasury through the GTAC intervention (27th February 2019) (Asset Management). 	
2. OVERSTATEMENT OF VAT RECEIVABLE	The municipality's VAT receivable balance was overstated due to the municipality's financial system duplicating certain VAT transactions.	<p><u>Audit action</u> The municipality will further engage with the system vendor to correct this finding, because this is financial system error not user challenges.</p> <p><u>Responsible Official</u></p>	<i>There have been engagements with the system vendor onsite to rectify the parameters on the financial system.</i>		

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
		CFO MANAGER: ASSETS <u>Target Date</u> 28 FEBRUARY 2019			
3. MISTATEMENT OF TRADE PAYABLES	The municipality did not recognise all trade payables from exchange transactions in accordance with SA Standards of GRAP 104, <i>Financial instruments</i> . Consequently, I was unable to determine whether any further adjustments were necessary to trade payables stated at R66,22 million (2016-17: R8,61 million) as stated in note 13 to the financial statements.	<u>Audit action</u> The municipality will investigate the differences between the ledger and the sub ledger from the date when the data was transferred from Sebata to Munsoft <u>Responsible Official</u> CFO MANGER: EXPENDITURE <u>Target Date</u> 28 FEBRUARY 2019	The municipality has managed to reduce the difference by R 3.2 million, a further investigation is in progress in finding the balance.		
4. EXPENDITURE	I was unable to obtain sufficient appropriate audit evidence for general expenditure and contracted services due to the status of the accounting records. Supporting documentation did not contain adequate	<u>Audit action</u> The municipality has delegated the outsourced internal auditors to investigate all findings relating to Operations and Maintenance. <u>Responsible Official</u> IA	The investigation by Internal Auditors has commenced. A provisional report is to be submitted in		

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	information to determine whether all the expenditure was properly recorded. Consequently, I was unable to determine whether any further adjustments were necessary to general expenses stated at R63,39 million (2016-17: R120,05 million) and contracted services stated at R196,37 million.	AO TECHNICAL SENIOR MANAGER CFO <u>Target Date</u> 28 FEBRUARY 2019	January 2019		
5. MISSTATEMENT ON REVENUE FROM EXCHANGE TRANSACTIONS	The municipality did not recognise all revenue from service charges in accordance with SA Standards of GRAP 9, <i>Revenue from exchange transactions</i> . The amount of the kilolitres of water that the municipality billed the consumers did not agree to the actual meter readings. I was unable to determine the impact of this misstatement, as it was impracticable to do so for the	<u>Audit action</u> The municipality will do a thorough review on the final billing run on monthly basis to eliminate all the discrepancies. A proper record keeping will be implemented by the municipality to support all the corrections made before the final billing run. <u>Responsible Official</u>			

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	sale of water amount stated at R57,51 million (2016-17: R33,76 million) in note 19 and consumer debtors stated at R254,09 million (2016-17: R196,27 million) in note 5 to the financial statements. Additionally, there was a resultant impact on the surplus for the period and the accumulated surplus at year-end.	CFO MANAGER: REVENUE <u>Target Date</u> 28 FEBRUARY 2019			
6. RESTATEMENT OF CORRESPONDING FIGURE- WATER LOSSES	I was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding figure for water losses. As described in note 50 to the financial statements, the restatement was made to rectify a previous year misstatement, but the restatement could not be substantiated by supporting audit evidence. I was unable to confirm the restatement by alternative means.	<u>Audit action</u> The documentation relating to the inputs will be kept in the office of the Manager Operations and will be readily be available for audit. <u>Responsible Official</u> MANAGER: REVENUE MANAGER: O&M <u>Target Date</u> 28 FEBRUARY 2019			

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	Consequently, I was unable to determine whether any adjustment was necessary to the water losses figure stated at R23,16 million in the financial statements.				
7. MATERIAL LOSSES- WATER	Material water losses of R21,72 million were incurred. Technical and non-technical losses amounted to 6,89 million kilolitres and were due to burst pipes in the reticulation system due to ageing infrastructure and illegal connections.	<u>Audit action</u> <ul style="list-style-type: none"> • Implementation of war on leaks program • Disconnections of illegal connection • Compilation and monitoring of incident reports <u>Responsible Official</u> TECHNICAL SERVICES <u>Target Date</u> 30 March 2019			
	REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT				
8. ANNUAL TARGETS NOT	The reported targets in the annual performance report were	<u>Audit action</u>	All the inconsistencies		

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
CONSISTENT WITH THE APPROVED IDP	not consistent with those approved in the integrated development plan (IDP).	<p>The inconsistencies have been corrected in the 2018/19 financial year and are in the process of being submitted to the IA unit for further validation. Senior Management with the assistance of the Internal Auditors will ensure that proper quality assurance processes are undertaken before submission to the Auditor General.</p> <p><u>Responsible Official</u></p> <p>PED</p> <p><u>Target Date</u></p> <p>28 February 2019</p>	have been corrected in the mid-year performance report and is awaiting for approval scheduled on the 28 th of February 2019.		
	REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION				
9. ANNUAL FINANCIAL STATEMENT	The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1)	<p><u>Audit action</u></p> <p>Interim Financial Statements will be prepared and be audited by the Internal Auditors</p> <p>Month reconciliations to be prepared and reviewed by senior officials.</p>	The municipality is migrating to financial system (Pastel Evolution), the interim		

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	<p>of the MFMA.</p> <p>Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and/or the supporting records could not be provided subsequently, which resulted in the financial statements receiving an adverse audit opinion.</p>	<p>Request Provincial Treasury for support.</p> <p><u>Responsible Official</u></p> <p>CFO</p> <p><u>Target Date</u></p> <p>30 April 2019</p>	<p>financials will be prepared subsequent to migration.</p>		
10. PROCUREMENT AND CONTRACT MANAGEMENT	<p>Sufficient appropriate audit evidence could not be obtained that contracts were awarded in accordance with the legislative requirements, due to an inadequate filing system.</p> <p>Some goods and services with a transaction value below R200 000 were procured without obtaining the required price quotations, in contravention of</p>	<p><u>Audit action</u></p> <p>Develop and adopt a procurement plan</p> <p>Implement an effective reporting in compliance with all SCM regulations, SCM policy and MFMA</p> <p>All Finance reports will be submitted to every Audit Committee meeting for noting.</p> <p><u>Responsible Official</u></p>			

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	<p>SCM regulations 13(c) (GNR 868 of 30 May 2005) and 17(a) and (c).</p> <p>Sufficient appropriate audit evidence could not be obtained that goods and services with a transaction value above R500 000 were procured by inviting competitive bids and/or that deviations were only approved by the accounting officer if it was impractical to invite competitive bids, as required by SCM regulations 19(a) and 36(1).</p> <p>Sufficient appropriate audit evidence could not be obtained that contracts were awarded only to bidders who submitted a declaration on whether they were employed by the state or connected to any person employed by the state, as required by SCM regulation</p>	<p>MANAGER: SCM CFO AO</p> <p><u>Target Date</u> <i>Ongoing</i></p>			

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	<p>13(c).</p> <p>Sufficient appropriate audit evidence could not be obtained that the preference point system was applied in all procurement of goods and services above R30 000, as required by section 2(a) of the Preferential Procurement Policy Framework Act of South Africa, 2000 (Act No. 5 of 2000).</p> <p>Sufficient appropriate audit evidence could not be obtained that all extensions or modifications to contracts were approved by a properly delegated official, as required by SCM regulation 5.</p> <p>Awards were made to service providers who were in the service of other state institutions or whose directors / principal shareholders were in the service</p>				

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	of other state institutions, in contravention of section 112(j) of the MFMA and SCM regulation 4.				
11. EXPENDITURE MANAGEMENT	Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.	<u>Audit action</u> Convening of the Interim Finance Committee Engaging in payment arrangements with creditors <u>Responsible Official</u> MANAGEMENT MANAGER: EXPENDITURE <u>Target Date</u> Weekly			
12. EXPENDITURE MANAGEMENT	Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The majority of the disclosed	<u>Audit action</u> Implementation of procurement plan <u>Responsible Official</u>			

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	irregular expenditure was caused by non-compliance with municipal supply chain management (SCM) regulations.	CFO MANAGER: SCM <u>Target Date</u> Monthly			
13. CONSEQUENCE MANAGEMENT	Irregular and fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.	<u>Audit action</u> Fully implement S32 of the MFMA (report as per MFMA to all stakeholders and council). <u>Responsible Official</u> CFO MANAGER: SCM <u>Target Date</u> Monthly			
	INTERNAL CONTROL DEFECIENCIES				
14. LEADERSHIP	The leadership did not adequately exercise oversight responsibility over the preparation and review of the financial statements and the	<u>Audit action</u> Effectiveness of Municipal Council and sub-committees <u>Responsible Official</u>			

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	annual performance report.	SENIOR MANAGER: CORPORATE SERVICES AO <u>Target Date</u> 28 February 2019			
15. FINANCIAL AND PERFORMANCE MANAGEMENT	<p>Management did not adequately monitor and review the performance information to ensure that it was well defined and agreed to supporting information.</p> <p>Management did not ensure that monthly information was reconciled for infrastructure assets, revenue and receivables to ensure the quality of monthly management information and ultimately the year-end financial statements.</p>	<u>Audit action</u> Management to monitor and review performance information. <u>Responsible Official</u> SENIOR MANAGEMENT <u>Target Date</u> Quarterly			
	OTHER REPORTS				
16. INVESTIGATIONS	An investigation in terms of	<u>Audit action</u> The appointment of investigators has	The report is with the MEC		

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	section 106 of the MFMA was conducted by an independent consulting firm, on behalf of the Department of Cooperative Governance and Traditional Affairs. The investigation covered the period 1 July 2015 to 30 June 2017 and related to expenditure for boreholes and debt collection that was not supported by adequate documentary evidence.	been done <u>Responsible Official</u> AO <u>Target Date</u> 30 April 2019	the probable date tabling of the report is in April 2019		
17. INVESTIGATIONS	An investigation covering the period 1 July 2014 to 30 June 2018 is being conducted by an independent consulting firm at the request of the municipality. The firm is looking into value for money on expenditure and whether supply chain processes were followed relating to the construction of the municipality's disaster management centre.	<u>Audit action</u> The council resolved on the appointment of investigators to investigate the work done on the construction of the disaster centre. <u>Responsible Official</u> AO <u>Target Date</u> 28 February 2019	An appointment was done in September 2018. The appointment was made in terms of regulation 36 of SCM.		

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	INTERNAL CONTROLS AND GOVERNANCE				
18. OVERSIGHT RESPONSIBILITY	<p>As the accounting officer and municipal council did not adequately exercise oversight responsibility over the preparation and review the financial statements and the annual performance report before submitting them for auditing, numerous misstatements as were identified and have not been corrected.</p> <p>The municipality did not have sufficient monitoring controls to ensure adherence to the supply chain management regulations and other key legislation.</p>	<p><u>Audit action</u> Internal Audit will review the financial statements and performance information <u>Responsible Official</u> AO <u>Target Date</u> 30 April 2019</p>			
19. HUMAN RESOURCES MANAGEMENT (MANAGEMENT)	The positions of the chief financial officer and the senior manager: corporate services	<p><u>Audit action</u> The CFO and Senior Manager Planning and Economic Development has been</p>			

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
OF VACANCIES, APPOINTMENT PROCESSES AND PERFORMANCE MANAGEMENT SYSTEM)	<p>were vacant for more than 12 months.</p> <p>Appointments were made in posts that had not been included in the approved organogram.</p> <p>Appointments were made in posts that had not been advertised.</p> <p>The prescribed selection and approval processes were not always followed for new appointments.</p> <p>The verification process for new appointments did not always take place.</p> <p>No performance management system was in place for employees other than senior managers</p>	<p>appointed by council and waiting for MEC concurrence.</p> <p>The Senior Manager Corporate Services was appointed and started on 1 October 2018.</p> <p>The Organogram is going to be reviewed to check deficiencies on post that are not on the approved structure. The verification of all position that were recently filled is going to be done. The Performance Management System is going to be cascaded down since the policy was approved by Council on 14 December 2018.</p> <p><u>Responsible Official</u></p> <p>SENIOR MANGER; CORPORATE SERVICES</p> <p><u>Target Date</u></p> <p>Appointments of Senior Managers – 1 March 2019 Organogram – 30 June 2019 PMS – 30 June 2019 Verification -28 February 2019</p>			

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
20. POLICIES AND PROCEDURES	The municipality did not adhere to its credit control and debt management policy with regards long outstanding debts and the payment of reconnection fees when reinstating terminated services.	<p>Audit action</p> <p>Implementation of credit control policy</p> <p>Implementation of the developed revenue enhancement strategy</p> <p>Responsible Official</p> <p>CFO MANAGER:REVENUE</p> <p>Target Date</p> <p>28 February 2019</p>			
21. POLICIES AND PROCEDURES	Management Has not implemented controls to ensure that supporting documents as required by the indigent policy are obtained from the local municipalities and used to assess whether applicants do meet the criteria for being indigents.	<p>Audit action</p> <p>The municipality will ensure that the indigent register is in compliance with the policy.</p> <p>Responsible Official</p> <p>Target Date</p> <p>28 February 2019</p>			
22. POLICIES AND PROCEDURES	The municipality did not have documented and approved	<p>Audit action</p> <p>Standard operating procedures will be</p>			

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	internal policies and procedures to address the process of collecting, recording, processing, monitoring and reporting performance information.	developed and implemented. <u>Responsible Official</u> CFO <u>Target Date</u> 31 March 2019			
23. ACTION PLANS TO ADDRESS INTERNAL CONTROL DEFICIENCIES	The municipality developed a plan to address internal and external audit findings, but the appropriate level of management did not monitor adherence to the plan in a timely manner	<u>Audit action</u> <u>Responsible Official</u> AO SENIOR MANAGEMENT <u>Target Date</u>			
24. INFORMATION TECHNOLOGY GOVERNANCE FRAMEWORK	An Information Technology (IT) Governance Framework had been developed and was implemented at uMzinyathi District Municipality. It was however noted that the IT Strategic Plan did not include sufficient detail and had not been approved. Furthermore, IT Steering Committee meetings were not held during the 2017-18 financial year. These impediments to IT governance	<u>Audit action</u> The IT Strategy Plan is going to be reviewed The IT Steering Committee members will be re-appointed to fill gaps of members that are no longer with organisation. <u>Responsible Official</u> SENIOR MANAGER: CORPORATE SERVICES			

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	were the result of training not being provided to IT staff to ensure that they were skilled and equipped with the required understanding to develop IT strategic documents and non-compliance to the IT Steering Committee Terms of Reference due to the availability of staff	<u>Target Date</u> IT Strategy Plan- 31 March 2019 IT Steering Committee – 31 March 2019			
25. RECORD KEEPING	The municipality did not have a proper record management system to maintain information that supported the reported performance in the annual performance report. Job cards that support the complaints attended to were not provided for audit.	<u>Audit action</u> The Record Management System is going to be enhanced <u>Responsible Official</u> SENIOR MANAGER: CORPORATE SERVICES <u>Target Date</u> 30 June 2019			
26. DAILY PROCESSING AND RECONCILING OF TRANSACTIONS	Inadequate training received by the finance team on how to run user friendly reports that can be matched to the financial statements resulting in significant delays in receive a	<u>Audit action</u> The municipality will engage with the system vendor through user groups. <u>Responsible Official</u> CFO <u>Target Date</u>			

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	<p>general ledger that agrees to the financial statements.</p> <p>Management did not perform adequate reviews to ensure that the amounts disclosed as revenue from the sale of water agrees to supporting information and that revenue raised on the sale of water agrees to actual meter readings.</p> <p>Management has not adequately reviewed supporting invoices from subcontractors to ensure that they cast and agree to the main invoice and VAT levied is not double accounted for.</p> <p>Management did not perform adequate reviews to ensure that</p>	<p><u>Audit action</u> A review will be performed on monthly basis to eliminate discrepancies in processing.</p> <p><u>Responsible Official</u> CFO MANAGER: REVENUE</p> <p><u>Target Date</u> 28 February 2019</p> <p><u>Audit action</u> A review will be performed on monthly basis to eliminate discrepancies in processing.</p> <p><u>Responsible Official</u> CFO MANAGER EXPENDITURE</p> <p><u>Target Date</u> 28 February 2019</p> <p><u>Audit action</u> The municipality will engage with the system vendor to correct this.</p> <p><u>Responsible Official</u> MANAGER: ASSETS</p>			

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	<p>VAT transactions were not duplicated in the general ledger.</p> <p>Management did not implement control measures to ensure that the commitments schedule is regularly updated in line with the approved/ revised contractual agreements and expenditure</p> <p>Inadequate controls to ensure that approved contracts amounts are not exceeded and that laws and regulations are complied with for all contracts which have a financial impact of more than three years.</p>	<p><u>Target Date</u> 28 February 2019</p> <p><u>Audit action</u> Commitment schedule will be prepared and reviewed on monthly basis</p> <p><u>Responsible Official</u> CONTRACTS OFFICER</p> <p><u>Target Date</u></p> <p><u>Audit action</u> A contracts register will be monitored on monthly basis.</p> <p><u>Responsible Official</u> CONTRACTS OFFICER</p>			
27. INFORMATION TECHNOLOGY SYSTEMS	In the current audit, findings were reported relating to the Windows Active Directory,	<p><u>Audit action</u></p> <p>The Security Management, user access control and program change</p>			

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	<p>Munsoft and VIP systems. These findings ranged across the IT general controls focus areas of IT security management, user access controls and program change management.</p> <p>The IT Security Policy, network security patch reports, user activity audit logs and failed logon attempts for the Windows Active Directory, Munsoft and VIP systems had not been reviewed. Firewall management weaknesses were also noted due to a lack of technical skills at the municipality. Management oversight, the Windows Server Update Services (WSUS) server having technical problems and no individual being assigned to perform specific security management tasks resulted in these findings.</p> <p>Findings relating to user account management procedures not</p>	<p>management is be reviewed in IT Security Policy to deal with associated findings.</p> <p>The reports will be reviewed on monthly based, that include Windows Active Directory, Munsoft, VIP.</p> <p>Windows Server 2003 will be upgraded to Windows Server 2012 to deal with issues of WSUS (Windows Server Update Services) Server, to be able to monitor windows patches and review them.</p> <p>Responsible Official Senior Manager: Corporate Services</p> <p>Target Date 31 March 2019</p>			

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	containing sufficient detail and administrator activities and user access rights not being reviewed for Windows Active Directory, Munsoft and VIP were identified. These findings were attributed to responsibility for the performance of user access reviews not being assigned to a specific individual within the municipality.				
	GOVERNANCE				
28. INTERNAL AUDIT	The internal audit unit did not adequately review financial and performance reports to confirm the reliability of the reports before their submission to the external auditors as numerous findings were identified in this regard.	<u>Audit action</u> Appointment of Internal Auditors to complement the existing structure within the municipality. Assistance will be sought from Provincial Treasury to perform an independent review of internal audit. <u>Responsible Official</u> ACCOUNTING OFFICER <u>Target Date</u>			

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	<p>The internal audit function was not adequately and appropriately resourced relative to the size of the entity and the nature of its operations resulting in some of the audits included in the annual audit plan not been performed.</p> <p>No evidence was provided for audit to confirm that internal audit unit work was subjected to quality assurance reviews by a qualified independent reviewer</p>				
29. AUDIT COMMITTEE	<p>The audit committee unit did not adequately review financial and performance reports to confirm the reliability of the reports before their submission to the external auditors as numerous findings were identified in this regard.</p> <p>No evidence was provided for</p>	<p><u>Audit action</u> The appointment of audit committee and functionality thereof</p> <p><u>Responsible Official</u> ACCOUNTING OFFICER</p> <p><u>Target Date</u></p>	<p>The committee members have been appointed and the committee is functional.</p>		

Nature of Audit Query	Audit Query	Audit Response (Quarter 1)	Audit Response Progress (Quarter 2)	Audit Response Progress (Quarter 3)	Audit Response Progress (Quarter 4)
	<p>audit to confirm that the audit committee:</p> <ul style="list-style-type: none"> • advised the council / accounting officer on matters relating to effective governance • did have regular meetings with the executive. • did monitor compliance with legislation • did monitor compliance with supply chain management regulations 				

9.9 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Sound financial management policies, procedures and practice in place • Preparation of sound monthly reporting and reconciliations and ensuring adherence to the policies • Fully capacitated finance staff and have fully enrolled on MFMP programme • Collection of VAT from SARS without paying any commission to the service provider (Internal collection) • BID committees are in place • Internally complying of Budget 2018/2019 and AFS 2017/2018 	<ul style="list-style-type: none"> • No full time CFO • Low collection of billed revenue • Non- functional and non-supportive financial system • No monitoring and evaluating of work and systems • Poor contract management • Weak Internal audit unit and none functional audit committee • Cash flow constraints • Poor billing system • Creditors not paid within 30 days • Inability to attract qualified asset engineer • Failure to set aside 8% for the Maintenance and Repair of assets • Low capital expenditure
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Maximise the Debt collection • Exploit the Public Private Enterprise contracts • Imposing tourism levies • Preservation of water • Improving on the budgets and financial statements • Good credit rating through good audit outcomes 	<ul style="list-style-type: none"> • Dependency on grants and subsidies funding • Illegal connections and unmetered connections • Climate changes causing irregularities • Drought impacting on community unrest • Impairment of assets due to community unrest

10 LOCAL ECONOMIC DEVELOPMENT -

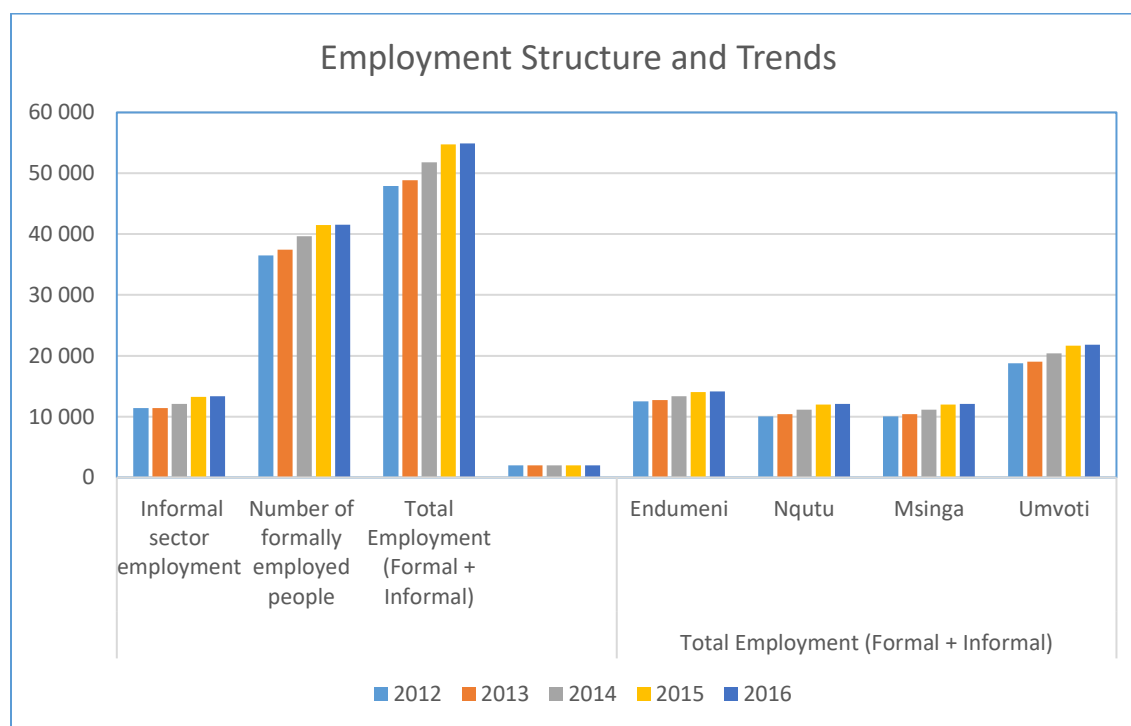
10.1 Economic status quo

10.1.1 ECONOMIC STRUCTURE AND TRENDS

Overall the employment market in the district indicates an increasing trend between 2012 and 2016 with a marginal increase in both the informal and formal sector employment opportunities. The Informal Sector with an increase of 1948 from 11416 in 2012 to 13364 in 2016 whilst the formal sector with an increase of 5071 from 36484 to 41555 in 2016.

This could be seen as a direct influence with the districts education levels as more and more 20+ people now are literate according to the education levels below. The statistics indicated that there is rapid growth within the urban areas of the district whilst the rural areas are growing slowly. This aspect will also act as an important push factor in migration decision-making of the district population, and is likely to contribute to the out migration of the economically active population from the district. The information depicted in Table 21.

Graph 2 : Employment Structure and Trends



Source: Global insight 2017

10.1.2 EDUCATION PROFILE

The level of education is an important indicator of the future prosperity or challenges facing an economy. In this regard, it can be deduced that the uMzinyathi District Municipality has to play a vital role in stimulating the economy that will cater for the needs of the majority of the population. The table below reveals the education levels within the District.

Table 36 : Education levels in the District

Education	2006	2011	2016	2006-2016 growth rate
No school	25.8%	21.0%	21.7%	-0.4%
Primary school	39.5%	37.0%	37.6%	0.9%
Secondary school	32.4%	39.4%	38.1%	3.0%
Higher	2.3%	2.7%	2.7%	3.2%
Total	100.0%	100.0%	100.0%	1.4%

Source: uMzinyathi Local Economic Development Strategy 2017

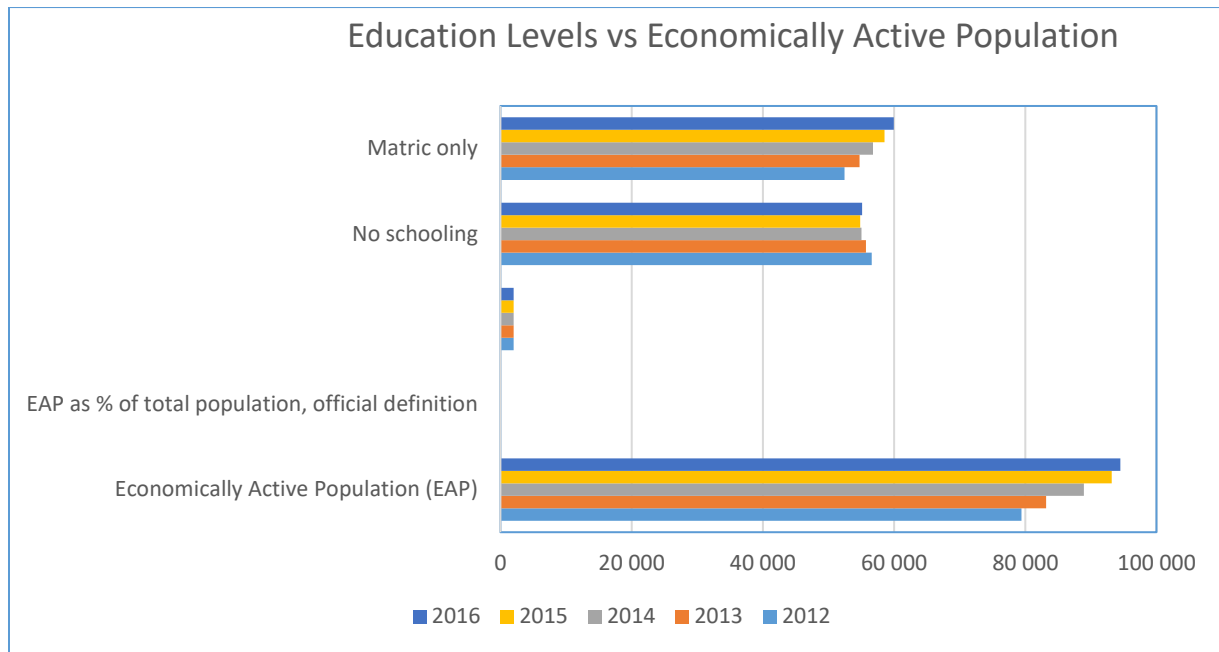
The largest number of young people in this category is to be found in the rural areas where education, skills and opportunities are least available. A continuation of this trend undermines the growth of the economy of uMzinyathi as it accumulates unskilled labour in the labour market. Efforts should be geared towards improving the level of education in the municipality.

10.1.3 EDUCATION LEVELS VS ECONOMICALLY ACTIVE POPULATION

The relationship between the levels of employment and the education levels of the population older than 20 years of age is reflected in Graph 2. In the year 2012 the number of people with no schooling was 56580 and 55146 in 2016 this indicates a decrease of 1434 whilst the number of 20 + people with Matric only increased from 52428 in 2012 to 59938 in 2016 which indicates an increase of 7510.

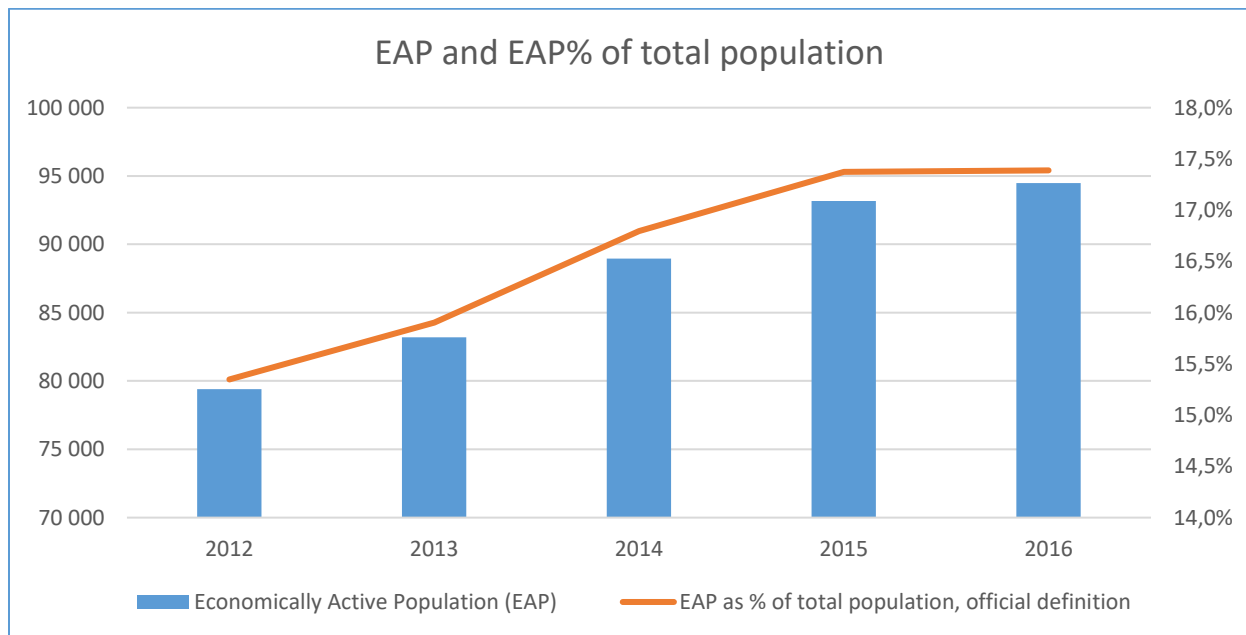
Whilst the increase in number with people who have Matric only is showing a rapid increase it is also important to note that the completion of secondary school education provides very little guarantee of finding any form of formal employment within the district. It also confirms the importance of tertiary education to successfully enter the employment market, even in districts with limited availability of formal sector employment opportunities.

Graph 3 : Education Levels vs Economy



Source: Global insight 2017

Graph 4: EAP of total population



Source: Global insight 2017

10.1.4 UNEMPLOYMENT RATE

One of the critical challenges identified in the National Development Plan 2030 is the extremely high levels of unemployment amongst the youth of South Africa. The information depicted in Graph 5 and Graph 6 reflects on the occurrence and characteristics of this phenomenon within the district.

Elevated unemployment imposes significant costs on individuals, families, the society and the District. Prolonged unemployment can lead to an erosion of skills, robbing the economy of otherwise useful talents. At the same time, the experience of unemployment can lead to greater scepticism and pessimism about the value of education and training and lead to workers being less willing to invest in the long years of training some jobs require. **The table below presents the employment statistics of the District**

Table 37: Employment Statistics of the District

Employment Figures	2006	2011	2016
Employed	59%	62%	63%
Unemployed	41%	38%	37%
Labour Force Participation Rate	33%	30%	33%
Labour Absorption Rate	19%	19%	21%
Not Econ Act as % of Working Age Pop	67%	70%	67%

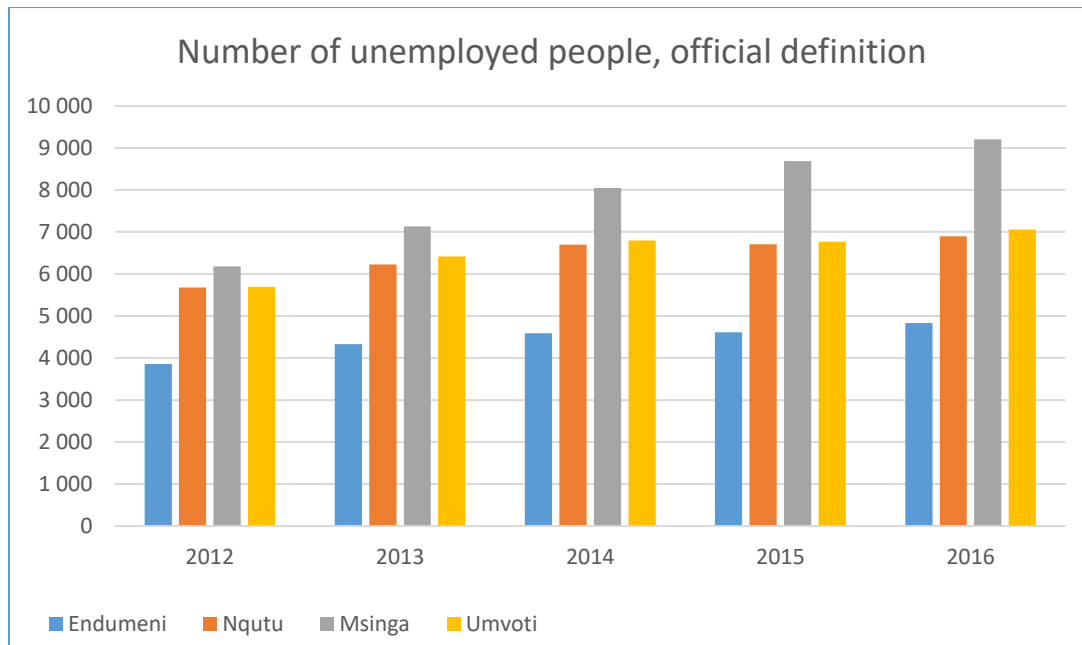
Source: uMzinyathi Local Economic Development Strategy 2017.

The District unemployment rate has dropped suggesting that more people have gained employment or are no longer looking for work. It is possible that according to the definition of not economically active, people are not working and not seeking work or are unable to work.

The labour force participation rate has remained broadly constant since 2006 at 33%, then falling to 30% in 2011 and rising once again to 33% in 2016. The percentage of people that are economically inactive as a percentage of the working age population is alarming and focus should be directed towards provision.

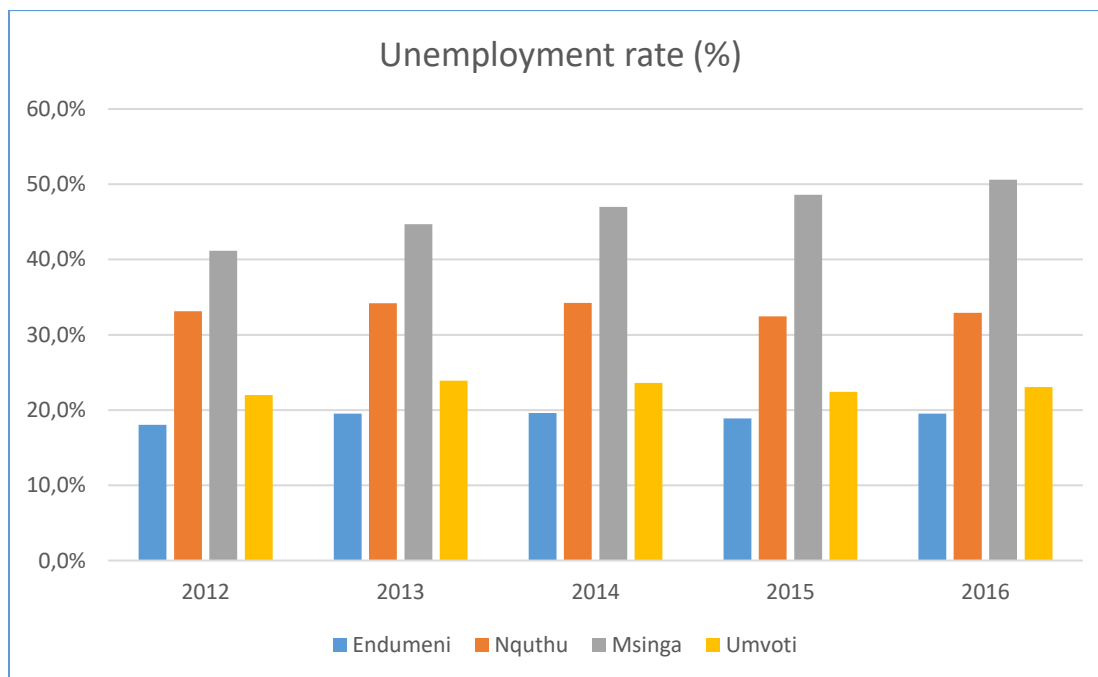
In **Graph 6** The unemployment rate within the district shows an increasing trend from 2012 to 2016 with Msinga showing a steady increase from 2012 to 2016 while Endumeni, Mvoti and Nquthu showed a decrease particularly in 2015 Msinga had an increase the attribute to this could be that Msinga is highly rural and has a high illiteracy rate.

Graph 5: Number of unemployed people



Source: Global insight 2017

Graph 6: Unemployment Rate

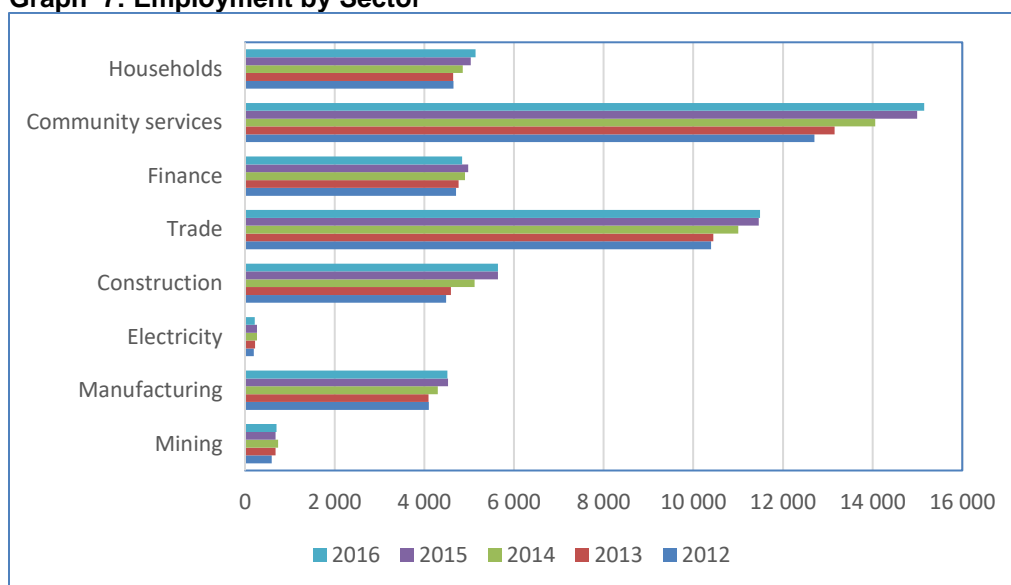


Source: Global insight 2017

10.1.5 EMPLOYMENT BY SECTOR

The sources of employment of the employed population are reflected in the below. The employment sectors of Umzinyathi District Municipality are Mining, Manufacturing ,Electricity ,Construction ,Trade ,Finance ,Community Services (Agriculture and Forestry)and Households . The majority of the employed population in the district is active in the Community Services and Trade sector. The Community Sector had always been the highest contributor in the district if compared to the statistical information from 2012 to 2016.

Graph 7: Employment by Sector



Source: Global insight 2017

Table 38: Sub Sector Employment percentage for umzinyathi

Sub-Sector	2006	2011	2016
Agriculture, forestry and fishing	24%	12%	14%
Wholesale and retail trade, catering and accommodation	20%	25%	23%
General government	17%	20%	19%
Community, social and personal services	15%	16%	17%
Finance, insurance, real estate and business services	8%	10%	9%
Manufacturing	7%	6%	5%
Construction	6%	7%	8%
Transport, storage and communication	3%	4%	4%
Mining and quarrying	0%	1%	1%

Electricity, gas and water	0%	0%	0%
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Source: uMzinyathi Local Economic Development Strategy 2017

10.1.6 EMPLOYMENT STATUS (FORMAL AND INFORMAL)

The sources of employment of the employed population are reflected in Table 39: Employment levels. The majority of the employed population in the district is active in the formal sector which is divided into skilled (18%), Semi skilled (29%) and low skilled (24%). There is however a worrying trend as none of the three formal sector categories has improved from 2011 to 2016. The informal sector is also increasing with 25% in 2011 and 29% in 2016. This reiterates the need for promotion of skills development to encourage formal employment and further shows that there are fewer employment opportunities to absorb household heads in the District labour market which is typical of rural areas.

The sector is a strong contributor to economic growth and employment opportunities and as such the municipality should focus on growing the informal sector by initiating LED programmes that promote their growth into the formal sector.

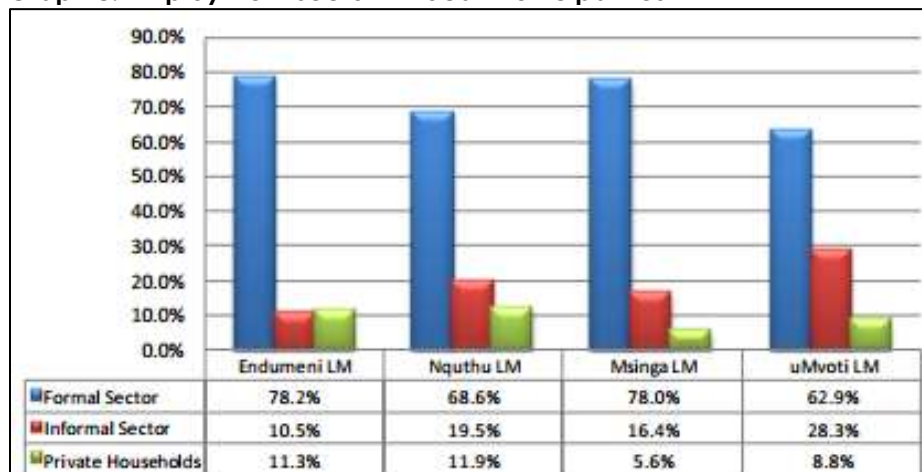
Table 39: Employment Skills level

Employment	2006	2011	2016
Formal: Skilled	17%	19%	18%
Formal: Semi-skilled	34%	31%	29%
Formal: Low skilled	31%	25%	24%
Informal	18%	25%	29%

Source: uMzinyathi Local Economic Development Strategy 2017

Graph 8: Employment sector in Local Municipalities illustrated the number of distinguishing characteristics are evident at local municipality level. The first is the significantly higher proportion of population active in the informal sector in the Umvoti LM (28.3%) compared to other three local municipalities (between 10.5% and 19.5%). The proportion of the employed population employed by private households is significantly lower in the Msinga LM (5.6%) compared to the other municipalities. As indicated on the attached map high proportional concentrations of economically active population employed in the informal sector is concentrated in the central parts of Msinga, especially the settlement areas between and around Tugela Ferry and Pomeroy, as well as a large number of settlements scattered across Ngutu.

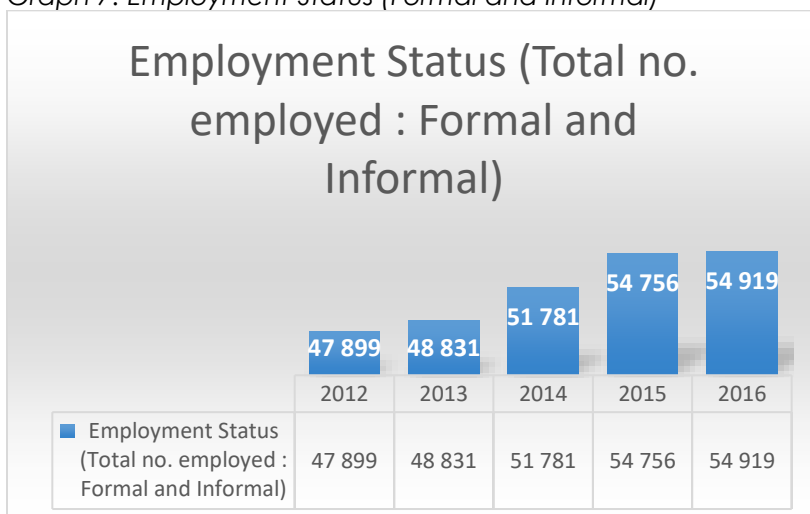
Graph 8: Employment sector in Local Municipalities



Source: Umzinyathi DGDP 2015

The 2016 census data does not separate formal and informal employment opportunities, however it is evident that the employment rate of the Umzinyathi district grew steadily from 2012 to 2016. The graph below illustrates the employment status for the past five years.

Graph 7: Employment Status (Formal and Informal)



Source: Global insight 2017

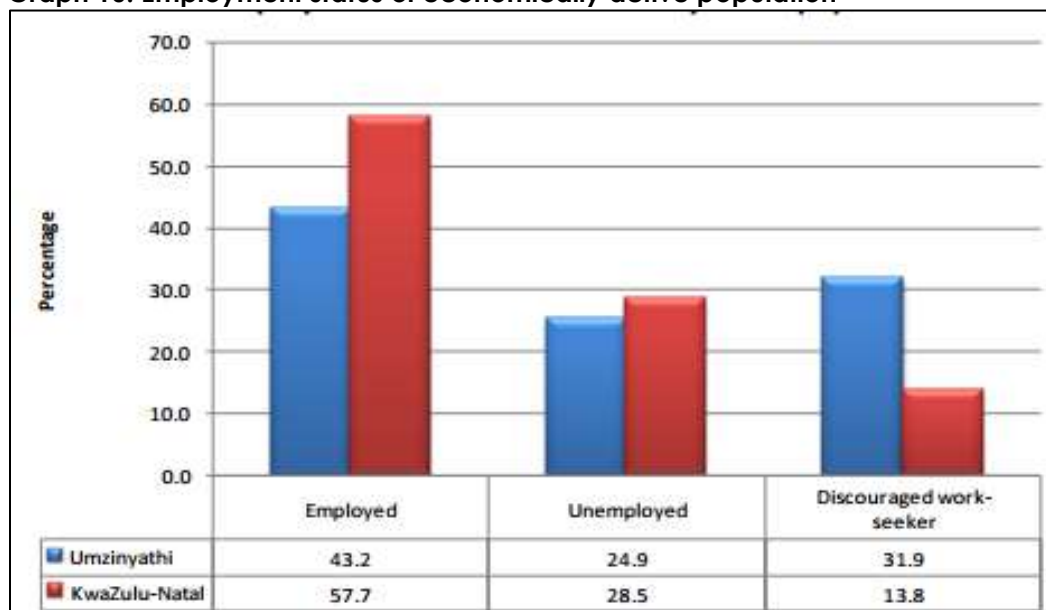
10.1.7 EMPLOYMENT STATUS OF ECONOMICALLY ACTIVE POPULATION

The comparative employment status of the economically active population at district and provincial level is outlined in the Employment Status graph below. The unemployment rate of 24.9% is surprisingly somewhat lower than the overall provincial rate of 28.5%. This graph can however

be explained by the extraordinary high proportion of the economically active population classified as discouraged work seekers (31.9%), a figure nearly 2.5 times higher than the provincial average of 13.8%.

This implies a general perception of the unavailability of formal sector employment in the district as manifested by the high proportion of discouraged work seekers reflecting a situation where a significant proportion of the economically active population has effectively given up hope of finding (or seeking) employment. This aspect will also act as an important push factor in migration decision-making of the district population, and is likely to contribute to outward migration of the economically active population from the district.

Graph 10: Employment status of economically active population

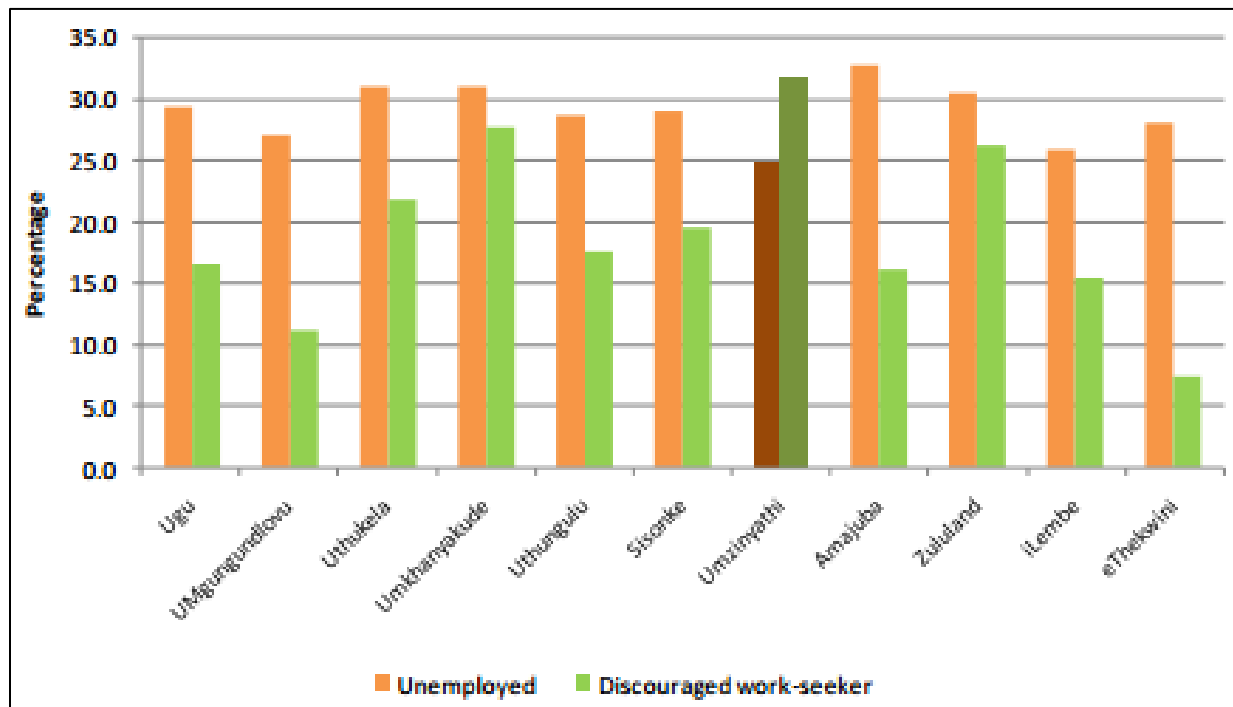


Source: Umzinyathi DGDP 2015

The information depicted in Employment status (District Level) graph below compares the unemployment rate and proportion discouraged work seekers amongst the various districts in the province. This information confirms that the proportion discouraged work seekers in the Umzinyathi District Municipality (31.9%) is by some margin the highest figure amongst all districts within the province. The information indicated on the attached thematic map indicates that the areas with the highest percentage unemployed population are located in the northern parts of the Nqutu LM, the central parts of the Msinga LM (especially the settlement areas west of Pomeroy) and some settlements in the southern parts of the municipality in the Kranskop area. The substantial

spatial concentration of discouraged work seekers in the central parts of the district, especially over large parts of the Msinga LM and the eastern parts of Nqutu is also highlighted on the thematic map of discouraged work seekers.

Graph 11: Employed & Discouraged Work Seekers (District Level)

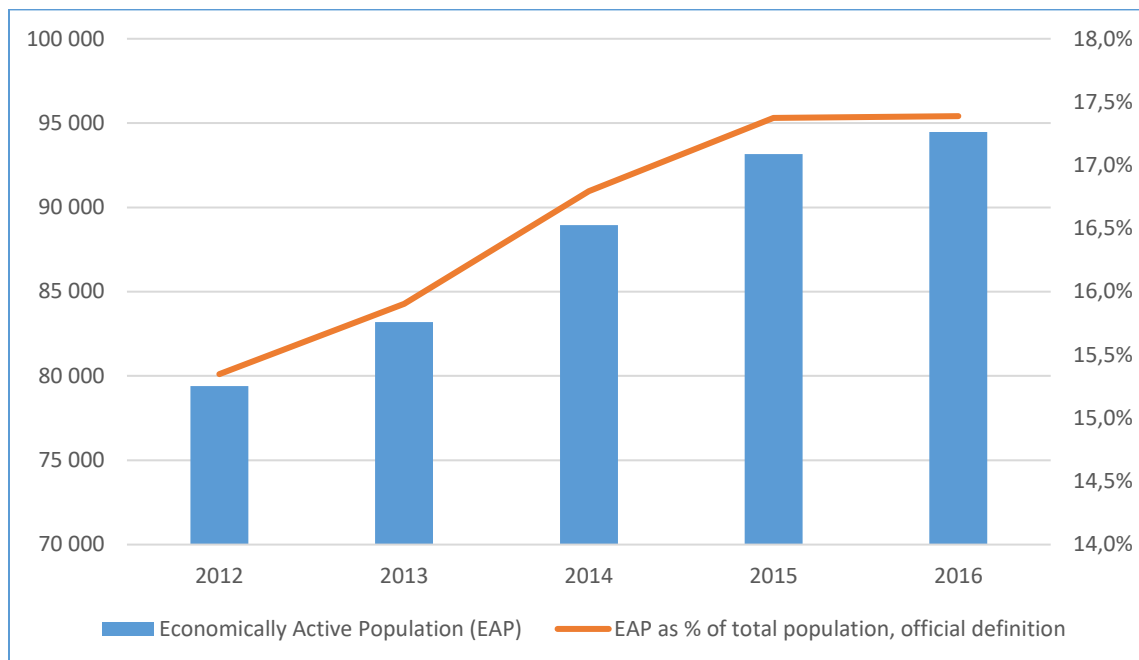


Source: Umzinyathi DGDP 2015

10.1.8 ECONOMICALLY ACTIVE POPULATION

The Global Insight data indicates that in 2016 the economically active population (EAP) for the district represented 17% which was an improvement on the 15.5% in 2012. The graph below illustrates a positive growth in the number of economically active population within the district. The failure of the economy to absorb current labour force has to a greater extent discouraged potential labour participants from seeking employment.

Graph 128: Economically Active Population



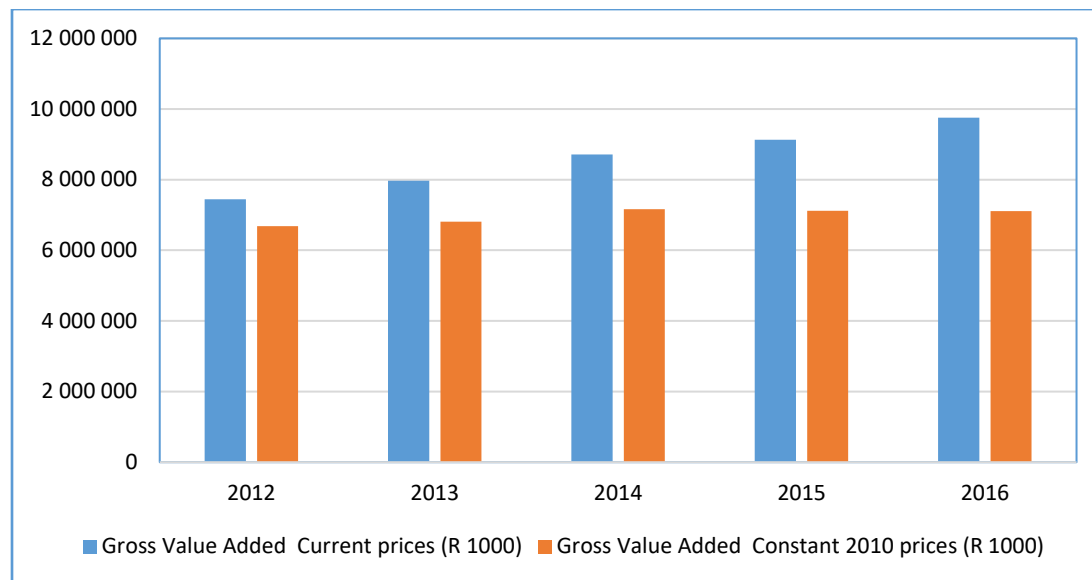
Source: Global Insight 2017

10.1.9 GROSS VALUE ADDED

The total size of the district economy as measured by the total GVA has grown from R3.2 billion in 2012 to approximately R5.8 billion in 2016. Although growing from a very small base, it is indicative of relatively strong economic growth of just over 7% per annum over this period. Although this growth rate declined slightly from 2014, the impact of the global economic crisis seems to have impacted the growth rate of the district economy as severely as in other areas. The compositional trends of the district economy however reveal a somewhat different picture.

The manufacturing sector increased its contribution to total GVA from 12.3% to 19.0%, and the transport and communication sector by 2.5%. Although still growing in absolute terms, the proportional contribution of the agricultural sector (declining from 15.0% to 10.8%) and the general government sector (20.4% to 16.9%) showed the biggest decline between 2012 and 2016. Other sectors with a declining contribution to the district economy include retail (decline from 17.1% to 15.2%) and the community and social services sector (8.3% to 7.3% contribution).

Graph 9: Gross Value Added



Source: Global Insight 2017

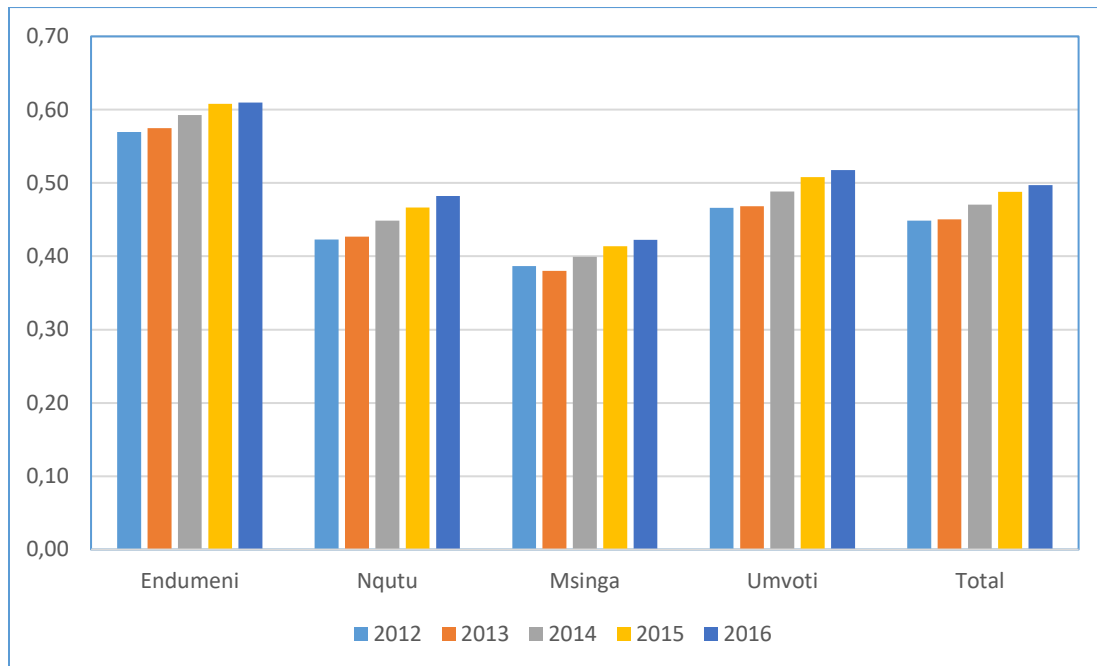
10.1.10 POVERTY INDEX

One of the critical challenges identified in the National Development Plan 2030 is the extremely high levels of unemployment amongst people of South Africa. The information depicted in Graph 16 reflects on the occurrence and characteristics of this phenomenon within the district between 2012 to 2016. The breakdown of the unemployed population in UZDM is very similar to the overall figures for KZN. As much as 35.9% of the unemployed population is younger than 25 years of age with a further 33% between 25 and 34 years.

This implies that 68.9% of the unemployed population in the district is younger than 35 years of age. The age profile of the unemployed population is also very similar across the four local municipalities within the district, although the percentage of the unemployed population is somewhat higher in the Mvoti and Endumeni local municipalities.

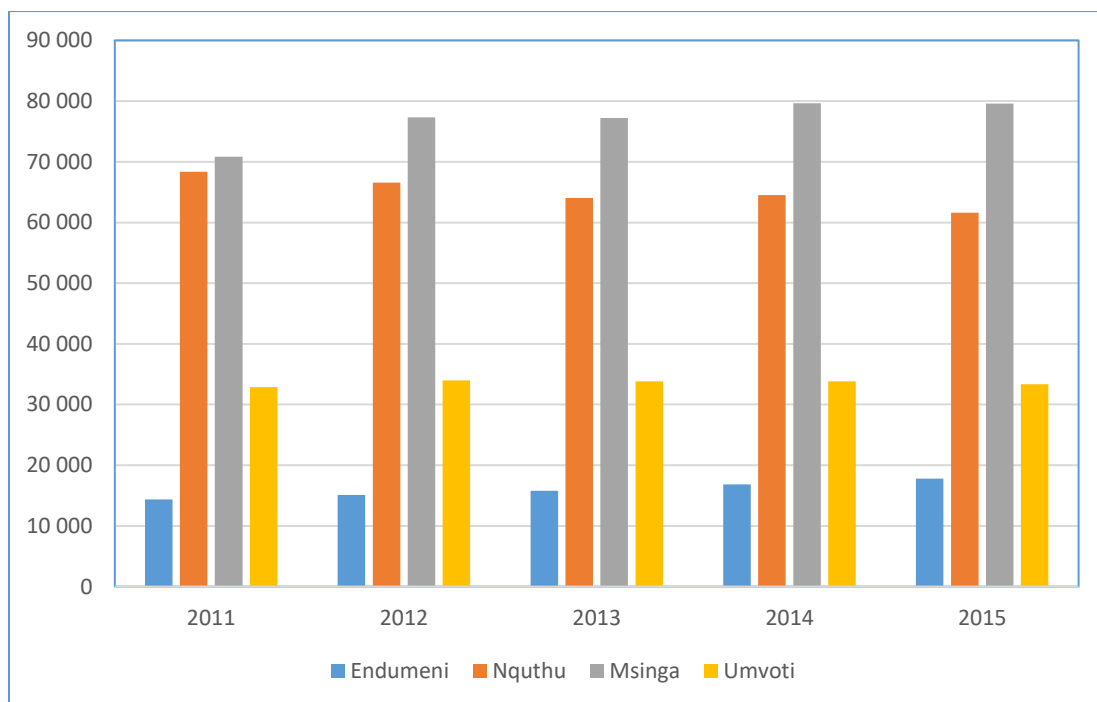
Statistics South Africa (Stats SA) report uses different figures to count those living in poverty. Stats SA's new poverty lines come from a cost-of-basic-needs approach, including both food and non-food. It calculates the minimum amount of money you need to survive. Those who fall below that line live in poverty.

Graph 104: Poverty Index (HDI)



Source: Global Insight 2017

Graph 15 : People living below Food Poverty line



Source: Global Insight 2017

In 2012 to 2016 poverty statistics, the new measures for poverty show some increases in the number of people struggling across UZDM. A rebasing of three national poverty indicators shows that more people in the district are poor than previously thought. The reason is that the upper-bound poverty line, which measures the income people need for essential items after meeting their basic food needs, was recalculated from R620 a month to R779. This coincide with the provincial status of being the province with most people living below the poverty line, indicating that Kwa-Zulu-Natal has the highest food poverty line at R354 per capita a month. Msinga local Municipality has the highest number of people living below the poverty line, while Endumeni has the lowest within UZDM.

10.1.11 MAIN ECONOMIC CONTRIBUTION IN UMZINYATHI

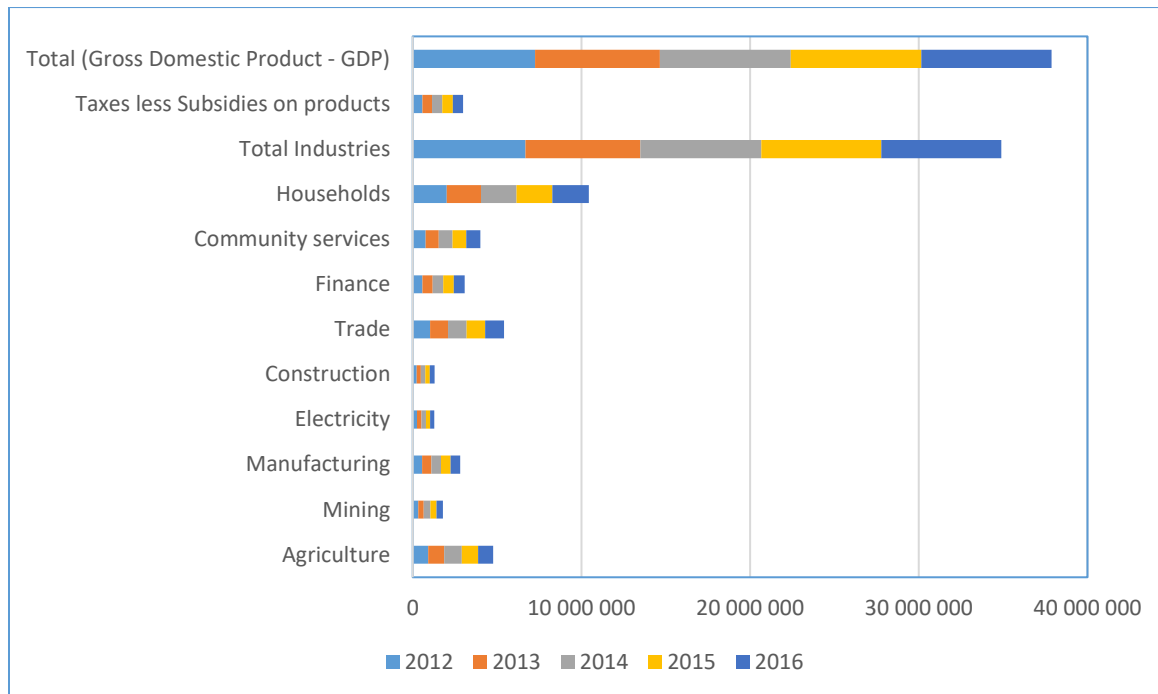
Overall the employment market in the district remained stagnant between 2012 and 2016 with a marginal decrease in formal sector employment opportunities from 43494 to 43381. The general government sector overtook the agricultural sector as the main source of employment in the district by 2012. This is the result of a substantial decrease in the number of employment opportunities in the agricultural sector from 13 867 to 5379 between 2012 and 2016, whilst the figures in the general government sector increased from 7126 to 10 258.

The other main sources of employment in the district include the community and social services sector (8535), and the retail, catering and accommodation sector (6620). Despite the dominant role of manufacturing in the economic output of the district, it only provided 10.8% of the district formal sector employment. The only other sectors with notable increases in formal sector employment were the community and social services sector (increasing from 7272 to 8535) and the manufacturing sector (from 2698 to 4692).

The number of employment opportunities in the informal sector increased by an estimated 1750 from 8643 in 2012 to 10393 in 2016. The biggest gains were recorded in the community and social services sector (842) and the retail sector (635), while massive losses were experiences in the informal agricultural sector (decreasing from 2463 to 935).

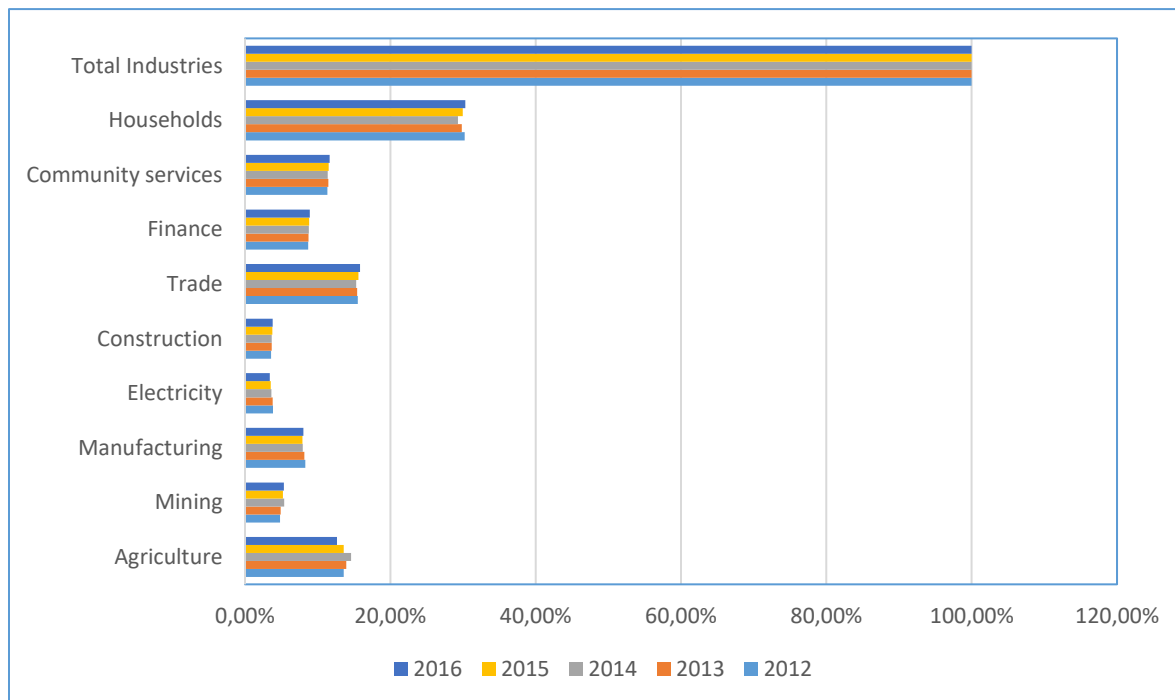
The Municipality is also looking into developing an informal economy policy as well as an investment retention policy to make sure our economic drivers are sustainable and remain within Umzinyathi district.

Graph 116 : Main Economic Contribution in Umzinyathi



Source: Global Insight 2017

Graph 127 : Contribution Share Percentage



Source: Global Insight 2017

10.2 LED STRATEGY

Umzinyathi District Municipality has a new five year Local Economic Development Strategy that was completed in 2018. In view of the requirements for local government to have a credible LED Strategy in place, the current Economic Development Strategy reflects the most recent local and regional development dynamics. It provides an analysis of recent socio-economic and demographic trends within uMzinyathi District Municipality.

The strategy is designed to assist the uMzinyathi District Municipality in the implementation of LED in an integrated manner; building upon the strengths and identifying areas requiring additional support. This was notably done so to grow the key nodes within Endumeni, Msinga, Nqutu and Umvoti. Importantly, the new strategy takes its lead from the new opportunities within the sphere provincial economic development policy as set out in the Provincial Growth and Development Strategy as well as being closely aligned to the developed National Framework for Local Economic Development in South Africa 2014 - 2019. The new review is intended to strengthen LED locally, and assist the municipality fulfil its mandate to improve the overall economic and social conditions prevailing in uMzinyathi, and to bring sustainable economic change that benefits all.

The economic development strategy also focuses on the following Priorities:

- Enhancing marketing and investment promotion endeavours to encourage inward investment
- Job creation through both public and private sector initiatives
- Inclusion and participation of SMME and informal economy sectors in the local economy
- Exploring of new and untapped opportunities/ competitive advantages to provide an economic edge for the municipality
- Facilitation of key strategic partnerships for economic growth and development

10.2.1 MARKETING AND INVESTMENT PROMOTION

Previously thriving towns in Umzinyathi District Municipality i.e. Greytown and Dundee have experienced considerable disinvestment and shutting down of businesses which were employers of a large number of the now unemployed Labour force. This has posed a challenge for the Municipality to devise a strategy to revive the dwindling local economy through the attraction of

new investments and retaining existing business. The Municipality then, in collaboration with the Department of Economic Development and Tourism (EDTEA) and Trade and Investment KwaZulu Natal (TIKZN) embarked in the process of developing an Investment Promotion Facilitation Strategy (IPFS).

In summary the strategy has concluded that the Investment Promotion and Facilitation landscape in Umzinyathi is currently challenging, as there is limited new investment being made, many mines have closed, skills levels are generally low, there is no formulated and aligned investment promotion process that is followed, institutional capacity is limited and certain areas within the district have extremely underdeveloped economies, with high levels of unemployment and poverty. It therefore recommends the capacitation of institutional requirements and focussing on established sectors such as agriculture and tourism to drive investment. It further recommends the maintenance of existing key infrastructure and the development of a skill plan which is to be aligned to key sectors and skills needs.

10.2.2 INDUSTRIAL ECONOMIC HUBS

During 2012/13 financial year, the National Department of Trade and Industry initiated the concept of establishing Special Economic Zones (SEZ) as a means of enabling economic development and growth in the country. KZN Province further expanded on the initiative by adopting the concept of District Industrial Economic Hubs (DIEH). This entails that each District needs to focus its energy and resources towards its comparative/ competitive advantages (key economic sectors).

During 2012/13, a series of interviews conducted by the Department of Economic Development Tourism and Environmental Affairs assisted in identifying Primary and Secondary sectors in each District. Umzinyathi's primary and secondary sectors were identified as mining (coal beneficiation) and agriculture (cattle farming value chain) respectively. EDTEA appointed a consultant to conduct a feasibility assessment in order to determine the viability of the identified sectors/industries in catalysing economic development. The report has not yet been made available to the District however discussion with key stakeholders, including EDTEA, have recommended that the proposal be revisited as there is no clear evidence of a robust and extensive stakeholder engagement including the quality, quantity of coal available and

ownership of land where there are mine prospecting rights. The outcome and recommendations of the report will assist the municipality and prioritizing the sector/industry and formulate the necessary interventions to grow the local economy and create employment opportunities. The commitment by EDTEA is to re-appoint a consultant who would have conducted the feasibility assessment exercise on the viability has not yet materialized, hence there has been no progress, but the municipality is re-engaging the department on the issue with the intention of resuscitating the programme.

10.2.3 DISTRICT ECONOMIC DEVELOPMENT AGENCY

The establishment of the District Economic Development Agency is a direct response to the resolution of the KwaZulu Natal Cabinet Lekgotla of September 2012 which stated that all District municipalities had to establish such entities which would serve as Special Purpose Vehicles to drive investment promotion and the implementation of high impact catalytic economic projects.

The District Development Agency is intended to be a special purpose vehicle that will assist the District Municipality in executing its economic development mandate by focusing on the following:

- Unlocking the economic development potential of the area with the implementation of bankable and sustainable economic development programmes and projects.
- Contribution towards unlocking the inherent entrepreneurial potential of local business people.
- Ensuring a coordinated approach towards economic development.
- Facilitating and coordinating investment attraction, retentions and expansions.
- Promoting the creation of appropriate supporting infrastructure required for strategic economic development.

The feasibility assessment exercise that was undertaken in accordance with section 78 of the Municipal System Act 32 of 2000 as amended concluded that to ensure sustainability of the entity, a number of options i.e. structuring of the entity as well as funding models would have to be considered (the various options are clearly outlined in the final s78 assessment report)

In the financial year under review, the District Municipality finalised the process of registering a State-Owned Company under the council approved name of "Umzinyathi District Development Agency". Municipal Senior Managers were appointed as temporary Directors pending the finalization of the process of appointing the Development Agency Board of Directors.

The recruitment and appointment of Board of Directors incumbents was initiated in 2014 but subsequently suspended. The process was revived in December 2016 with the shortlisting, interview and eventual appointment of four Board members. It was recommended that additional Board members with sector specific skills that were not found during the interview, be head hunted. As at December 2017, Council has decided to start the whole process of advertising and interviews afresh.

10.2.4 AGRICULTURAL SECTOR

In the absence of a District agricultural sector plan, Agricultural Policy Action Plan (APAP) of National Government serves as a guide for the District municipality in the implementation of agricultural development. The Plan identifies priority commodities for Umzinyathi District as well provides a spatial representation of the agricultural potential of the various areas within the District. Through this plan, the Municipality in collaboration with Departments such as Department of Agriculture and Rural Development (DARD) and the Department of Rural Development and Land Reform (DRDLR) has developed a comprehensive agricultural development plan under the auspices of the Agri-parks initiative. The plan focuses in the establishment and enhancement of value chains of key commodities i.e. beef, agronomy (maize, soya, dry beans) and vegetables. While the above three commodities have been identified as the top three commodities, the potential of the goat farming in Msinga has not been overlooked. The areas of Msinga and Greytown have been incorporated in the KwaZulu Natal Goats Master Plan.

As part of facilitating the development of the local agricultural sector Umzinyathi District Municipality plans to implement the following interventions:

- Support the implementation of projects contained within the Agri-parks business plan, including proposed Public/ private partnerships in the beef value-chain.
- Establishment of a fully-fledged mechanization unit. The municipality has a fleet of 9 tractors and implements which were acquired with the intention of supporting small scale farmers to

address the challenge of access to agricultural equipment and implements. The ultimate intention is link this initiative to the processes Farmer Production Support Units (FPSUs) in order for the service to be available within proximity of where production is taking place.

- Skills Development programmes. Providing training and mentorship to emerging entrepreneurs in the agricultural sector, including co-operatives and individual farmers.
- Revitalization of commercial agricultural activities in land reform farms. Land Reform farm profiling will enable the identification of the potential of the farms, Bio-resources units, infrastructure and skills needs etc. This information will assist in crafting intervention required including funding, to revive agricultural activities in the farms. Farms will also be linked to the agri-parks programme.
- Provide financial and non-financial support to co-operatives along the main irrigation schemes such as the Tugela Ferry irrigation scheme, Muden and Mkhuphula Irrigation schemes. The municipality has and will continue to provide agricultural inputs (seedlings, chemicals and fertilizer) to co-operatives.
- Refurbish irrigation infrastructure in block 6 (Mankomfane area) under the Tugela Irrigation scheme. The project was identified as a turn-key project. It is a 150 ha piece of land which has been equipped with a centre pivot irrigation system. The project has potential to employ approximately 150 people (30 permanent and the rest on a seasonal basis).
- Support the establishment of the prioritized Farmer production Support Units – Refurbish and avail a municipal owned building in Pomeroy (Msinga) as a FPSU for maize production; facilitate the approval by Endumeni local Municipality to use facilities in Wasbank and central town as FPSUs.

Eight cooperatives were identified within the UDM at the beginning of the financial year:

1. Mankomfane co-operative
2. Ethangeni Farm
3. Lubanzi Cooperative
4. Philisanani Cooperative (Mntshongweni)
5. Gobindlala cooperative
6. Gomane cooperative
7. Cathu Cathu cooperative

8. Umdlenevini Women Club

The above cooperatives are aligned to the agri-parks initiative of establishing agricultural value chains. The sites which were earmarked for maize production have experienced challenges in the growth of the crop due to the severe drought that was experienced across the country. Thangeni farm had minimal yield for vegetables, and most of the production was supplied to Endumeni Informal Traders. LED Officials are further seeking formal market agreements with organisations such as AgriSA for maize.

10.2.5 SKILLS DEVELOPMENT

Over the last few years, Umzinyathi District Municipality embarked in a number of programmes which to develop the skills of emerging entrepreneurs in the various sectors. The target was to train co-operatives in plant and animal production linked to Agri-parks and RASET programmes.

Table 40: UDM LED Programmes aimed at skills development

Financial Year	2016/17 FY	2017/18 FY	2018/19FY
Agriculture	<ul style="list-style-type: none">• 20 farmers from Sibongile/Sithembile (Endumeni) in plant production.• 89 farmers involved in skills development programme.	<ul style="list-style-type: none">• Six co-operative have been support with mechanization and inputs.	<ul style="list-style-type: none">• 10 cooperative will be supported with mechanization and inputs in Msinga and uMvoti LMs.• Three more cooperatives in endumeni and Nquthu LM will be provided with marginal support in the form of fertilizer and seeds.
Manufacturing	20 women from Endumeni and Mvoti received 2 months training accredited by FP&M SETA.	<ul style="list-style-type: none">• Five co-operative with 78 beneficiaries will provided with material support.	<ul style="list-style-type: none">• Two textile cooperatives were identified in Nquthu LM and will be supported with skills

			development and machinery.
Craft : OVOP craft trainig		<ul style="list-style-type: none"> One co-operative with eight members will be provided with Quality Improvement training. A co-operative with 10 members will also receive enterprise development support. 	Sizeyeza Craft Cooperative was provided with enterprise development training.
Tourism	Support emerging and established tourism product owners to participate in trade show and exhibitions in the annual Tourism Indaba.	<ul style="list-style-type: none"> BFR Association has been offered a funding of R30 000. Coordinate establishment of Community Tourism Organisations. 	<ul style="list-style-type: none"> LMs will be supported with a grant for establishment of CTOs operations amounting to R 20 000 each. BFR Association has been offered a funding of R30 000

10.3 Expended public works programme (EPWP)

The Expanded Public Works Programme (EPWP) is a South African Government initiated programme aimed at creating 4.5 million work opportunities by 2014. The Programme is a key government initiative, which contributes to Governments Policy Priorities in terms of decent work & sustainable livelihoods, education, health; rural development; food security & land reform and the fight against crime & corruption. EPWP subscribes to outcome 4 which states "Decent employment through inclusive economic growth.

In 2004, the EPWP was launched and is currently still being implemented. The EPWP is a nationwide programme covering all spheres of government and state-owned enterprises. The Programme provides an important avenue for labour absorption and income transfers to poor households in

the short to medium-term. It is also a deliberate attempt by the public sector bodies to use expenditure on goods and services to create work opportunities for the unemployed. EPWP Projects employ workers on a temporary or on-going basis either by government, by contractors, or by other non-governmental organisations under the Ministerial Conditions of Employment for the EPWP or learnership employment conditions.

Umzinyathi District Municipality is also committed in training and developing communities through the EPWP programme, thereby promoting economic growth and creating sustainable development. During the current 2018/19 financial year, the municipality received an allocation of R 5,900,000.00 from the Department of Public Works and jobs created as at the end of March 2019 is 264, while the target is 2336 to be achieved by the end of June 2019.

The jobs being created as part of the programme range from various sectors including Disaster Management, Local Economic Development, Infrastructure, Environmental Services, etc. The municipality is reporting on monthly basis to the department in terms of the progress made in terms of implementation.

Table 41 : Expanded Public Works Plan

	SECTOR	FOCUS AREA	PROJECT NAME	PROJECT BUDGET IN 2018/19	NUMBER OF PWOS
1.	Infrastructure	Basic infrastructure services,	Operations and Maintenance team	R 5.9 mil	79
2.	Environment and Culture sector	Sustainable land based Livelihoods	Ngonni		85
3.	Social Sector	Social services	Early child Practitioners project		30
4.	Environment and culture sector	Sustainable land based livelihoods	Environment practice (grass vutting)		20
5	Disaster Man	Training	Training of volunteers		40
6	Environment and culture sector	Arts and Culture	Arts and Culture		10

10.4 AGRI PARKS PROGRAMME

The Department of Rural Development and Land Reform has been mandated to create sustainable rural communities across the country through its Comprehensive Rural Development Programme. To achieve this mandate, the department embarked on developing a fresh approach to rural development.

The department is working with various stakeholders, including organized agriculture, to establish 27 Agri-Parks across the country in order to kick-start rural economic transformation in the identified areas.

The Agri-Parks is defined as a networked innovation system of Agro-production, processing, logistics, marketing, and training and extension services, located in a District Municipality. As a network it enables a market-driven combination and integration of various agricultural activities and rural transformation services. The Agri-Parks comprises three distinct but interrelated basic components. The Agri-Parks are expected to be linked directly to the identified production areas that support communities, smallholder farmers and emerging black farmers.

To date there are a significant number of projects that have been initiated by the department to enhance agricultural development in the uMzinyathi District. These projects are situated in the Msinga Local Municipality, since Msinga was declared the official pilot Comprehensive Rural Development Programme (CRDP) site in KwaZulu-Natal. To the east of the town of Tugela Ferry there are three agricultural co-operatives that have been formed and are located on land that ranges from good agricultural potential to very limited agricultural potential. In a co-ordinated effort to get the most out of this agricultural investment Regional Industrial Development (RID) has constructed an irrigation scheme which is aimed at assisting co-operatives. RID has also fenced land of a significant number of hectares that has good potential for agricultural production. These agriculture co-operatives are contributing positively towards food security as the vegetables produced are further sold to the community and surrounding areas within the District.

There is a goat mover's project that is taking place on land that has low agricultural production potential. This land is to the far east of the town of Tugela Ferry. This means that this land is used for grazing of the goats. This is classified as an ideal use for this piece of land as it has low potential in

production thus it is suitable for grazing. Although a large number of commodities can be grown within this area, selected commodities that are consumed in large quantities within the province would have a definite offset market. The commodities identified include Maize, Potatoes, Dry beans and sugar canes.

Extensive grasslands in the north (umvoti LM) support the primary agricultural sector based on cattle ranching for beef, small scale sheep and mixed farming and maize cultivation. In the southern areas, substantial forestry is prevalent. Sugar cane and smaller scale fruit farming such as avocado and kiwi fruit cultivation also occur. There is limited cultivation under irrigation in the northern parts of uMzinyathi. The main irrigation areas are around Muden, south of Seven Oaks and Kranskop. Sugar cane is the main crop cultivated under irrigation although vegetables are also cultivated in the Muden area. Areas that should have potential along the Tugela River are not commercially utilised. The general grazing capacity in the uMzinyathi area is very low and it is only in a few areas in the mountainous parts where the grazing capacity is between 14 and 17 animal units (one animal unit = 450kg cow).

Farmer Production Support Unit (FPSUs) components of the Agri-parks concept which are located in strategic areas where there is a concentration of agricultural activities. FPSU provide services such as mechanization, input storage and distribution, extension services etc. A number of FPSUs have been identified across all four Local Municipalities, based on the concentration of agricultural activities of the identified key commodities. The FPSUs have been identified as follows:

Agronomy (Maize and other grains) & Vegetable FPSUs			
Umvoti Municipality	Msinga Municipality	Endumeni Municipality	Nquthu Municipality
Muden (around Wards 8&11)	Tugela Ferry Ward 5 (Malimeni)	Wasbank (Ward 1 &7)	Ntinini (Ward 4 & 5)
Ngwalana-Dolo (around Wards 12,14 & 5)	Pomeroy-Mthaleri (Ward 16&18)	Endumeni Central (Wards 2,4 &5)	Blood River (Ward 16 & 17)
Kranskop (around Ward 5 &6)	Msinga Top (around Wards 14 & 15)	De Jagers (Ward 6)	Nondweni (around Wards 1,5,7 &8)
Matimatolo (around Wards 2,3&4)	Douglas (around Ward 3&4)		Hlati (around Wards 12&15)
	Mkhuphula (around Wards 12 &13)		Nquthu Town (Wards 2,9,11,13& 14)
	Mkhuphula (around Wards 12&13)		
	Mzweni (around Ward 1)		

10.4.1 AGRARIAN TRANSFORMATION

The National Development Plan (NDP) calls for an inclusive rural economy wherein rural areas are spatially, socially and economically well integrated and coordinated, where residents are economically active and food secure as a result of successful agrarian transformation and rural infrastructure development programmes, and having improved access to quality education and health care and basic services.

UDM programmes in support of agrarian transformation

- The municipality provides support in the form of access to mechanisation, training and supply of agricultural inputs.
- Mentorship support is provided to up coming and small scale co-operatives.
- In the FY 5 co-operatives farmers will be targeted and given support and linked to market.
- Revitalisation of the Mankomfane (Block 6) Tugela Irrigation scheme.

Recommendation to promote Inclusive rural economy within the Umzinyathi District

- Agricultural policy should promote smallholder agriculture – not simply as a contribution to food security, but also as a source of employment in itself, and as a powerful hub for forward and backward linkages into the local economy.
- There is a strong case to be made for land reform to be more effectively oriented towards smallholder farmers who are not tightly integrated into spatially extensive, centralised, corporate value chains
- Maximising the economic benefit from agricultural development and smallholder farming will require better support for local retail and informal markets, including livestock; often disregarded by urban planners.
- Local planning, land use, zoning and anti-trust law and policy should be geared at protecting small informal markets and retailers from being swamped by large commercial agriculture and the intrusion of powerful corporate retailers into rural markets.

10.4.2 FOOD SECURITY

Researchers define food security as the access by all people at all times to enough food for an active healthy life (Anderson 1990). The issue of food security has been critical in many parts of

the world including South Africa. The right to food is enshrined in international and national law. The right to access to sufficient food was embedded in Section 26 and 27 of the South African Constitutional law of 1996.

South Africa is largely deemed a food secure nation producing enough staple foods or having the capacity to import food, if needed in order to meet the basic nutritional requirements of its population (FAO 2008). In the 2010/2011 financial year food security was reprioritised as one of the top priorities for South African government (State of Nation Address, 2010). This is in line with South Africa's millennium development goal which aims to halve the proportion of people who go hungry over the period 1990 and 2015 and to halve poverty and unemployment by 2014.

Poverty and food security are interrelated concepts as they have an influence on one another. Poverty refers to the condition of not having the means to afford basic human needs such as clean water, nutrition, health care, education, clothing and shelter.

The Department of Agriculture in partnership with the Umzinyathi District Municipality LED unit have come up with various projects and programmes in support of food security. Programmes such as "one home one garden" initiative have been largely promoted and supported by these two entities and have as a result managed to improve the district level of food security.

10.4.3 RADICAL SOCI ECONOMIC TRANSFORMATION (RASET)

Implementation of RASET projects has not yet commenced however existing projects have been identified to be linked to RASET. The RASET programme is not viewed in isolation from the agri-park concept and therefore the two will be implemented simultaneously.

10.5 TOURISM SECTOR

Umzinyathi District Municipality has the advantage of being situated along the well renowned Battlefields. Historical sites such as the Isandlwana Mountain, Talana Mountain, Rorkes Drift, Bambatha Ambush Rock and the Prince Imperial Memorial site form part of the rich history and heritage of the area. Moreover the area is also know to host the now popular annual events such as the Isandlwana battle commemoration, the Talana Live, the Biltong Fees, Msinga Drift Khana car event and the Dundee July Rural Horse racing

While international tourists visit this area, the percentage of tourists who come through to the Battlefields is minuscule when compared to those who visit destinations such as Durban, Pietermaritzburg, the Elephant Coast and Zululand. This therefore implies that much effort resources still have to be channeled towards marketing the area as one of the preferred tourism destinations.

Tourism projects planned for implementation by the Municipality include the following:

- Financial support and capacity building to local Community Tourism Offices. The CTOs support marketing endeavours of their respective local municipalities. The financial support also continue to be extended to the Battlefields Route Association where all municipalities which fall within the Battlefields Route are affiliated. This partnerships allows for joint marketing of the 5 District municipalities under the international recognized banner of the Battlefields Tourism destination.
- Identify and package new Tourism offerings. This will entail conducting feasibility studies for new products in events tourism, adventure tourism etc. in order to expand on the current market and entice new tourists into the area.
- Showcase and market our destination in strategic travel/ tourism shows and exhibitions such as the Getaway show, Tourism Indaba.

10.6 SOCIAL DEVELOPMENT

The national budget for Social Development has been increasing at an average of 11% since 2008/09. This reflects the governments commitment to enhance the capabilities of communities to achieve sustainable livelihoods. The District of uMzinyathi is also committed to reducing poverty, vulnerability, social exclusion and inequality. This will be achieved through various social programmes focused on youth development, people living with disabilities, HIV/AIDS and intensifying of programmes such the National School Nutrition Programme across the municipality. The municipality has made a provision of budget for special and vulnerable programmes which is reflecting in the 2019/20 SDBIP. In promotion of home on garden initiative the Department of Agriculture and Rural Development issues seeds to the community which helps reduce poverty.

10.6.1 POVERTY ERADICATION MASTER PLAN (PEMP)

Poverty Eradication Master Plan (PEMP) is a government led initiative aimed at ensuring that communities living under conditions of poverty are helped to rise above their current condition. This Master Plan combines long range eradication planning and implementation programmes with immediate game changers - designed to have catalytic impact on poverty eradication and provide strong stimulus to existing efforts in poverty eradication.

Kwazulu Natal Vision:

A province without poverty, food secured, with sustainable, healthy and well educated individuals making up sustainable communities by 2020, and with full eradication of absolute poverty in KwaZulu-Natal by 2030.

The municipalities and sector departments are working towards the realization of the PEMP vision through its Annual Operational Plans. LED programmes such as the Mankomfane and Mtshongweni agric processing projects are initiatives aimed at economic development and poverty eradication in line with the PEMP.

10.6.2 PEOPLE WITH DISABILITY

The community services department has a number of programmes and initiatives aimed at creating awareness and support for people living with disabilities. A stakeholder's forum was established to deal with all disability issues as well as sub forums comprising of the following departments :

- Department of Social Development
- Department of Health
- Department of Education
- Department of Sports & Recreation
- SASSA
- PWD Organizations (NPOs) and
- Local Municipalities.

The Mainstream forum gave birth of the two sub structures within the Disability structures which are:

- Umzinyathi Albinism Society
- Umzinyathi Disability Sports (DISSA)

The following programmes are undertaken throughout the district in support of People living with disabilities:

- Basic Sign Language Training in Nquthu LM
- Business/entrepreneurship workshops arranged jointly with Department of Economic Development at Endumeni Municipality.
- Support of Disabled Group Projects in weaving and sewing in Msinga and Nquthu LMs

- Awareness Campaign and tested for cancer, HIV&AIDS other illnesses championed by Office of the Premier during the Cabinet day.
- Albinism awareness against killing of people with albinism held at Nquthu in partnership with Traditional Healers and Faith Based Organisations.
- Sport Festivals for the People with Disabilities are annually held in the district and qualifying athletes proceed to participate in National Disability Event held at George Western Cape annually.

10.6.3 YOUTH DEVELOPMENT:

The District has one youth advisory centre based at Nquthu in Nondweni Township under the INkosi Hlatshwayo area. The structure was opened and launched by the Department of Social Development in 2014. The Municipality and government department were allocated a space where they can do youth related projects. The Youth Development Centre is managed by an NGO known as Dinatla Youth Development.

The Youth enjoys various services from the sector departments as well as municipalities. Part of the services they enjoy is the complement package of National Youth Development Agency (NYDA) who has a working relations with Nquthu Municipality over years.

A variety of Youth services which District Municipality is delivering to youth amongst others includes:

- Job Preparedness – Learnerships and Internships
- Skills development through the TVET College (Mthashana) Plumbing; Bricklaying, Sewing, Computer, hospitality.
- Basic Computer Literacy, though the bursary funding in the Training; Vocational; Education & Training institutions within the District.
- Student financial support in gaining entrance in institution of higher learning (Universities; Colleges; etc)
- Development and Career Guidance bi-annually championed by the Department of Education in partnership with municipalities targeting Grade 11 and Grade 12 as well as out of school youth.
- Outreach programmes are also being conducted by the local municipality offices by taking services to the entire district to market the youth development services especially for those who cannot reach the centre in deep rural areas.
- Youth in Business seminar was held in Umvoti Municipality in assisting the emerging entrepreneurs to be equipped in business management.
- Capacity building, talent identification and exposure through our diverse sports programmes taking place in the district in addressing the moral fibre.
- Full dedicated officials dealing with youth development in the municipalities and district complements the strides of the government and agenda in investing in young people of Umzinyathi.

10.6.4 WOMEN & GENDER PROGRAMMES

Programmes on gender, women and children were supported; capacity building programmes aimed at developing women and men are being implemented in all local municipalities; training on financial and business management and supporting projects with equipment ranging from the Sewing machines, goat farming; beadwork and greening projects for women through agricultural projects and through EPWP projects.

A number of workshops to create awareness on gender mainstreaming were conducted. Commission on gender equality and Committee on Quality of Life in the KZN legislature is supportive and made recommendation on the programmes targeting women and men in the entire district. Umzinyathi District Men's Forum has been established; Gender based violence programmes are conducted, such as Substance abuse and drug awareness's. Entrepreneurial skills workshops for women cooperatives have also been conducted.

10.6.5 EARLY CHILDHOOD DEVELOPMENT (ECD)

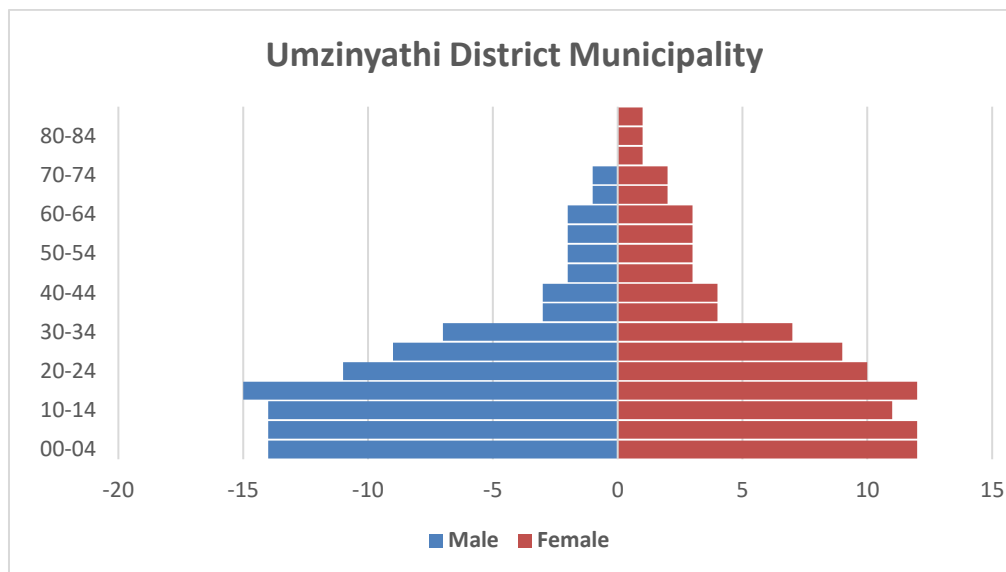
New ECD Policy clearly spells out that local, district and metro municipalities must participate in planning of ECD services. Umzinyathi Municipality is responsible for supporting child care facilities to meet minimum infrastructural, health and safety standards, registration of child minding services, development of new ECD service provision infrastructure, and auditing and identification of available infrastructure that may be used for the expansion of early learning services and programmes in areas of need. Responsible for the equitable provision of play and recreation facilities for young children; required to establish coordinating structures to support the planning, coordination and monitoring of ECD services and programmes. These responsibilities must be planned for and reflected in all Integrated Development Plans (IDPs) and their supporting budgets.

UMZINYATHI POPULATION PYRAMID

It is evident that the birth rate in the district is very high especially the male children. The rate children between the ages of 0-4 years is very high which demands the municipality to ensure they are enough ECD centres for Stimulation.

The largest age group is the 15-19 years which shares 12,75% (66,672) followed by the 0-5 years which shares 12.58% (65,817) of the district population. Together they constitute 25.33% (132,489) of the population.

Graph 13: uMzinyathi Population Pyramid



Source: Stats SA 2016 (Census)

Its important to note that the district currently has 503 schools which are divided into primary, secondary, combined and elsen schools (Special Schools). In terms of backlogs, there are space (Classrooms) and Technical (renovations) backlogs which are a result of a limited budget, increase in population and natural elements.

The table below clearly indicates that 68650 children in the districts are not schooling; whereas 23431 are in grade 0, which deem the municipality to ensure the proper stimulation and access to quality education is a great need.

Table 42 : Highest Level of Education

Highest level of education	DC24: Umzinyathi	KZN241: Endumeni	KZN242: Nqutu	KZN244: Msinga	KZN245: Umvoti
No schooling	68650	7998	22478	24714	13460
Grade 0	23431	2791	7417	8711	4512
Grade 1/Sub A/Class 1	16822	1622	5064	6723	3414
Grade 2/Sub B/Class 2	12403	924	4491	4723	2264
Grade 3/Standard 1/ABET 1	20441	2273	6663	7628	3878
Grade 4/Standard 2	17417	2088	5455	6420	3454
Grade 5/Standard 3/ABET	16297	1417	5464	5990	3426

2					
Grade 6/Standard 4	15977	1320	5935	5706	3017
Grade 7/Standard 5/ABET 3	6905	1290	2062	2094	1459
Total	198343	21723	65028	72709	38884

Source: Stats SA 2016 (Census)

DISTRICT STRATEGIC FOCUS FOR ECD SERVICES

To increase access of quality ECD services to children's within Umzinyathi DM

The below considerations on the Acts on ECDs in the District and other spheres of government:

- ECD a national priority (e.g. NDP, NDSD, KZN Plan)
- Insufficient access to acceptable early childhood development (ECD) care and services – approximately 2million children in S.A. affected.
- Health and safety threats.
- Most centres not registered.
- Inadequate oversight in terms of child protection.
- Inadequate support (training, ECD programmes, operating costs).
- Current registration requirements out of reach for most centres.
- Challenges: ACCESS (i.e. enabling more children to access centres which are within the system) and QUALITY (e.g. in terms of quality of programmes, skills of practitioners and infrastructural adequacy).

Research in the district was done in three local municipalities viz; Umvoti & Msinga by Project Preparation Trust commissioned by Ilifa Labantwana; and Nquthu by Assupol Community Trust with a view to to ensure streamlining and Massification of registration processes and the standardization of ECD services to improve the quality thereof To facilitate development of programme of action in collaboration with civil society partners, with clear targets and outcomes for each of the identified focus areas. Assupol Community Trust approved a total of R 9,7 Million for infrastructure improvements that included new buidings – 20 centers in Msinga and 20 centers in Nquthu (**Figure 23**), which were prioritized by the Umzinyathi ECD Steering Committee for implementation during 2018/19. One of the main challanges has been the lack provision of water and sanitation to the centers which results in the ECD centers not receiving support from stakeholders such as Social Development.

Figure 23: Prioritised ECD Creches

Nquthu Creches	Msinga Creches
1. Hlangabeza Creche	1. Mashunka Flagship Creche
2. Kopanang Little Flowers Creche	2. Othandweni Creche
3. Qaphelani Pre-school	3. Zamokuhle
4. Sakhisizwe Creche	4. Holly Wood Creche
5. Vukuzakhe Creche	5. Zamukuphila Creche
6. Zamani Creche	6. Esibusisweni
7. Sibonelelo Creche	7. Mzzamo Chreche
8. Siyamkela Creche	8. Sibusisiwe
9. Buhlebuyavama Creche	9. Khayaletu Creche
10. Khulakancane Creche	10. Phowane Creche
11. Fahlaza Creche	11. Dumabemusola Creche
12. Nkanyezi Yokusa Creche	12. Nsukangihlale Creche
13. Thandanani	13. Mzamo Creche
14. Bambuhlanga Pre-School & Creche	14. Ngqongeni Creche
15. Mahlungula Creche	15. Snozwelo
16. Zamani Creche	16. Sakhasiswe Creche
17. Vukukhanye Creche	17. Vukuzakhe Creche
18. Isiyazama	18. Dungamanzi Kwakopi Area
19. Ntuzuma	19. Qalakahle Creche
20. Thandukwazi Creche	20. Siyadumisa Creche

10.6.6 SOCIAL DEVELOPMENT SWOT ANALYSIS

Strengths	Weakeness
<ul style="list-style-type: none"> Support by the Office of the Premier PPP by Assupol Community Trust Functional Structures(Vulnerable Groups) Budget for special programmes 	<ul style="list-style-type: none"> Lack of regional Sports precinct to accommodate various recreational Poor synergy of social development programmes from District to Locals
Opportunities	Threats
<ul style="list-style-type: none"> Development of a regional Youth development center Presidential Node 	<ul style="list-style-type: none"> Lack of funding for Early Childhood development.

10.7 FACILITY BREAKDOWN WITHIN THE DISTRICT

The Umzinyathi District Municipality being a predominantly rural municipality has a challenge in providing basic services to meet the community. The main urban or activity areas such as Endumeni (Dundee), Nqutu, Msinga (Tugela Ferry & Pomeroy) and Mvoti (Greytown) have Hospitals which service the surrounding peripheral area.

Figure 24 : Facilities Breakdown

Sub district	Endumeni	Msinga	Nquthu	Umvoti	District
District Office	1	0	0	0	1
District Hospital	1	1	1	1	4
TB Hospital	0	0	0	1	1
CHC	0	1	0	0	1
Fixed Clinics	6	18	15	12	51
Mobile clinics	2	3	4	3	12
EMS	1 District Office 1 Base	1	1	1	5
Forensic Mortuary	1	0	0	1	2
Nursing Colleges	0	1	1	0	2
Regional Laundry	1	0	0	0	1

Source: Umzinyathi District 2017

The list below illustrates the number of health facilities within the district. Msinga local Municipality has the highest number of health facilities due to the high population numbers within this local municipality.

Figure 25 : PHC Facilities Breakdown

Endumeni	Msinga	Nquthu	Umvoti
1. Dundee Gateway	1. COSH Gateway	1. CJM Gateway	1. Greytown Gateway
2. Empathe Clinic	2. Collessie Clinic	2. Clinic Felani Clinic	2. Amakhabela Clinic
3. Glenridge Clinic	3. Cwaka Clinic	3. Hlathi Dam Clinic	3. Amatimatolo Clinic
4. Sakhimpilo Clinic	4. Douglas Clinic	4. Isandlwana Clinic	4. Ehlanzeni Clinic
5. Siphimpilo Clinic	5. Elandskraal Clinic	5. KwaNyezi Clinic	5. Eshane Clinic
6. Wasbank Clinic	6. Ethembeni Clinic	6. Mangeni Clinic	6. Kranskop Clinic
	7. Gunjana Clinic	7. Manxili Clinic	7. KwaSenge Clinic
	8. Mandleni Clinic	8. Masotsheni Clinic	8. Muden Clinic
	9. Mawele Clinic	9. Mhlungwane	9. Ntembisweni Clinic
	10. Mazabeko Clinic	10. Mkhonjane Clinic	10. Pine St Clinic
	11. Mbangweni Clinic	11. Nkande Clinic	11. Sibuyane Clinic
	12. Mhlangana Clinic	12. Nondweni Clinic	12. Ukuthula Clinic
	13. Mumbe Clinic	13. Ntinini Clinic	
	14. Ngubevu Clinic	14. Thathezakhe Clinic	
	15. Ngabayena Clinic	15. Zamimpilo Clinic	
	16. Nocomboshe Clinic		
	17. Qinelani Clinic		
	18. Rorkes Drift Clinic		
	19. Mkhuphula Clinic (to be opened)		
	20. Msizini Clinic (to be opened)		

Source: Umzinyathi District 2017

10.8 KEY LED PROGRAMMES

SECTOR WIDE INTERVENTION

Nine Point Plan : Scaling up Private sector investment ; Unlocking the potential of SMME, co-operativess, township and rural enterprises

Provincial Growth and Development Plan: Enhance Industrical Development through Trade, Investment & export ; Promoting SMME, Entrepreneurial & Youth Development ; Expansion of Government-led job creation programme ; Skills alignment to economic growth

AREA OF FOCUS	PRIORITY PROJECT(S)	PROJECT DETAILS	PROPOSED ROLE PLAYERS
STRENGTHENING INSTITUTIONAL STRUCTURES FOR ECONOMIC DEVELOPMENT	Establishment of District Economic Development Agency as per Cabinet Lekgotla Resolution of September 2012	Set up an entity that will drive the economic development agenda of the District through : Implementation of catalytic projects Marketing and investment promotion of the District Facilitation of strategic partnerships for economic development	Umzinyathi DM /COGTA/ EDTEA
	Establishment of Business Chambers	Facilitating the establishment of business chambers to serve as a platform for local businesses to discuss strategies for growth in the local business sector.	Local Municipalities/ KZN Growth Coalition/ EDTEA
	Establishment of functional forums	Revitalization of the LED/ IDP Technical forum and sector specific sub-fora i.e. Tourism, Agriculture	Umzinyathi DM /EDTEA / COGTA

INVESTMENT PROMOTION	Marketing and Investment Promotion strategy	Developing a District strategy to guide the marketing and investment promotion efforts of the municipality in order to attract investment	EDTEA/ Umzinyathi DM
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SECTOR : PRIMARY AGRICULTURE & AGRO-PROCESSING			
Nine Point Plan : Revitalisation of the agriculture and agro-processing value-chain			
Provincial Growth and Development Plan : Unleashing potential of the Agricultural sector			
AREA OF FOCUS	PRIORITY PROJECT(S)	PROJECT DETAILS	PROPOSED ROLE PLAYERS
KILLS DEVELOPMENT AND CAPACITY BUILDING	1.1 Skills Training (Technical and basic business management)	Identify skills requirements aligned to priority agricultural commodities (i.e. beef, agronomy, vegetables, goats) Align skills requirements and priorities to accredited training programmes	DARD DRDLR AGRI-SETA Umzinyathi DM LMs
	1.2 Small scale farmer incubation programme	Develop an incubation programme to provide mentorship, practical training on site and manage relationship with potential markets.	Umzinyathi DM LMs DARD DRDLR

ENTERPRISE DEVELOPMENT FINANCING	2.1 Start-up capital for emerging farmer enterprises	Create a structured funding model for agricultural development	Umzinyathi DM LMs Dept. of Small Business Develop. Local Business the dti
	2.2 Sourcing of external funding	Establish a database of potential funders: DSBD - Co-operatives Incentive Scheme Local Mining Houses -SLP Dti incentives scheme	
GRICULTURAL VALUE CHAIN DEVELOPMENT AND ACCESS TO MARKETS	3.1 Develop masterplan / business plan for Umzinyathi District Agri-park	<p>Develop a masterplan / business plan for the establishment of an agri-park that will focus in creating value chains for the following key agricultural commodities: Beef Agronomy (maize, beans, soya) Vegetables Identify and facilitate Public/Private Partnerships for agri-parks project</p> <p>Development of strategy for revitalization of land reform farms : Land reform farm profiling Application for farm recapitalization funding Linking of land reform farms to agri-parks initiative.</p>	

	3.2 Link agricultural projects to RASET programme		
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The projects for implementation during 2018/19 financial year, are under Section E.

10.9 LOCAL ECONOMIC DEVELOPMENT SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Functional LED Support Structures • Qualified and experienced personnel • Comparative advantage in Agriculture, Tourism and Mining • Key Catalytic Projects Identified in the DGBP • Programmes aligned to relevant national and provincial policies • Environmental Health bylaws in place and being implemented. 	<ul style="list-style-type: none"> • Lack of Infrastructure to support Economic Development • Underutilisation of arable land (ITB) • Policies do not favour SMME development • Lack of a pool of bankable business plans • Poor marketing of the district as a tourism destination • Poor synergy of social development programmes from District to Locals
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Development of distinct Agri Park. • One of the 27 District Municipalities selected to receive additional support from national Govt (MISA) • Maximisation of beneficications in different value chain (e.g livestock – beef – skin processing) – Green Economy • Renewed interest in terms of the establishment of Economic Development Changes. • Exploitation of our presidential node status • Skills development programme for LED practitioners (DEDT/UKZN programme, the IDT / UJ / STELLENBOSCH/UWC programme) 	<ul style="list-style-type: none"> • Poor state of infrastructure (R33) • Geographical location of the district • Skills leakage • Climate change

SECTION D: VISION, GOALS, OBJECTIVES AND STRATEGIES

11 VISION, MISSION, MOTTO, CORE VALUES, KEY DEVELOPMENTAL PRIORITIES

On the 15 -17 February 2019, Management held a Strategic Planning Session, in the main, the purpose of the session is to set a strategic framework that should guide planning, programme, project implementation, monitoring and evaluation of municipal developmental objectives within the district, and also to serve as a framework for the development of the 2019/20 IDP and 2019/20 Budget.

As part of the outcome of the session, a vision, mission and core values, and the developmental priorities were developed in line with the powers and functions of the municipality, and the strategic departmental business plans were developed and presented in order to inform the budget process and also alignment with the 2019/20 IDP. The departmental business plans will be packaged into programmes and projects for implementation through the IDP and also to inform the Budget for 2019/20 financial year. The vision, mission, core values and developmental priorities for the municipality are as follows:

11.1 Vision

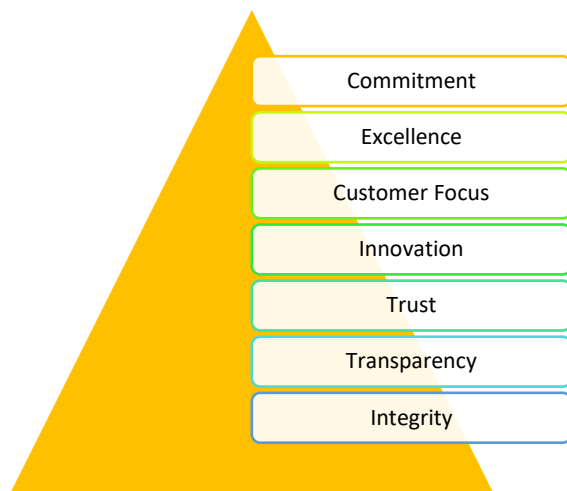
“Championing an economically viable district which strives to promote sustainable development by 2035”

11.1.1 MISSION

Championing Service Delivery through:

- Co-operative governance and public participation;
- Enhancing Rural Development and Agrarian Land Reform;
- Creating a conducive environment for job creation and economic growth;
- Supporting skills development to economic growth;
- Provision and management of water and sanitation; and
- Promote SMME and entrepreneurial development.

11.1.2 CORE VALUES



11.1.3 KEY DEVELOPMENTAL PRIORITIES

Key developmental priorities have also been developed and prioritised which will be used as an instrument in order to realise the developmental mandate, and they are as follows in a priority manner:

1. Water
2. Sanitation
3. Local Economic Development
 - 3.1 Agriculture
 - 3.2 Investment Promotion and Tourism
4. Electricity
5. Access Roads
 - 5.1 Development of the Rural Road Asset management System
6. Environmental Management
 - 4.1 Disaster Management – Climate Change
 - 4.2 Development of Regional Waste Sites
7. Leadership and good governance
 - 5.1 Anti corruption
 - 5.2 Sound financial management

8. Special Programmes

- 6.1 Youth development
- 6.2 HIV/AIDS
- 6.3 Elderly and widows
- 6.4 People living with disabilities
- 6.5 Albinism
- 6.6 Basic sign language
- 6.7 Women and Gender

9 . Human Settlement

12 STRATEGIC MAPPING

This section of the IDP indicates the desired growth and development of the Umzinyathi District Municipality and is presented by maps that specifically reflect the following:

12.1 Population distribution & Travelling distance to Social amenities

12.1.1 POPULATION DISTRIBUTION

Map 19: Population Distribution shows the population distribution within the municipal area. The population growth is concentrated on the more rural areas of the municipality, with Msinga and Nqutu LM having the highest density of population. The urbanized areas of Endumeni and Mvoti have lower population rates and the population is sparsely dispersed through these two Local municipalities. Infill development needs to be promoted within the less dense municipalities to avoid urban spread and sprawl. As a result of the anticipated growth the municipality needs to increase its provision of existing infrastructure and services such as water, electricity and waste management.

12.1.2 HOUSEHOLD STATUS

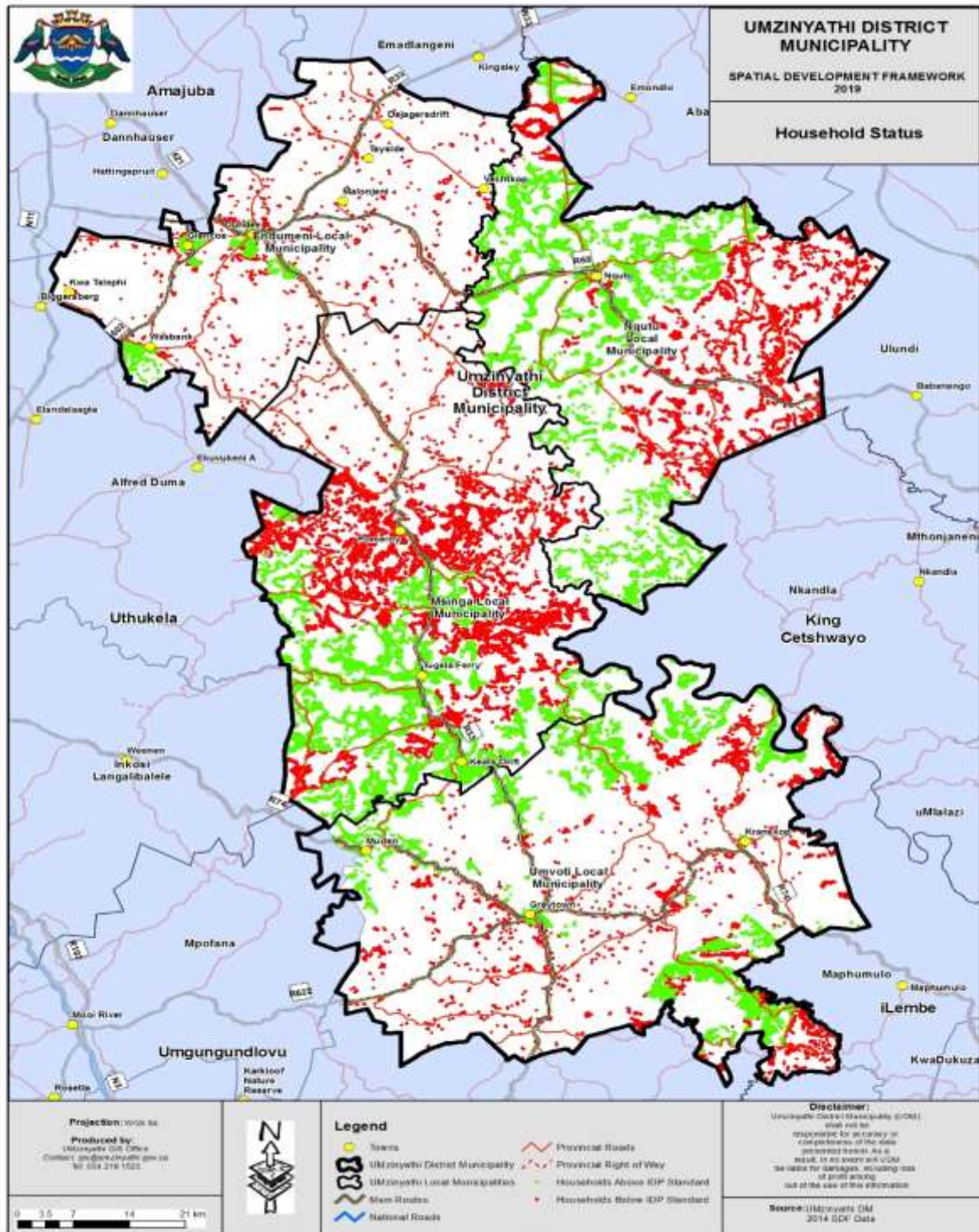
The Map 20: Household Status illustrates the household status within the municipal area. Households are widely spread however the majority of households are below the IDP standard. The red dots illustrates the households below the IDP standard and the green dots illustrates the households above IDP standard. It is evident that most households are below the IDP standard.

Map 19: Population Distribution



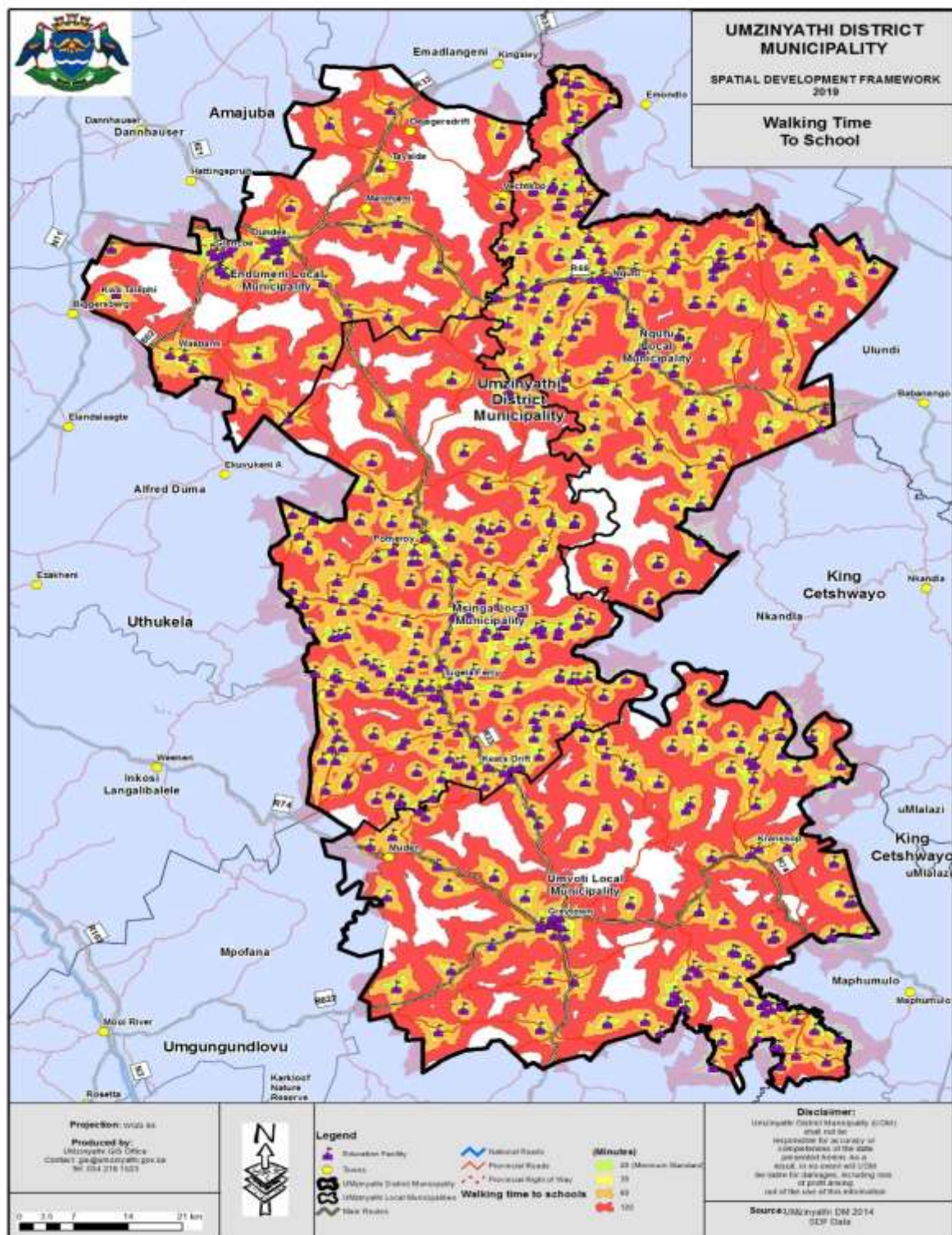
Source: Umzinyathi SDF 2019

Map 20: Household Status



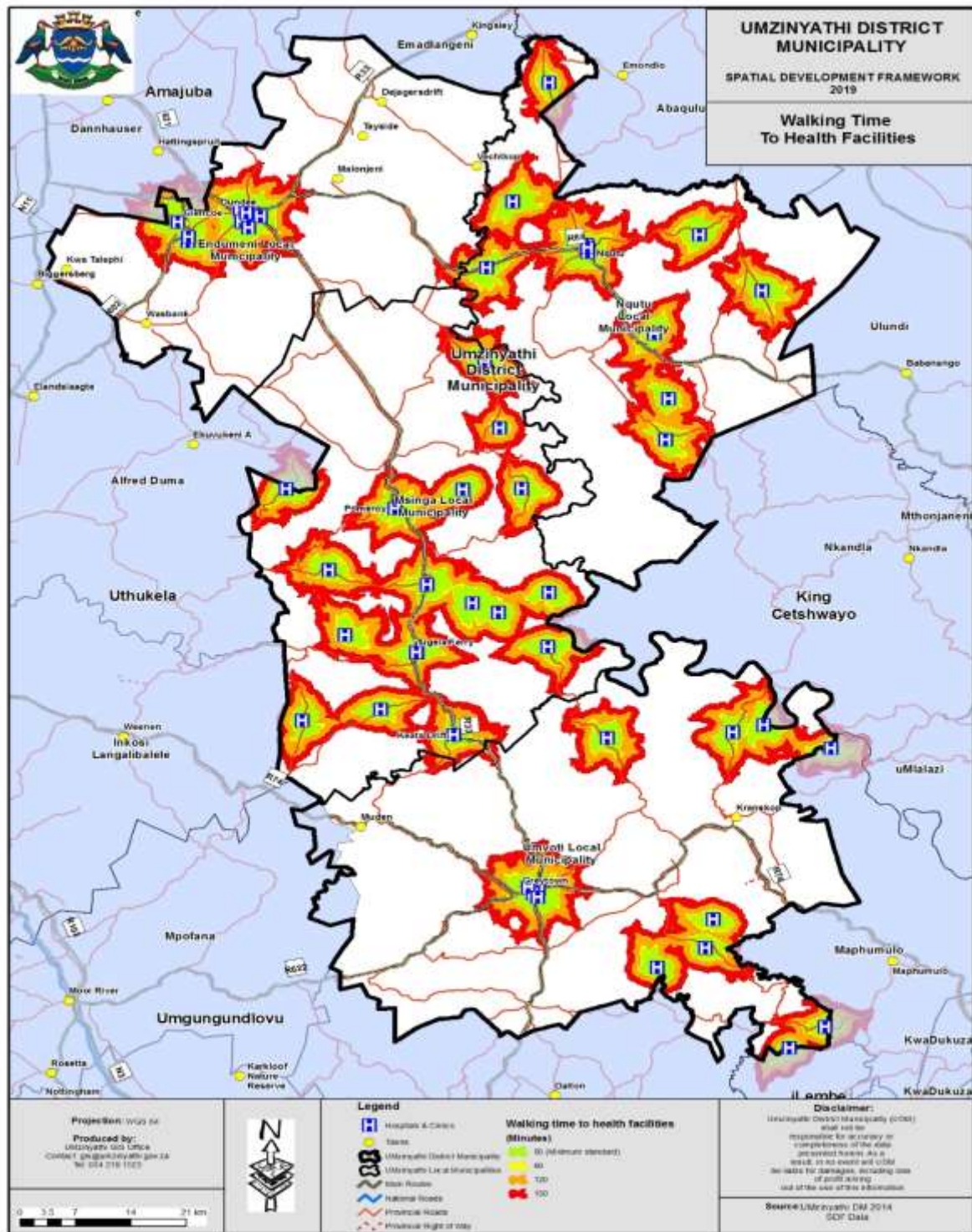
Source: Umzinyathi SDF 2019

Map 21 : Walking time to schools



Source: Umzinyathi SDF 2019

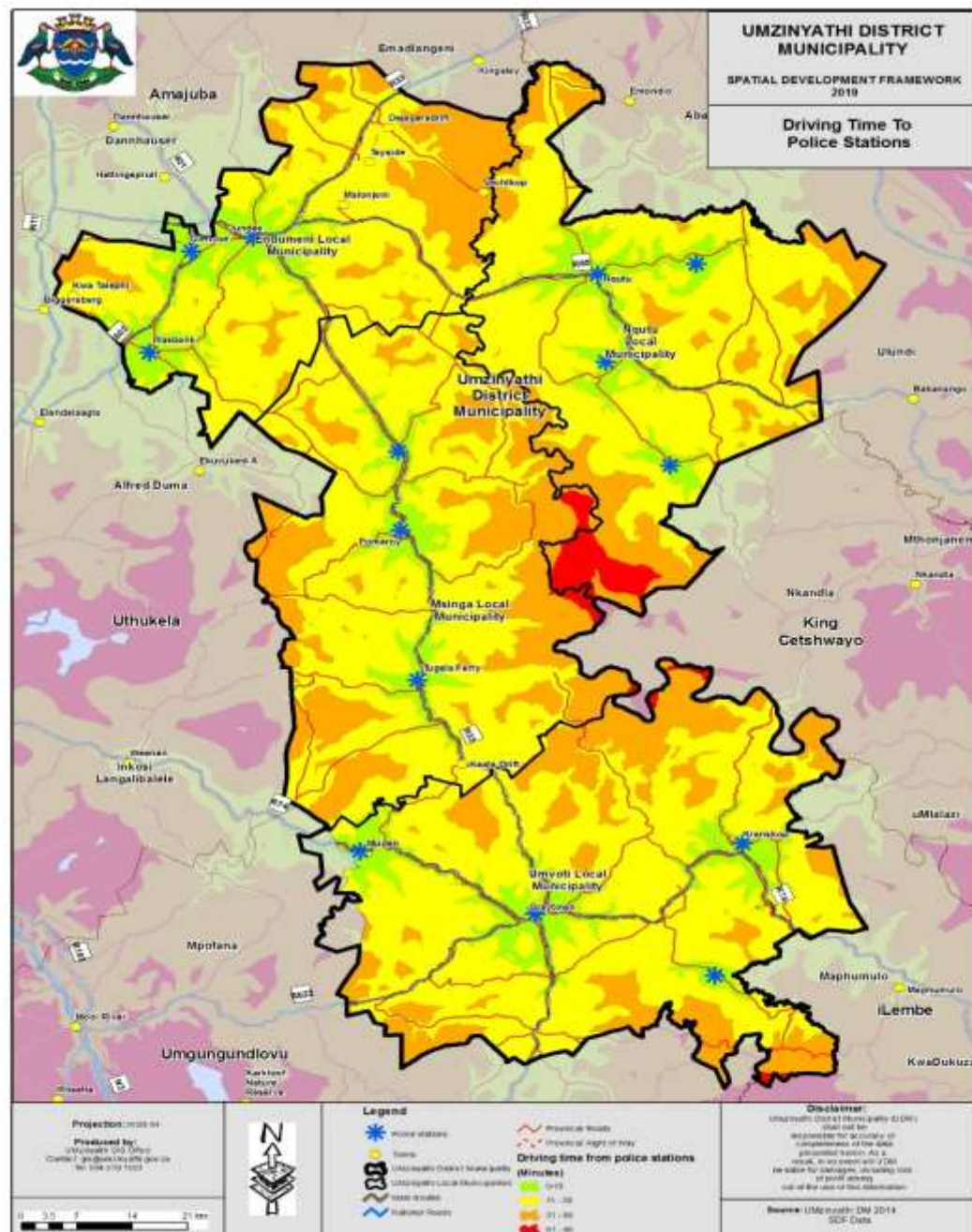
Map 22: Walking Time to Health Facilities



Source: Umzinyathi SDF 2019

The map above illustrates the walking time to health facilities. Health facilities are sparsely dispersed in the area due to higher threshold requirements. About 33.0% of people walk 150 plus minutes to the nearest health facility and a mere 4.4% walks 60 minutes. Given the low growth rural environment it will not be possible to improve access through growth.

Map 23: Driving time to Police Stations



Source: Umzinyathi SDF 2019

The map above shows the drive time from police stations. The map indicates how long it will take the police to reach any point in the municipal area. It is important to note that police stations in neighboring municipalities do play a role in Umzinyathi municipal area. The municipal area is however, very well covered by police stations with close to 90% households reachable in 30 minutes.

12.1.3 TOURISM FACILITIES WITHIN THE DISTRICT

A number of observation can be made regarding tourism facilities:

- Tourism facilities are largely private sector driven. Historical sites and museums are mostly linked to the so called battlefield tourism.
- Mission stations are strictly not a "tourism facility" but they all have historical significance that might be capitalized on.
- The bulk of the facilities, such as recreation have a local function rather than attracting tourist from outside the area.

The concentration of tourism facilities is mainly around Dundee and Nquthu. It is estimated that 75% of visitors to the battlefield sites are domestic tourists.

The Councils SEA refers to the district tourism study that list the following pressures on the tourism sector:

- Generally poor infrastructure in terms of roads and basic services
- Land claims and land tenure issues prohibits investments in the sector
- The area is thus far from the main airports and target market such as Durban and Johannesburg
- The negative reputation of the areas in terms of crime drives tourists away from the area

To address these challenges the district tourism study suggested the following recommendations for the development of this sector:

- The need for the district to focus on regions with highest indigenous tourism potential
- Need to provide more upmarket accommodation facilities to cater for the taste of international tourists
- Improve safety and security in the region

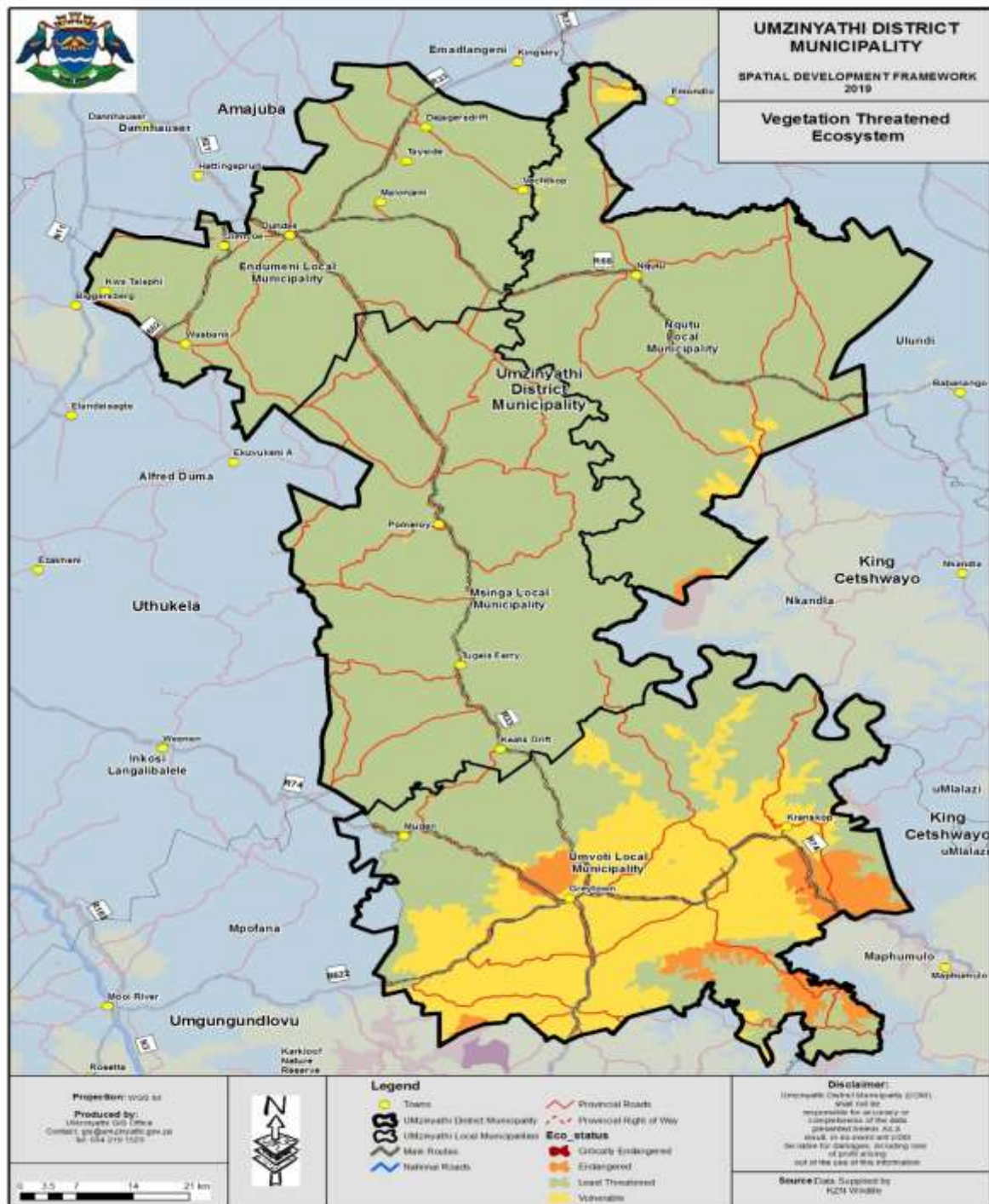
Map 24: Tourism Facilities



Source: Umzinyathi SDF 2019

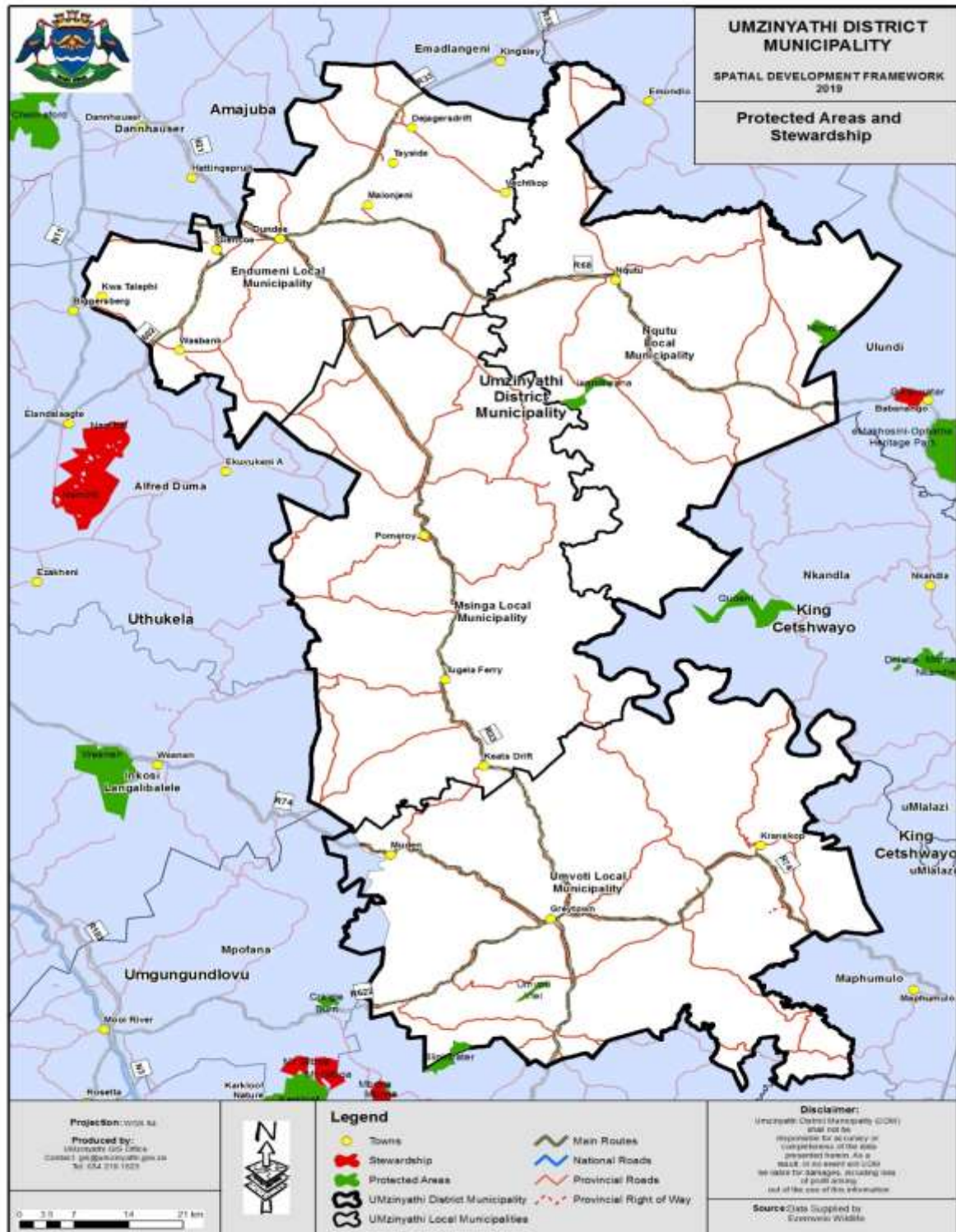
12.2 Environmental and Agricultural aspects

Map 25: Vegetation Threatened Ecosystem



Source: KZN Ezemvelo Wildlife, 2019

Map 26: Protected Areas and Stewardship



Source: KZN Ezemvelo Wildlife, 2019

12.2.1 VEGETATION THREATENED ECOSYSTEM

The map above illustrates the vegetation threatened ecosystem. It is evident that most parts of the district are least threatened. This implies that more sustainable development approach to be in place. Major parts in the Southern part of the district are regarded as vulnerable and this is due to habitat loss and destruction of the vegetation. Habitat loss and destruction also causes the ecosystem to be endangered as evident in the map. This implies that further loss will result in this category to be upgraded to critically endangered, and may result in the conservation target not being met and persistence of vegetation type uncertain.

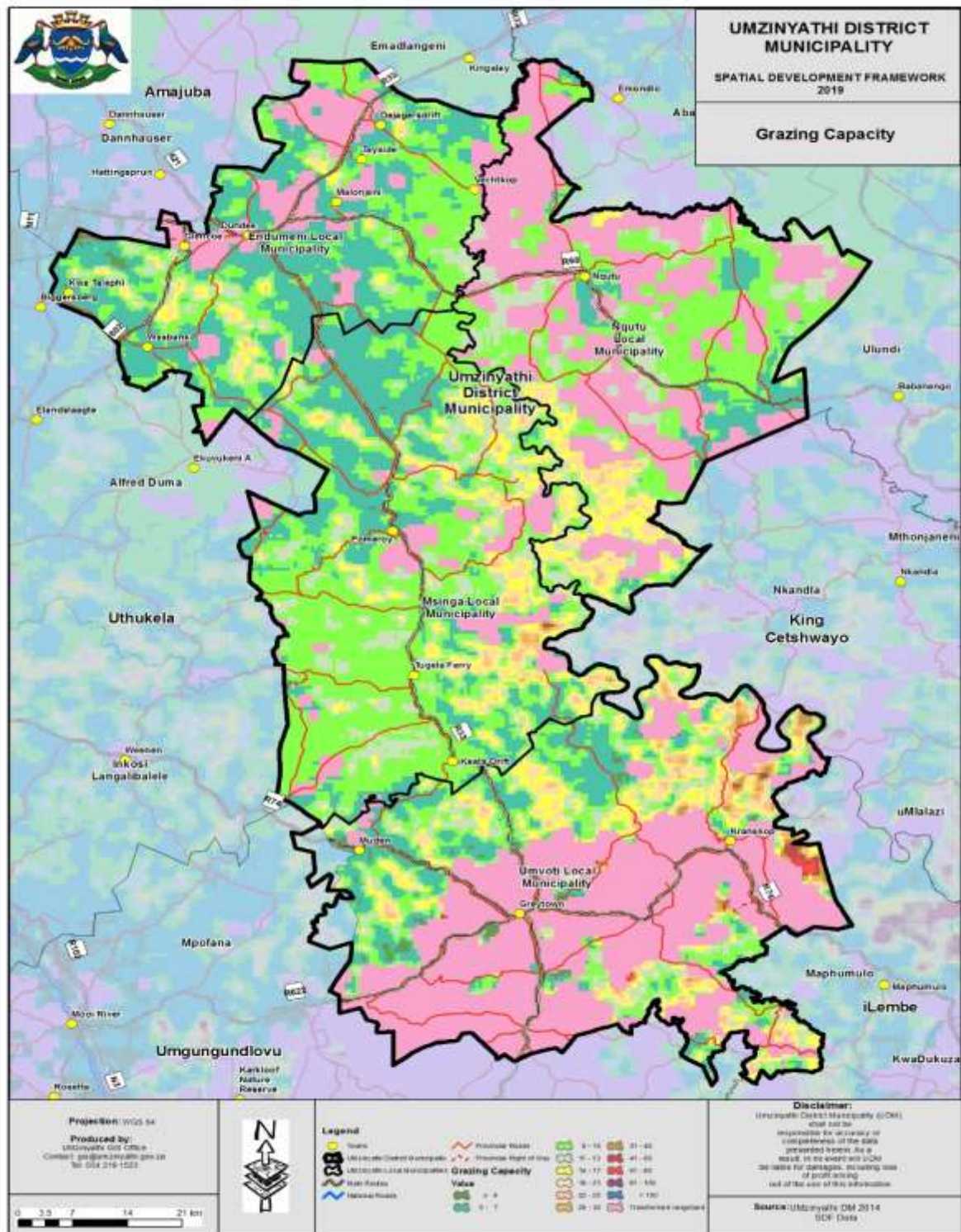
12.2.2 PROTECTED AREAS AND STEWARDSHIP

A protected area is a declared area of importance and requiring protection and management due to its biodiversity content. Protected areas within the district are limited, a few exist in the neighboring municipalities. Isandlwana protected area is situated within the Nquthu Local Municipality and Umvoti vlei is another protected area within the district which is situated at Umvoti Local Municipality. Blinkwater is situated at the border of the Umzinyathi District and Umgungundlovu District. A stewardship is a voluntary programme that aims to increase conservation managed areas via agreements with private and communal landowners. There are no stewardship areas that exist within the district. Mt. Gilboa is a stewardship that exists outside the boundary of the district.

12.2.3 GRAZING CAPACITY

The map above shows the grazing capacity within the municipal area. The grazing capacity of the area is expressed in terms of animal units (AU). AU is equivalent to a 450kg cow. As evident in the map it confirms the capability assessment. The general grazing capacity in the UDM area is very low and it is only in a few areas in the mountainous parts where the grazing capacity is between 14 and 17 AU. In the rest of the area, not classified as transformed rangelands the grazing capacity is below 10 AU per hectares.

Map 27: Grazing Capacity



Source: Umzinyathi SDF 2019

12.2.4 CRITICAL BIODIVERSITY AREAS

The map above specifies the critical biodiversity areas (CBA) and ecological support areas (ESA) within the municipal area. These are the areas of importance for the conservation of biodiversity. These areas form the biodiversity network that is required for the district to ensure the persistence and maintenance of habitats, ecosystems and their associated species. As seen in the map there are a number of areas within the municipal area which represent optimized solution to meet the required biodiversity conservation targets while avoiding areas where the risk of biodiversity loss is high, such cultivation and residential areas. On the southern part of the municipal area there exits the ESA's which are defined as functional but not necessarily entirely natural areas that are required to ensure the persistence and maintenance of biodiversity patterns and ecological processes within the critical biodiversity areas.

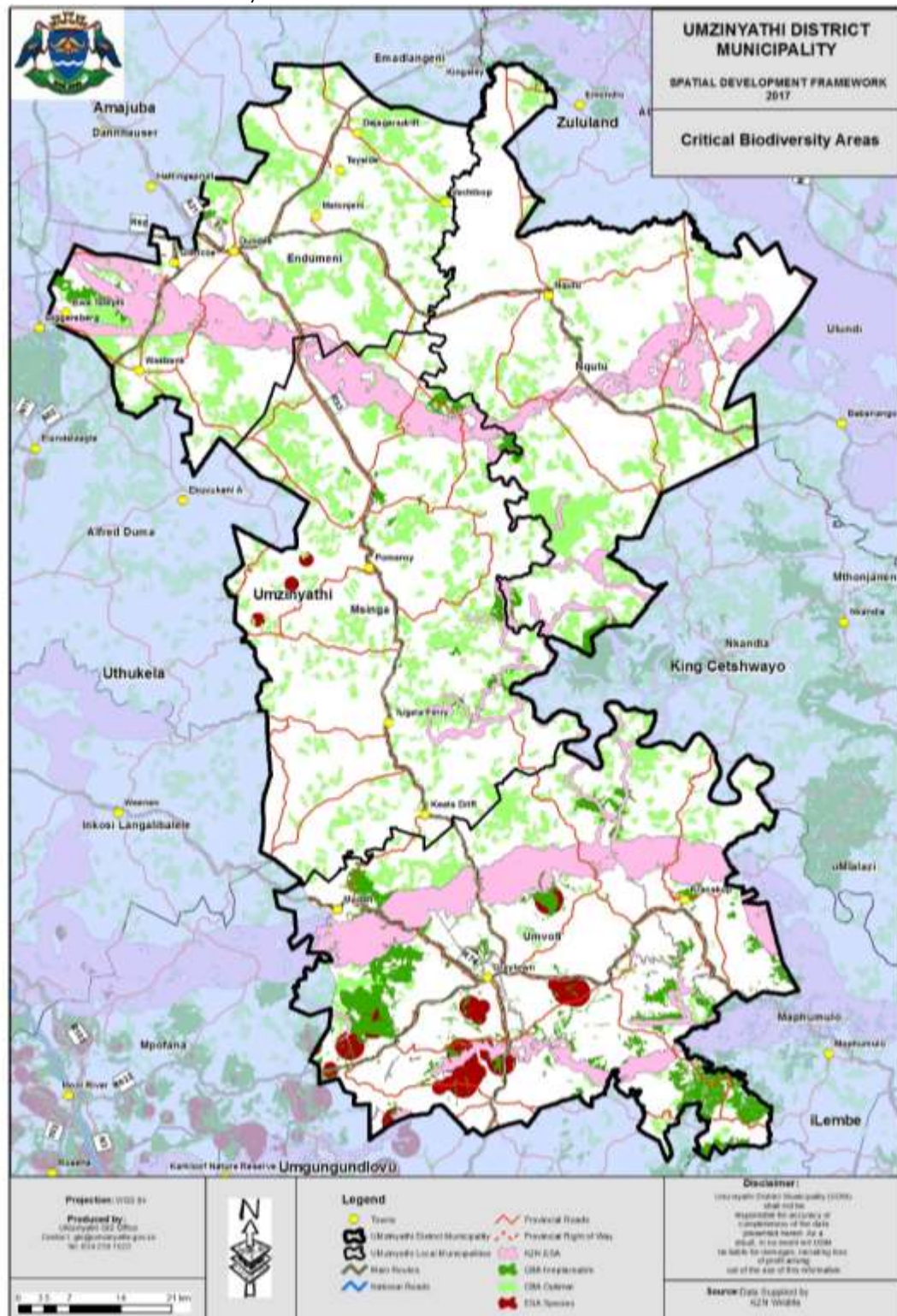
12.2.5 VEGETATION STATUS

The above shows the vegetation protection status. As seen in the map the majority of the municipal is poorly to moderately protected. Few parts of the south eastern part of the municipal area are not protected at all and this poses a threat as it may cause vegetation loss.

12.2.6 VEGETATION CONSERVATION STATUS

Map 30: Vegetation Conservation Status indicates the spatial display of the conservation status within the municipal area. Mostly the conservation status within the municipal area as seen in the map is least threatened. This implies sustainable development approach to be in place. The northern part is widely spread with the vulnerable vegetation and this implies that caution is required. The southern part of the municipal area has endangered vegetation and this implies that further loss will result in this category being upgraded to critically endangered category. Further south of the municipal is a slight distribution of critically endangered vegetation. This implies that any further loss will result in the conservation target not being met and persistence of vegetation uncertain.

Map 28: Critical Biodiversity Areas



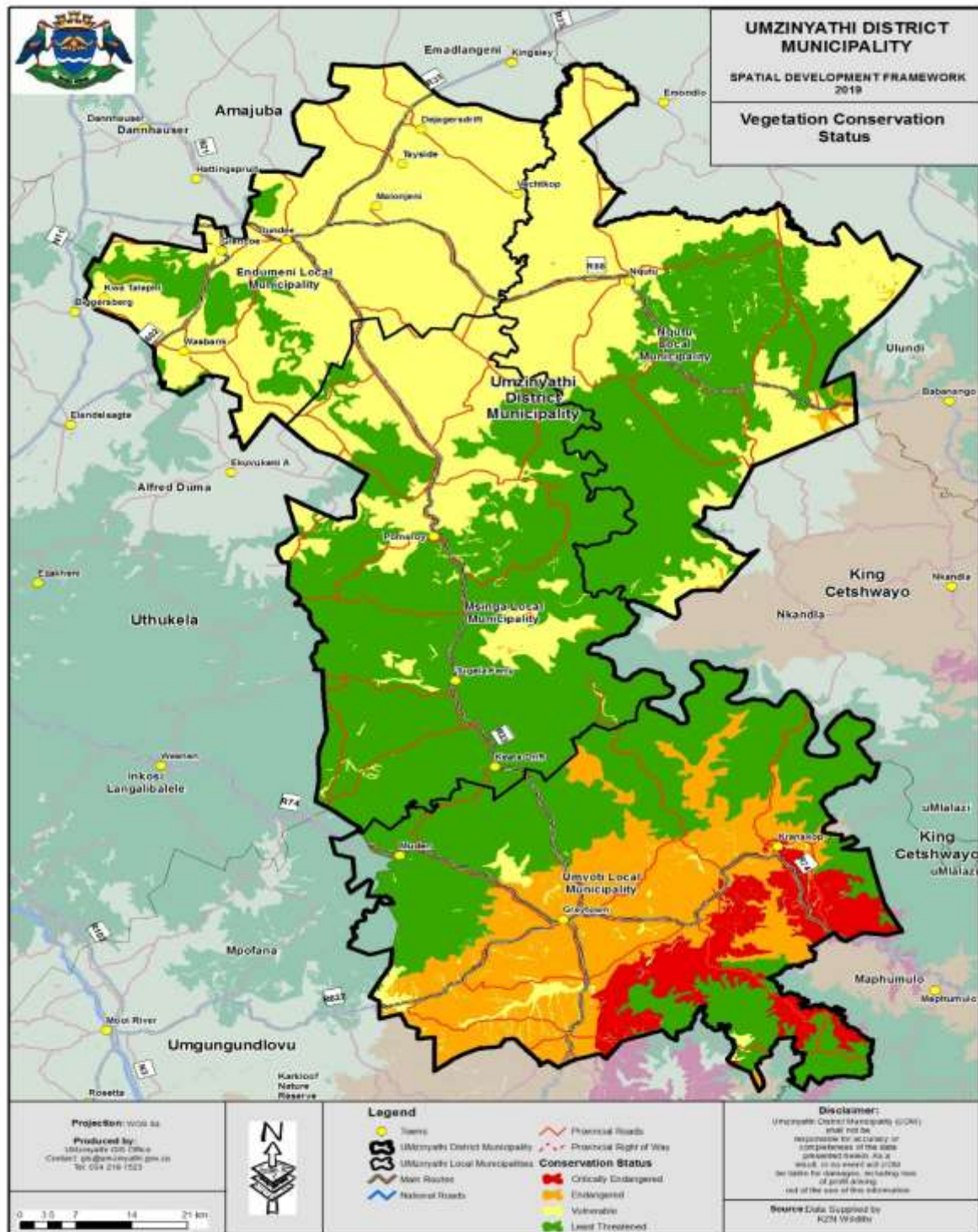
Source: KZN Ezemvelo Wildlife 2017

Map 29: Vegetation Status



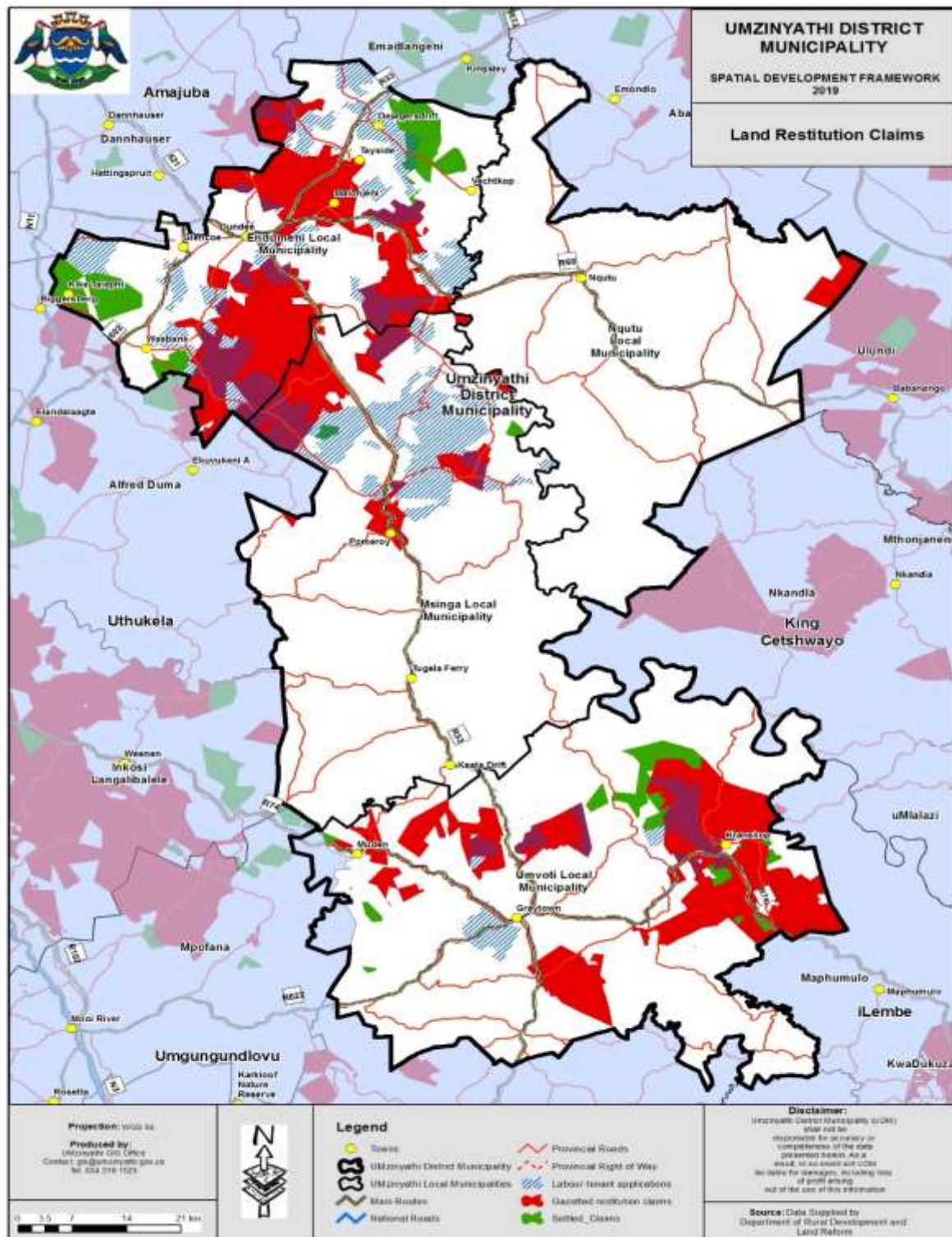
Source: KZN Ezemvelo Wildlife 2019

Map 30: Vegetation Conservation Status



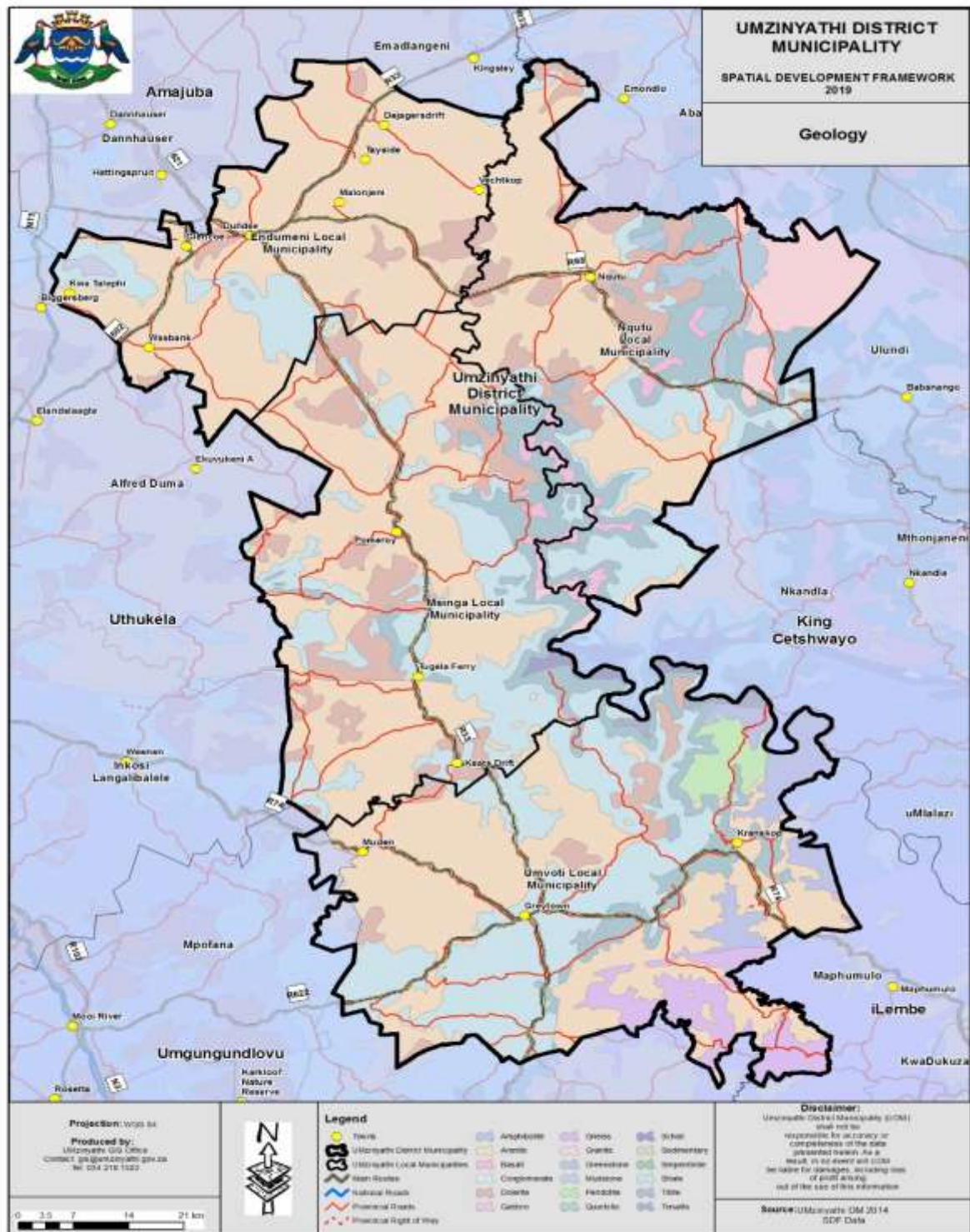
Source: KZN Ezemvelo Wildlife 2019

Map 31: Land Restitution and Land Claims



Source: Department of Rural Development and Land Reform 2019

Map 32: Geology



Source: Umzinyathi SDF 2019

12.2.7 LAND RESTITUTION AND LAND CLAIMS

The Map 31: Land Restitution and Land Claims above shows the land restitution within the municipal area. Only about 31.5% are settled claims and most of them are still gazette. A few labor tenant applications are highlighted also in the central and northern part of the municipal area.

12.2.8 GEOLOGY

The Map 32: Geology above shows the geology of the municipal area. Arenite is the most common rock covering most of the municipal area. Shale occurs throughout the area. Tillite is present along the Buffalo River but then only in the mountainous areas before it joins the Tugela River. These sedimentary formations are topped by dolerite that is still exposed in the higher parts of the mountains.

12.3 Structuring elements

12.3.1 ACCESS TO ELECTRICITY SERVICES

The Map 33: Access to Electricity Services below shows access to electricity within the municipal area. The LM's and Eskom provide electricity throughout the area.

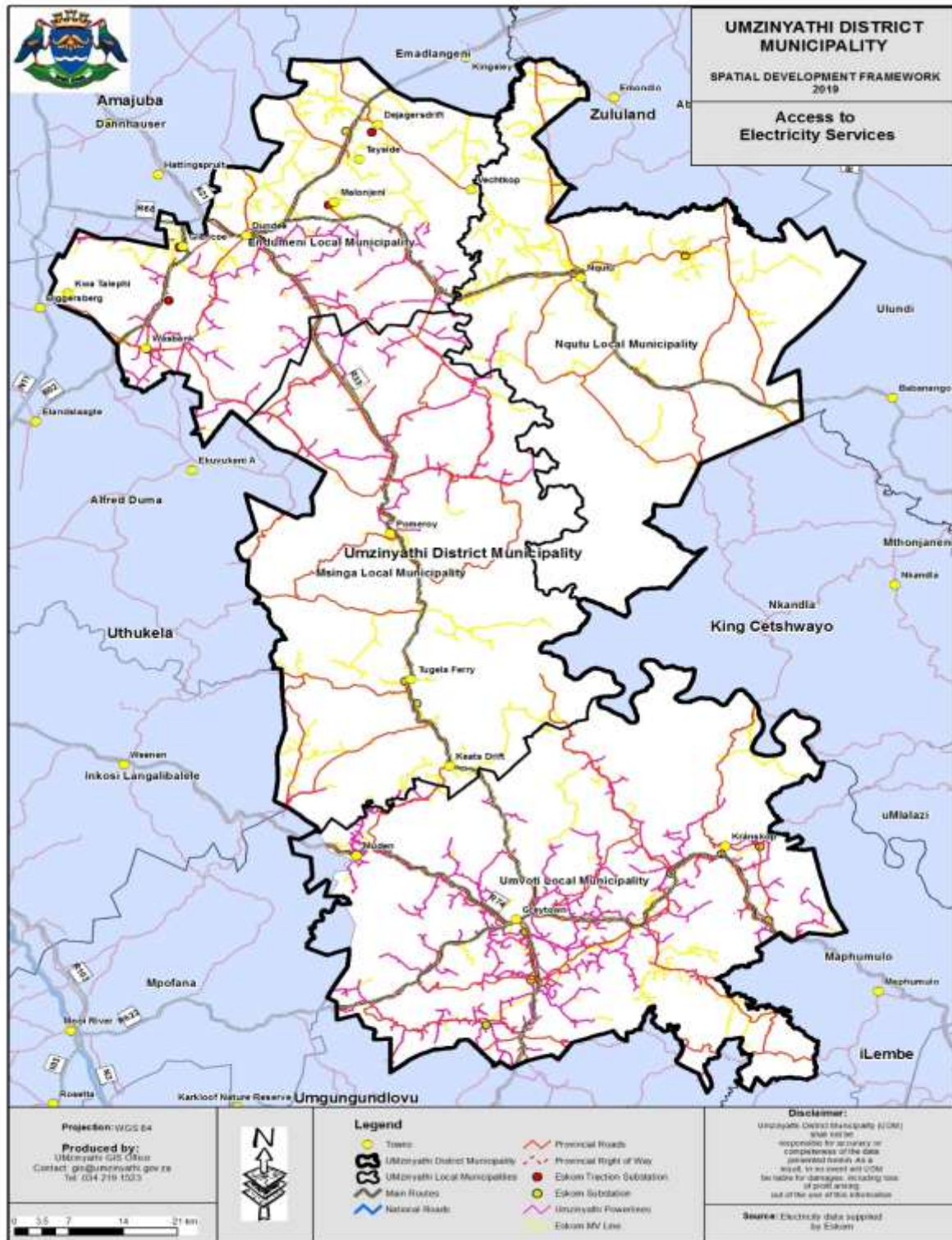
12.3.2 MINING POTENTIAL

The Map 34: Mining Potential below shows the mining potential within the district. Mining within the municipal area is not predominant as it exists only in the northern part (Endumeni) of the district. The map indicates that in the northern part of the district there is predominantly low to medium mining potential.

12.3.3 TRANSPORT MOBILITY

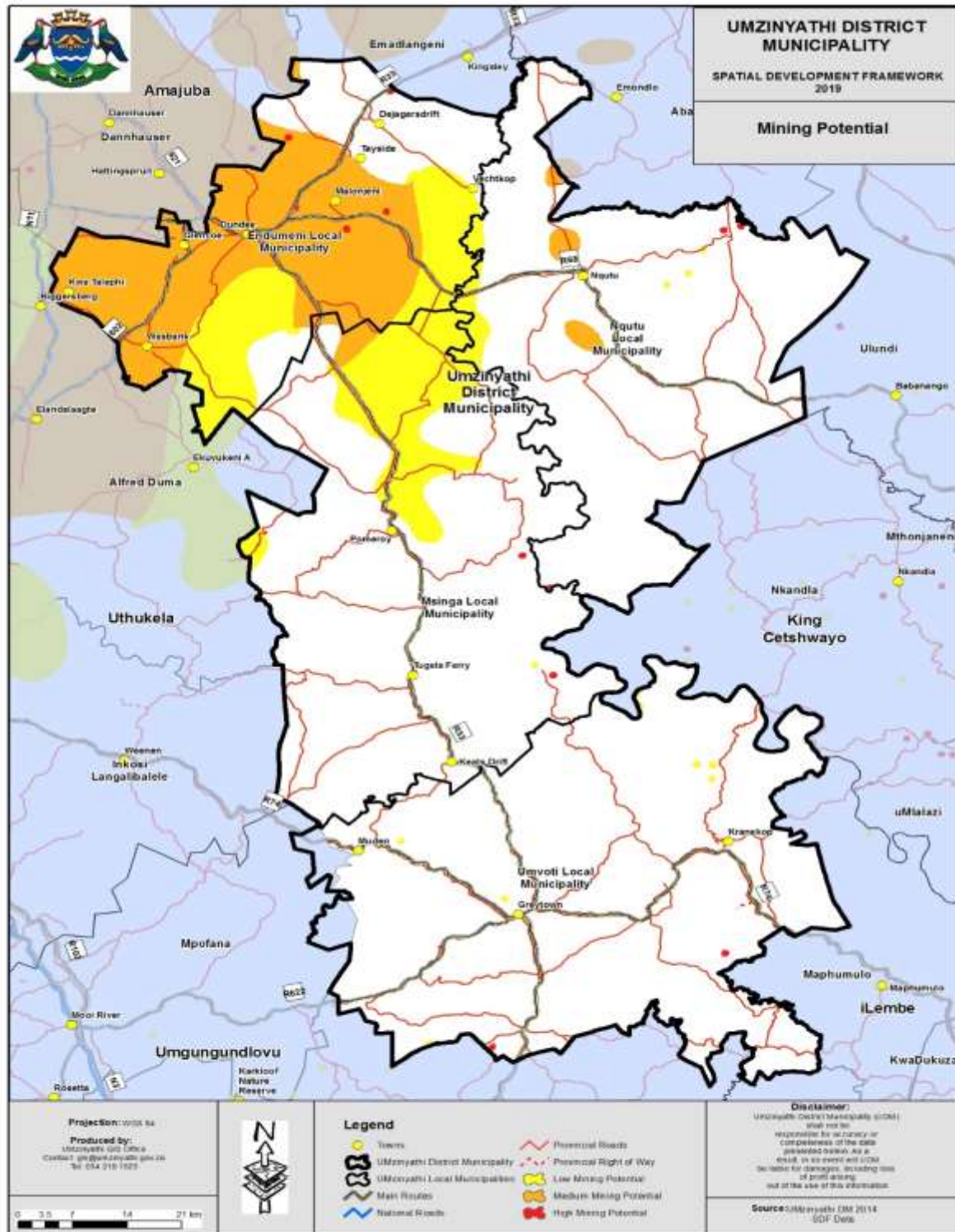
Map 36:Transport mobility below indicates the transport mobility within the municipal area. It is evident that the mostly used form of transport is on foot. The variety of transport is found on the urban part of the municipal area. Most people in the northern part of the municipal area uses a different forms of transport which include cars minibus and bicycle.

Map 33: Access to Electricity Services



Source: Umzinyathi SDF 2019

Map 34: Mining Potential



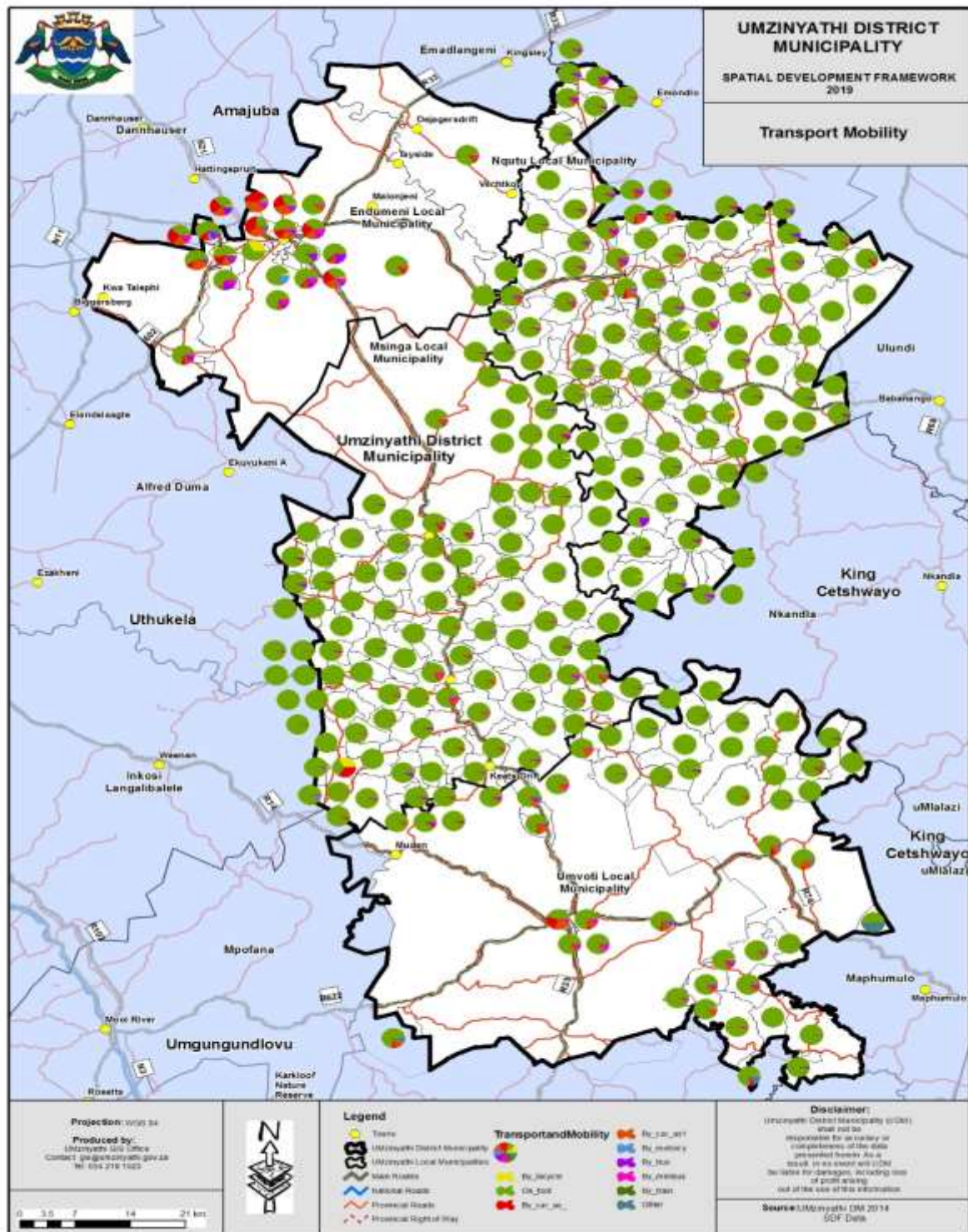
Source: Umzinyathi SDF 2019

Map 35: Air, Road and Rail Links



Source: Umzinyathi SDF 2019

Map 36: Transport Mobility



Source: Umzinyathi SDF 2019

13 CHALLENGES PER NATIONAL KEY PERFORMANCE AREA (NKPA)

Table 43: Municipal transformation and institutional development

KEY CHALLENGE	RESOLUTION
Insufficient tools of trade and shortage of staff	The municipality is currently implementing cost cutting measures however strategies are being formulated to address the shortage within the municipality.
Poor Contract management	Development of a plan for Projects and Contracts Management.
Low staff morale	In the interim while funds to source specialists in Psychology are still not available, employees have been encouraged to register courses that will further develop their qualifications and skills. Furthermore to implement
Poor communication and planning amongst departments	Eliminate silo planning within the departments by implementing the communication strategy and encourage departments to implement integrated planning.
Lack of a cascaded Performance Management System	Process of cascading performance management system was initiated at middle management level in the 2017/18 financial year.

Table 44: Basic service delivery and infrastructure development

KEY CHALLENGE	RESOLUTION
Drought	The Technical Services unit will continue with accelerating drought alleviation programmes.
Ageing Infrastructure	The department is to formulate an O and M plan and refurbishment plans which focus on replacement of ageing infrastructure.
Inadequate infrastructure	Technical department requested COGTA for funding to accelerate the implementation of projects and eradication of service delivery backlogs.

High water losses	Water Demand and Conversation Management Plan is being developed to address the issues of water losses within the district.
Inaccessible topography	Funding allocation formula to take topography into account.

Table 45: Local Economic Development

KEY CHALLENGE	RESOLUTION
Outdated plans for the development of key economic sectors (District tourism, agriculture, SMME sector plans)	The municipality is developing the Local Development Strategy 2017/22 that will look at the different sectors within the districts and their growth potential.
Identification and implementation of District wide catalytic LED projects and sourcing of additional funding.	Progress has been made in the establishment of the Development Agency to initiate and drive the process.
Policies that don't favour SMME development	Review District Wide Supply Chain Management Policies to favour local emerging enterprises.

Table 46: Good governance and Public participation

KEY CHALLENGES	RESOLUTION
Uncoordinated internal and external communication.	Development of an integrated communication system for customer care, disaster management and Operations and Management.
Poor coordination of public participation across the municipality.	Development of the municipal wide public participation policy, and ensure public participation compliance with provision of various acts under the departments. UDM to provide sufficient capacity building to PPO to enhance community participation in all municipal and government public consultation/ engagements within the district.
Lack of programmes targeting Women and Youth.	All LED programmes and private sector development initiatives shall

	<p>accommodate at least 40% of youth entrepreneurs.</p> <p>Municipal annual plans to include women's economic empowerment & substantial budgets be allocated to such plans.</p>
Inclusion of ECD programmes in the IDP.	UDM is considering assistance from interested stakeholders in the Early Childhood Development programme that will also look at disabled children.
Lack of Corporate Social Investment projects by industries within the district.	
Low attendance in Intergovernmental Relations structures.	Revival of the IGR Structures through signing of the MOU with Local Municipalities and sector departments.
Unattended cases discussed in the war room during OSS meetings.	UDM through District Task Team, to coordinate senior managers deployed in the district to ensure ongoing support in the programmes and addressing of issues raised in the war rooms.
Increasing audit queries and unfavourable audit opinion	Encourage the implementation of the AG Action Plan, IA recommendations and resolutions of the Oversight structures

Table 47: Financial viability and Management

KEY CHALLENGES	RESOLUTIONS
Poor collection levels	Fully implement the Revenue Enhancement strategy and Credit Control & Debt Collection Policy.
Failure to adhere to grant conditions by departments.	Submission of MOA's and Business Plans to Budgeting and Reporting Unit.
Irregular Expenditure emanating from Contracts awarded without following proper SCM processes.	<p>Irregular expenditure to be reported to council.</p> <p>Contracts to be regularized.</p> <p>Eliminate the use of deviations.</p>

No involvement of Asset Management unit Capital project processes resulting in in-ability to capitalize and account for assets properly.	Asset Management Unit to be invited to project steering committee meetings.
Insufficient financial resources	Implementation of the current recovery plan which indicates the impact on deficit reduction and it monitoring to move the municipality from its current state.
Increasing audit queries and unfavourable audit opinion	Encourage the implementation of the AG Action Plan, IA recommendations and resolutions of the Oversight structures

Table 48: Cross cutting

KEY CHALLENGE	RESOLUTION
Shortage of GIS personnel within Local Municipalities.	Encourage and motivate for Local Municipalities to create GIS posts within their organograms.
Outdated spatial data	Review and refurbishment of strategic documents, data and signage within the district.
Ineffective implementation of SPLUMA.	Adoption of the wall to wall schemes by Msinga and Nqutu Municipalities. Development and adoption of the wall to wall schemes by Endumeni and Umvoti Municipalities.
Land identification and release for development in the Ingonyama Trust Areas.	Engagement of the District House of the Traditional Leaders on the developmental issues.
Improper strategic spatial planning on developments and Land use	Engage the Public Works to develop a long term plan on positioning of developments and collaborated influence on the spatial location of social facilities. Creating a conducive environment to enable private developers to invest in the district.

14 DEVELOPMENTAL STRATEGIES

Umzinyathi District Municipality has developed the strategies in line with the developmental priorities in order for the intended results to be achieved and to enhance the service delivery thereby improving the communities lives. The following strategies have been developed for the 2019/20 IDP, and were further refined in terms of specific programmes as part of the Final 2019/20 IDP to adopted by council in May 2019.

Ref:	Key challenges	Goals (Broad Statements)	Strategic Objectives (What you want)	Strategy (How are we going to achieve it)	Key Performance Indicator (Measure)	Project (Implementers)	Funding source	Responsible Department
National Key Performance Area 1: Municipal Transformation and Institutional Development.								
MTID 1	Low staff morale	High performance municipality leading in transformation and institutional development	1.1 Address lack of skills development and safeguard retention of skills.	Implement Skills development programmes.	Number of skills development programmes implemented.	LGSETA Programmes	LGSETA	Corporate Services
				Development and Adoption of Work Place Skills Plan by April 2020.	% of budget allocation spent on Workplace Skills Plan	N/A	Skills Development Levy (Operational Budget)	
				Development and adoption of Employment Equity Plan by 15 January 2020	Date of adoption of Employment equity policy.	N/A	N/A	
MTID 2	Poor communication and planning amongst departments		1.2 Ensure good governance, financial viability, efficient administration and optimal	Submit Draft before 31 March 2020 and Final IDP before 30 June 2020.	Date of adoption and submission of IDP	N/A	N/A	Planning and Economic Development.

Ref:	Key challenges	Goals (Broad Statements)	Strategic Objectives (What you want)	Strategy (How are we going to achieve it)	Key Performance Indicator (Measure)	Project (Implementers)	Funding source	Responsible Department
	Poor communication and planning amongst departments	High performance municipality leading in transformation and institutional development	institutional transformation with capacity to execute its mandate.	Compile and submit Quarterly Performance reports to IA, AC and Council.	Percentage of Organisational Scorecards targets achieved.	N/A	N/A	Planning and Economic Development.
				Ensure critical policies are reviewed before 30 June 2020.	No of policies reviewed and adopted.	N/A	N/A	Corporate Services
				Ensure the review and adoption of municipal organogram before the 30th of June 2020	Date of adoption of municipal organogram	N/A	N/A	Corporate Services
	Lack of a cascaded Performance Management System			Cascading PMS to all levels within the municipality to promote accountability in all levels of employment	Cascading IPMS to various Paterson scale levels	N/A	Equitable share	Corporate Services

Ref:	Key challenges	Goals (Broad Statements)	Strategic Objectives (What you want)	Strategy (How are we going to achieve it)	Key Performance Indicator (Measure)	Project (Implementers)	Funding source	Responsible Department		
National Key Performance Area 2: Basic Services Delivery and Infrastructure Development										
BSDID 1	Drought	Provision of basic needs aligned to core mandate of the municipality	2.1 Provision of safe drinking water and sanitation services to the community to eradicate service delivery backlogs	Provision of water to households within RDP standards to reduce the backlog the end of June 2020	Number of households provided with water facilities		MIG	Technical Services		
	Provision of sanitation facilities to households within RDP standards to reduce backlog by the end of June 2020.			No of households to be provided with access to sanitation within RDP standards		MIG				
	Non-compliance to SANS 241			Waste Water quality monitoring (green drop)	% of compliance to the quality standards for the waste water treatment works	N/A	Operational budget			
	Water quality monitoring (blue drop)			% of compliance to the quality standards for drinking water (SANS 241)	N/A	Operational Budget				

Ref:	Key challenges	Goals (Broad Statements)	Strategic Objectives (What you want)	Strategy (How are we going to achieve it)	Key Performance Indicator (Measure)	Project (Implementers)	Funding source	Responsible Department		
BSDID 2	<ul style="list-style-type: none">Ageing InfrastructureInadequate infrastructure	Provision of basic needs aligned to core mandate of the municipality	Effective and efficient operations and maintenance unit, responsive to the needs of the community.	Undertaking of operations and maintenance	Number of water treatment works operations and maintenance undertaken	N/A	Operational Budget	Technical Services		
					Number of waste water treatment works operations and maintenance undertaken	N/A	Operational Budget			
BSDID 2	High water losses						% reduction of non-revenue water		War on leaks	Operational Budget
National Key Performance Area 3: Local Economic Development										
LED 1	Identification and implementation of District wide catalytic LED projects and sourcing of additional funding.	Economically viable district prominent in investment and job creation	3.1 Support SMME development and sustainability to Increase Agricultural and Tourism potential within the district.	Implementation of Co-operatives and Small Enterprise Development Programmes in manufacturing, tourism, agriculture, service sector and informal economy	No of agricultural Co-operatives supported with mechanisation ,enterprise development & market support	Ezamakunene(Q1) Uitzeg(Q2) Othini(Q1) Escengeni(Q1) Mazabeko(Q1) Makhankane(Q1) Matshematshe(Q1) Kwaleje(Q2) Skeepsdaal(Q2) Ekukhanyeni(Q2)	Operational budget	Planning and Economic Development		

Ref:	Key challenges	Goals (Broad Statements)	Strategic Objectives (What you want)	Strategy (How are we going to achieve it)	Key Performance Indicator (Measure)	Project (Implementers)	Funding source	Responsible Department
	Identification and implementation of District wide catalytic LED projects and sourcing of additional funding.				No of SMMEs in the manufacturing sector supported with tools of trade and mentoring	Masoshangane Co-op Isandlwana Co-op	Operational budget	Planning and Economic Development
	Outdated plans and ineffective strategies for the development of key economic sectors (District tourism, agriculture, SMME sector plans)			Promotion of tourism marketing through financial support, shows and exhibitions Support of Tourism Institutional Structures	Number of tourism structures supported with grant funding	Battlefields Route Association Local CTO's	Battlefields Route association affiliation and Marketing grant	
					Date of completion of Tourism Signage Project	Tourism Signage Project	Operational Budget	
					Date of adoption for Tourism Strategy	Review of Tourism strategy	Operational Budget	
					Number of tourism signature events to advertise umzinyathi as destination of choice	Tourism Month(Q2) District Cultural Festival(Q1) Dundee July(Q1) Talana Live(Q2) Isandlwana Commemoration (Q3)	Operational Budget	
	Identification and implementation of				Establishment and implementation of	No. of jobs created through	Ezamakunene(05) Uitzeg(10)	Equitable Share

Ref:	Key challenges	Goals (Broad Statements)	Strategic Objectives (What you want)	Strategy (How are we going to achieve it)	Key Performance Indicator (Measure)	Project (Implementers)	Funding source	Responsible Department
	District wide catalytic LED projects and sourcing of additional funding.			key capital and social initiatives projects to enhance economic development and job creation (EPWP.Economic Development Agency , Industrial Economic Hubs and Agri –Parks)	municipality's LED initiatives.	Othini(14) Escengeni(36) Mazabeko(13) Makhankane(28) Matshematshe(18) Kwaleje(10) Skeepsdaal(07) Ekukhanyeni(15) Tractor drivers(08)		Development
					No of jobs opportunities created through EPWP	Grass Cutting and environmental(10) Early Child Practitioners Project(20) Disaster Management(36) Greytown Landfill Site(20) Car Guides(35) Siyeza Craft(9) Mesh wire Training Project(20) Sewing and textile(36) uMvoti Land care Project(50) MIG(559)	EPWP grant	Corporate Services
Ref:		Goals	Strategic Objectives	Strategy	Key Performance Indicator	Project	Budget and Funding source	Responsible Department
National Key Performance Area 4: Good Governance and Public Participation								

Ref:	Key challenges	Goals (Broad Statements)	Strategic Objectives (What you want)	Strategy (How are we going to achieve it)	Key Performance Indicator (Measure)	Project (Implementers)	Funding source	Responsible Department
GGPP 1	Poor coordination of public participation across the municipality.	Create an accountable municipality that encourages good corporate governance, a healthy environment and social cohesion.	4.1 Improve communication and public participation between the municipality and communities.	Facilitation of IDP and Budget roadshows	No of public consultation meetings undertaken	IDP Roadshow	Operational Budget	Planning and Economic Development
	Uncoordinated internal and external communication.			Review and implementation of the communication policy	No of External newsletters published	Umzinyathi Newsletter	Operational Budget	Corporate Services
GGPP 2	Lack of programmes targeting Women and Youth.	Create an accountable municipality that encourages good corporate governance, a healthy	4.2 Enhance healthy communities and citizens	Encourage participation in sport and recreational programmes by providing financial support, mentoring and coaching to sport codes.	No. of recreational sports programmes supported	Dundee July Rural Horse Riding Event Indigenous games Golden games Disability Sport SALGA	Operational Budget	Office of the Municipal Manager
				Conduct sites visits to ensure that edibles are in compliance with the Environmental Health by laws.	No. of water samples to be taken from sources used for human consumption	N/A	Operational Budget	Planning and Economic Development
					No. of food outlets visited and inspected both formal and informal	N/A	Operational Budget	Planning and Economic Development
	Lack of programmes			Implement skills development	Number of community Skills	LGSETA Programmes	LGSETA	Office of the Municipal

Ref:	Key challenges	Goals (Broad Statements)	Strategic Objectives (What you want)	Strategy (How are we going to achieve it)	Key Performance Indicator (Measure)	Project (Implementers)	Funding source	Responsible Department
	targeting Women and Youth.	environment and social cohesion.		programmes	development programmes implemented			Manager
				Implementation of Women Economic Empowerment Programmes	No of Women Economic Empowerment projects supported	Women Economic Empowerment	Operational budget	
GGPP 4	Increasing audit queries and unfavourable audit opinion		4.3 Provision of a Sound oversight role to ensure effectiveness and guidance in all municipal committees.	Facilitate and provide secretariat support to legislative and Inter- governmental Structures meetings.	No of the Council meetings provided with secretariat support	N/A	Operational Budget	Office of the Municipal Manager
					No of ExCo meetings to be provided with secretariat support			
					No of the Municipal Public Accounts Committee meetings to be provided			
					No of the Audit Committee meetings provided with secretariat support			

Ref:	Key challenges	Goals (Broad Statements)	Strategic Objectives (What you want)	Strategy (How are we going to achieve it)	Key Performance Indicator (Measure)	Project (Implementers)	Funding source	Responsible Department
	Increasing audit queries and unfavourable audit opinion		4.4 Implementatio n of internal audit plan and risk mitigation strategies.	Develop Internal Audit Plan in line with the Internal audit charter. Provide quarterly internal audit reports on AG action plan, Performance Reports and Finance audit reports.	Date of adoption of Internal audit plan	N/A	Operational Budget	Office of the Municipal Manager
				Conduct risk assessment annually. Provide risk mitigation reports on a quarterly basis.	% of risk mitigation strategies implemented	Risk assessment	Operational Budget	
National Key Performance Area 5: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT								
MFVM 1	Failure to adhere to legislation and grant conditions by departments.	Promote sound financial management system and good governance.	5.1 Effectively manage the municipal resources and ensure financial sustainability.	Implementation of financial management policies, procedures and practices in compliance with the MFMA and other related legislation.	Date of adoption of Service Delivery and Budget Implementation Plan.	N/A	Operational Budget	Budget and Treasury Office Planning and Economic Development
					Date of adoption of draft and final budget	N/A	Operational Budget	Budget and Treasury Office
	Poor collection levels	Promote sound financial	Effectively manage the	Implementation of financial	Date of adoption of section 72 report.			

Ref:	Key challenges	Goals (Broad Statements)	Strategic Objectives (What you want)	Strategy (How are we going to achieve it)	Key Performance Indicator (Measure)	Project (Implementers)	Funding source	Responsible Department
		management system and good governance.	municipal resources and ensure financial sustainability.	management policies, procedures and practices in compliance with the MFMA and other related legislation.	% of the collection rate			
					Cost Coverage Ratio of 1-3 months by 30 June 2020			
					% of budget spent on free basic services			
					Debt coverage ratio of 0% by 30 June 2020			
	Failure to adhere to legislation and grant conditions by departments				% of expenditure on infrastructure programmes (MIG)	2019/20 MIG Funded projects	MIG	Technical Services
	Increasing audit queries and unfavourable audit opinion				Outcome of Auditor General's audit opinion	N/A	N/A	Office of the Municipal Manager
National Key Performance Area 6: Cross Cutting								
CC 1	Outdated spatial data	Integrated Urban, rural and geographical systems development	6.1 Development of spatial strategic documents to ensure sustainable future development	Updating of Geographical Information	Number of municipal water and sanitation projects captured	IDP capital projects	N/A	Planning and Economic Development
					Date of adoption of Water Service Development Plan(WSDP)	Review of WSDP	Operational Budget	Planning and Economic Development

Ref:	Key challenges	Goals (Broad Statements)	Strategic Objectives (What you want)	Strategy (How are we going to achieve it)	Key Performance Indicator (Measure)	Project (Implementers)	Funding source	Responsible Department
	Ineffective implementation of SPLUMA.			Develop and adopt precinct plans	No of precinct plans adopted	Isandlwana and Hemmensburg precinct plan	DPSS grant	
				Effective implementation of the Spatial Planning and Land Use Management Act	Date of adoption of Spatial Development Framework	N/A	Operational budget	
				Align district boundaries with new DBSA boundaries by installing new Welcome signs at entry and exits of main roads	No of district demarcation signs installed and refurbished	New Indicator	District re-demarcation	
CC 2	Increasing disaster incidents within the district	(Active)Strengthening Disaster management through local support, mitigation and risk management.	6.2 Development of disaster management and fire services structures and Implementation of robust detective, preventative and responsive programmes.	Provide technical support to Local Municipalities on issues of Disaster Management and Fire Services.	Number of disaster management awareness campaigns conducted.	N/A	Operational Budget	Planning and Economic Development
					% of disaster cases addressed.	N/A	Operational budget	

SECTION E 2: IMPLEMENTATION PLAN

15 IMPLEMENTATION PLAN

Umzinyathi District Municipality has prepared the implementation plans according to the National Key Performance Areas of the Five Year Strategic Local Government Agenda and they are also aligned to the departments of the municipality in relation to their implementation. The implementation plan serves as the alignment between the IDP and Budget, and they also unpack the strategies in terms of their programmes. They also have the core functions aligned to each Key Performance Area to be undertaken during the 2019/20, these core functions are then aligned to the budget to facilitate the implementation. The 2019/20 final Budget was finalised and adopted by Council on the 30 May 2019. The implementation plan has committed human and financial resources to enable the municipality to achieve its developmental mandate.

N o.	KEY PERFOR MANCE AREA	GO AL	OBJECTI VE	STRATE GY	KPI	BASELI NE	5 YEAR TARGETS					Funding source and budget	Respo nsible depart ment
							YEAR 1 2017/18	YEAR 2 2018/19	YEAR 3 2019/20	YEAR 4 2020/21	YEAR 5 2021/22		
1. 1	MUNICIPAL TRANSFORMATION AND	HIGH PERFORMANCE MUNICIPALITY LEADING IN TRANSFORMATION AND	Address lack of skills develop ment and safegua rd retentio n of skills	Implem ent skills develop ment progra mmes	Number of workplac e skills develop ment program mes impleme nted	3	3	21	9	9	9	LGSETA	Corpor ate Service s
1. 2				Develo pment and adoptio n of Worlpla ce Skills	Percenta ge of budget spent on workplac e skills plan	80%	100%	100%	100%	100%	100%	Equitab le share	Corpor ate Service s

			pan									
1.3			Development and adoption of Employment equity plan.	Date of adoption of Employment equity plan	15-Jan-17	15-Jan-18	15-Jan-19	15-Jan-20	15-Jan-21	15-Jan-22	Non-cash item	Corporate Services
1.4		Ensure good governance, financial viability, efficient administration and optimal institutional transformation with capacity to execute its mandate.	Submit Draft IDP before 31 March and Final IDP Before 30 June	Date of draft and final adoption and submission of IDP	31 March 2017 31 May 2017	31 March 2018 31 May 2018	31 March 2019 31 May 2019	31 March 2020 31 May 2020	31 March 2021 31 May 2021	31 March 2022 31 May 2022	Non-cash item	Planning and Economic Development
1.5			Compile and submit Quarterly Performance Reports and Annual Performance reports to IA,AC	Percentage of Organisational Scorecard targets achieved	New Indicator	100%	100%	100%	100%	100%	Non-cash item	Planning and Economic Development

				and Council									
1.6				Ensure critical policies are reviewed before the 30th of June 2018	No. of policies reviewed and adopted	66	66	66	66	66	66	Non-cash item	Corporate Services
1.7				Cascading IPMS to all levels within the municipality to promote accountability in all levels of employment	Cascading IPMS to various Paterson scale levels	New Indicator	n/a	n/a	E1-E3	D1-D4	C1-C2	Equitable share	Corporate Services
1.8				Ensure the review and adoption of	Date of adoption of municipal organogr	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	Non-cash item	Corporate Services

				municipal organogram before the 30th of June 2018	am									
2. 1	BASIC SERVICES DELIVERY AND INFRASTRUCTURE	ERADICATION OF SERVICE DELIVERY BACKLOGS	Provision of safe drinking water and sanitation services to the community to eradicate service delivery backlogs	Provision of water to households within RDP standards to reduce the backlog by TBD households by the end of June 2020	No. of households to be provided with access to water within RDP standards	0	966	2500					MIG WSIG	Technical Services

2.2			Provision of sanitation to households within RDP standards to reduce the backlog by TBD households by the end of June 2019	No. of households provided with sanitation facilities	616	3001	1610					MIG	Technical Services
2.3			Waste Water quality monitoring (green drop)	% of compliance to the quality standards for the waste water treatment works	73% green drop	75%	97%	97%	97%	97%		Operational Budget	Technical Services
2.4			Water quality monitoring (blue drop)	% of compliance to the quality standards for drinking	70% blue drop (District wide)	80%	99%	99%	99%	99%		Operational Budget	Technical Services

					water (SANS 241)								
2. 5			Effectiv e and efficient operati ons and maintan ce unit, responsi ve to the needs of the commu nity.	Underta king of operati ons and mainten ance	Number of water treatmen t works operatio ns and maintena nce undertak en	New Indicat or	n/a	39	13	13	13	Operati onal Budget	Techni cal Service s
2. 6					Number of waste water treatmen t works operatio ns and maintena nce undertak en	New Indicat or	n/a	12	5	5	5	Operati onal Budget	Techni cal Service s
2. 7					% reduction of non- revenue water	New Indicat or	1%	1%	2%	3%	3%	Operati onal Budget	Techni cal Service s

3.1	LOCAL ECONOMIC DEVELOPMENT ECONOMICALLY VIABLE DISTRICT PROMINENT IN INVESTMENT AND JOB CREATION	Guide and support SMME development and sustainability to Increase Agricultural and Tourism potential within the district.	Implementa- tion of Co- operatives and Small Enterprises Development Programmes in manufac- turing, tourism, agriculture, service sector and informal economy	No of agricul- tural Co- operative s supporte d with mechanis- ation ,enterpris e develop- ment & market support	6	n/a	10	10	10	10	Operational budget	Plannin- g and Econo- mic Develo- pment
3.2			Implementa- tion of Co- operatives and Small Enterprises Development Programmes in manufac- turing, tourism, agriculture, service sector and informal economy	No of SMMEs in the manufac- turing sector supporte d with tools of trade and mentorin- g	1	n/a	2	2	2	2	Operational budget	Plannin- g and Econo- mic Develo- pment
3.3			Implementa- tion of Agri- Parks initiative	No of Farmer Production Support Units (FPSU)s supported with	New Indicator	1	2	n/a	n/a	n/a	Operational budget	Plannin- g and Econo- mic Develo- pment

					mechanis ation and inputs								
3. 4				Promoti on of tourism marketi ng through financia l support, shows and exhibitio ns Support of Tourism Institutio nal Structur es	Number of tourism structures supporte d with grant	5	1	1	5	5	5	Battlefi elds Route associa tion affiliatio n and Marketi ng grant	Plannin g and Econo mic Develo pment
3. 5					No of tourism signature events participa ted in to advertise UMzinyat hi as the destinati on of choice	New Indicat or	n/a	6	6	6	6	Equitab le share	Plannin g and Econo mic Develo pment
3. 6				Establish ment and implem entation of key capital and	No. of jobs created through municipa lity's LED initiatives .	New Indicat or	n/a	225	164	164	164	Equitab le share	Plannin g and Econo mic Develo pment

				social initiative s projects to enhance economic development and job creation	Date of adoption for Tourism Strategy	Tourism Strategy 2012/13	n/a	n/a	30-Jun-20	n/a	n/a	Equitable share	Planning and Economic Development
3.7					Date of completion of Tourism Signage Project	New Indicator	30-Jun-18	n/a	n/a	n/a	n/a	Equitable share	Planning and Economic Development
3.8					Date of adoption of LED Strategy.	2013/14 LED Strategy	31-Dec-17	n/a	n/a	n/a	n/a	Equitable share	Planning and Economic Development
3.9					No of jobs opportunities created through EPWP	New Indicator	957	2607	795	795	795	EPWP grant	Technical Services Planning and Economic Development Office of the Municipal Manager
							1						

4.1	GOOD GOVERNANCE AND PUBLIC PARTICIPATION CREATE AN ACCOUNTABLE MUNICIPALITY THAT ENCOURAGES GOOD CORPORATE GOVERNANCE, A HEALTHY ENVIRONMENT AND SOCIAL COHESION	Improve communication and public participation between the municipality and communities.	Facilitation of IDP and Budget roadshows	No of public consultation meetings undertaken	4	4	4	4	4	4	Equitable share	Planning and Economic Development
4.2			Ensure that external newsletters are published	No of External newsletters published	2	2	2	4	4	4	Equitable share	Corporate Services
4.3		Enhance healthy communities and citizens	Encourage participation in sport and recreational programmes by providing financial support, mentoring and coaching to sport codes.	No. of recreational sports programmes supported	3	4	5	6	6	6	Equitable share	Office of the Municipal Manager

4.4			Conduct sites visits to ensure that edibles are in compliance with the Environmental Health by laws.	No. of water samples to be taken from sources used for human consumption	205	240	240	240	240	240	Non-cash item	Office of the Municipal Manager
4.5				No. of food outlets visited and inspected both formal and informal	80	48	80	80	80	80	Non-cash item	Office of the Municipal Manager
4.6		Provision of a Sound oversight role to ensure effectiveness and guidance in all municipal committees.	Facilitate and provide secretariat support to legislative and Inter-governmental Structures meeting	No of the Audit Committee meetings provided with secretariat support	6	4	4	4	4	4	Non-cash item	Corporate Services
4.7				No of the Council meetings provided	6	4	4	4	4	4	Non-cash item	Corporate Services

					s.	with secretari at support								
4. 8						No of ExCo meetings to be provided with secretari at support with secretari at support	3	4	4	4	4	4	Non- cash item	Corpor ate Service s
4. 9						No of the Municipa l Public Accounts Committ ee meetings to be provided with secretari at support	0	4	4	4	4	4	Non- cash item	Corpor ate Service s

4.10			Implement ation of internal audit plan and risk mitigati on strategi es.	Develo p Internal Audit Plan in line with the Internal audit charter.	Date of adoption of Internal audit plan	New Indicat or	31-Aug- 17	31- Aug-18	31-Aug- 19	31-Aug-20	31-Aug- 21	Non- cash item	Office of the Munici pal Mana ger
4.11				Conduc t risk assessm ent annuall y. Provide risk mitigati on reports on a quarterl y basis.	% of risk mitigatio n strategies impleme nted	92%	100%	100%	100%	100%	100%	Non- cash item	Office of the Munici pal Mana ger
4.12			Enhanc e healthy commu nities and citizens	Implme nt skills develop ment progra mmes	Number of communi ty skills develop ment program mes impleme nted		4	14	9	9	9	LG SETA	Corpor ate Service s

4.13				Implement ation of Women Econom ic Empow erment Progra mmes	No of Women Economi c Empower ment projects supporte d	New Indicat or	8	2	2	2	2	Operati onal budget	Comm unity Service s
							1						
5.1	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	PROMOTE SOUND FINANCIAL MANAGEMENT SYSTEM AND GOOD GOVERNANCE	Effectiv ely manag e the municip al resourc es and ensure financia l sustaina bility.	Implem entation of financia l manag ement policies, proced ures and practic es in complia nce with the MFMA and other related legislati on	Date of adoption of Service Delivery and Budget Impleme ntation Plan.	28-Jun- 17	28 June 2018	28-Jun- 19	28-Jun-20	28-Jun-21	28-Jun- 22	n/a	Plannin g and Econo mic Develop ment Budge t and Treasur y Office
5.2					Date of adoption of draft and final budget	31 March 2017 31 May 2017	31 March 2018 31 May 2018	31 March 2019 31 May 2019	31 March 2020 31 May 2020	31 March 2021 31 May 2021	31 March 2022 31 May 2022	n/a	Budge t and Treasur y Office
5.3					Date of adoption of section 72 report.	25-Jan- 17	25-Jan- 18	25-Jan- 19	25-Jan-20	25-Jan-21	25-Jan- 22	n/a	Budge t and Treasur y Office
5.4					% of the collectio n rate	30%	30%	45%	45%	45%	45%	n/a	Budge t and Treasur y

											Office	
5.5				Cost Coverag e Ratio of 1-3 months by 30 June 2020	1.80	1,8	1,8	0%	0%	0%	n/a	Budge t and Treasur y Office
5.6				Debt coverag e ratio of 0% by 30 June 2020	3.67	1-3 months	1-3 months	1-3 months	1-3 months	1-3 months	n/a	Budge t and Treasur y Office
5.7				% of expendit ure on infrastruct ure program mes(MIG)	100%	100%	100%	100%	100%	100%	MIG	Techni cal Service s
5.8				Outcome of Auditor General's audit opinion	Advers e opinion	Unqualifi ed	Unquali fied	Unqualifie d	Clean	Clean	n/a	Office of the Municip al Manag er
5.9				% of free basic services budget allocatio n spent	New Indicat or	100%	100%	100%	100%	100%	Equitab le share	Techni cal Service s
						1						

6.1	CROSS CUTTING INTEGRATED URBAN, RURAL AND GEOGRAPHICAL SYSTEMS DEVELOPMENT	Development of spatial strategic documents and development procedures to ensure sustainable future development	Updating of Geographical Information	Number of municipal water and sanitation projects captured	25	25	30	30	30	30	n/a	Planning and Economic Development
				Date of adoption of Water Service Development Plan	New Indicator	n/a	n/a	30-Jun-20	n/a	n/a	Equitable share	Planning and Economic Development
6.2			Develop Precinct plan for Isandlwana area	No of precinct plans adopted	New Indicator	1	1	2	2	2	DPSS Grant	Planning and Economic Development
6.3			Align district boundaries with new DBSA boundaries by installing new Welcome signs at entry and	No of district demarcation signs installed and refurbished	New Indicator	n/a	25	n/a	n/a	n/a	Equitable Share	Planning and Economic Development

				exits of main roads									
6.4				Effective implementation of the Spatial Planning and Land Use Management Act	Date of adoption of Spatial Development Framework	2013/14 SDF	n/a	n/a	31 March 2020 31 May 2020	n/a	n/a	DPSS Grant	Planning and Economic Development
6.5		(ACTIVE)STRENGTHENING DISASTER MANAGEMENT	Development of disaster management and fire services structures and implement	Provide technical support to Local Municipalities on issues of Disaster Management	Number of disaster management awareness campaigns conducted.	20	20	30	30	30	30	Equitable Share	Planning and Economic Development

6.6			entation of robust detective, preventive and responsive programmes.	ement and Fire Services .	Date of adoption of Spatial Development Framework	SDF 2013/14	30-Jun-18	n/a		n/a	n/a	Equitable Share	Planning and Economic Development
6.7					No of project phases completed for District Disaster Centre construction.	New Indicator	4	n/a	n/a	n/a	n/a	Equitable Share	Planning and Economic Development
6.8					No of Fire fighters trained in scuba diving	New Indicator	8	n/a	n/a	n/a	n/a	Equitable Share	Planning and Economic Development
6.9					% of disaster cases addressed.	100%	100%	100%	100%	100%	100%	Equitable Share	Planning and Economic Development

16 CAPITAL INFRASTRUCTURE INVESTMENT PROGRAMME FOR 2019/20 FINANCIAL YEAR

The Capital Investment Framework is an instrument which the municipality utilizes in addressing the backlogs for water and sanitation thereby improving the lives of the community and other related capital programmes, and the details are as follows:

MUNICIPAL INFRASTRUCTURE GRANT PROGRAMMES			
Project Title	2019/20	2020/21	2021/22
PMU Operational Costs	4 000 000	4 000 000	4 000 000
Umzinyathi Disaster Centre	4 581 381	10 000 000	-
Hlazakazi Water Scheme Phase 1 - Isandlwana	10 000 000	20 000 000	21 240 000
Mbono Water	10 000 000	10 187 000	15 000 000
Douglas Water	18 500 000	10 000 000	15 000 000
Msinga bulk	30 799 269	30 700 000	28 000 000
Muden - (Muden Regional)	32 000 000	27 000 000	30 000 000
Mthembu West - Extension	10 000 000	18 676 000	15 000 000
Ntinini Regional Water	24 000 000	20 000 000	25 000 000
Ophathe - Water	11 000 000	13 000 000	10 000 000
Eradication of Sanitation Backlogs in Mvoti LM	11 607 350	12 000 000	13 000 000
Umzinyathi DM Sanitation Programme Phase 4 : Mbono Mkhuphula Sanitation	11 000 000	12 000 000	13 000 000
Eradication of Sanitation Backlogs in Nquthu LM	11 000 000	12 000 000	13 000 000
MIG ALLOCATION AS PER DORA	188 488 000	199 563 000	202 240 000
WATER SERVICES INFRASTRUCTURE GRANT			

PROJECT NAME			
KwaKopi Water Supply Scheme	21 172 951	20 140 882	-
Makhabeleni Water Supply Scheme	14 000 000	31 997 227	33 981 055
Biggarsberg Water Supply Scheme	-	9 000 000	9 558 000
Endumeni Sanitation	3 500 000	10 000 00,00	50 438 118
Drought Relief Programme(Boreholes)	8 000 00,00	7 576 167	8 045 889
Othame Water Supply Scheme	16 850 553		
Nseleni Water Supply Scheme	-	10 400 000	
Seven Water Project	26 723 568		
Billabong	21 734 787		-
TOTAL WSIG AS PER DORA	103 981 860	79 114 275	102 023 062
REGIONAL BULK			
Umvoti Bulk	20 000 000	-	-
TOTAL RBIG	20 000 000	-	-
TOTAL CAPITAL EXPENDITURE AND CONDITIONAL GRANTS			

17 DISTRICT GROWTH AND DEVELOPMENT PLAN IMPLEMENTATION PLAN

The municipality adopted the District Growth and Development Plan in May 2015. Through the preparation of the plan, there were gaps in terms of required information from various sector departments to serve as a base to set the key performance indicators and targets for 2020, 2025 and 2035. Therefore, the municipality has been unable to effectively implement the District Growth and Development Plan. In July 2018 the District municipality held its DGDP Summit which amongst others will look at infusing the DGDP with strategic plans of the Development Agency . The final District Growth and Development Plan was then integrated into the 2019/20 IDP Review, in terms of the details of the plan which is in place, the details are as follows:

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTORIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
INCLUSIVE ECONOMY	SO1.1	Develop and Promote the Agricultural potential of the District.		Inclusive Economy	Develop and Promote the Agricultural potential of the District.	Prioritise crop and horticultural projects in areas identified as high potential agricultural land	increase Employment within the agricultural sector (including forestry)	6 724	LED – Basic Service Delivery & Infrastructure		
						Prioritise livestock production projects in areas of highest grazing capacity	Rand value of the output of the agricultural sector (production and agri-processing) (Real Rand 2010)	R1 010m			
						3.Support the development of commercial farmers in areas of high agricultural potential and/or grazing capacity	Increase in emerging commercial farmers	380			
						4.Identify opportunities for agro-processing					

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
						and beneficiation, especially processing of meat and skins 5. Investigate feasibility of expanding irrigation schemes 6. Protect high potential agricultural land from inappropriate forms of development and focus rehabilitation projects in areas of degradation and erosion. 7. Establishment of fresh produce markets 8. Expedite the resolution of land claims, especially in areas with highest concentration of unsettled claims.	Increase in emerging commercial farmers Increase Hectares of land under irrigation (ha) Number of new agro processing plants established Area of land severely affected by erosion Percentage (to land area) settled land claims	TBD 147 000 23 22 000 40%			
	SO1.2	Enhance Sectoral Development through			Enhance Sectoral Development through	Evaluate the long term demand for minerals with a mining potential in	Increase in number of emerging tourism business	TBD			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTORIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
		Trade & Investment			Trade & Investment	the district (e.g. coal). Enhance Value-Adding within the Manufacturing Sector with a specific focus on agro-processing	Growth in employment in the tourism sector.	TBD			
						3. Diversify the tourism product offering in the district with an increased focus on the biodiversity of the area.	Total number of annual visitors to tourism attractions	TBD			
						4. Improve the efficiency of the transport sector in the district	Growth in employment in the manufacturing sector.	6335			
						5. Facilitate the expansion of the services sector in the district	Growth output of the manufacturing sector.	R134 Million			
						6. Finalise the establishment of the District Development Agency	Growth in employment in wholesale, retail and trade.	7050			
						7. Review the Funding Framework to Improve Access to LED Funding	Growth in employment in the business sector service.	4875			
							Total absolute value of the district economy excluding primary	R 5 192 Billion			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATIO N
						Investigate the feasibility of small scale industrial hubs in the first and second order nodes of the district Participate in and contribute to any provincial initiative and mechanism to monitor trade and investment flows	agriculture.				
	S01.3	Enhance Spatial Economic Developm ent.			Enhance Spatial Economic Developm ent.	1.Existing TVET Colleges to play a central role in skills development from entry-level to highly skilled to meet the needs of Industry; 2.The district needs to commission a consultative land audit focusing on conservation and productive land 3. The district needs to commission a monitoring	Youth unemployme nt rate (%)	25			
							Annual percentage in change in employment and unemployment.	27%			
								57 000			
							The extent of appropriately zoned and serviced industial and commercial and available	TBD			
							Number of local emerging	TBD			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
						mechanism at the district level to ensure oversight in the implementation of interventions. 4. District to develop a District Integrated Land Acquisition, Assessment Release Plan. 5. Facilitate relations with all key stakeholders involved in land reform programmes	contractors registered on UDM Database				
							Number of emerging contractors registered on UDM database	TBD			
							Number of contracts awarded to emerging contracts				
	SO1.4	Improve efficiency, Innovation and Variety of Government led Job creation programmes			Expand government-led job creation programmes	1. Prioritize employment creation initiatives 396ouncilo on the youth Support enhanced implementation of the EPWP Programme	Growth in the number of new small contractors	TBD			
							Reduction in the cost per EPWP and CWP jobs.	Infrastructure TBD			
								Enviromental TBD			
								Social Sector TBD			
	Cumulative number of	TBD									

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
							FTEs created through EPWP and CWP inclusive sectors.				
							Number of Cooperatives and SMMEs registered in UDM, that have been in operation for more than 2 years	TBD			
							Number of local emerging contractors trained.	TBD			
	SO1.5	Promote SMME & Entrepreneurial Development		Develop SMME and entrepreneurial development	1. Facilitation of access to finance for small enterprises Capacity building and Mentorship Support for small enterprises Implementation and enforcement of B – BBEE 4. Facilitation of access to markets	Increase in survival rate of SMME and Corporative	TBD				
						Increase in the number of jobs generated by SMMEs and Cooperatives	TBD				
						The increase of new work opportunities through	TBD				

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTORIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
						institutions to attract and maintain high level skills to the district 2. Establish a Regional Innovation and Technology Hub	Gross Expenditure on R&D as a proportion of GDP Municipality contribution on green economy Number of persons trained to be registered as professionals in various categories. Number of persons professionally registered in various categories.	5% 6 18% Increase on base year 18% Increase on base year.			
HUMAN RESOURCE DEVELOPMENT	SO2.1	Improve Early Childhood Development, Primary and Secondary Education			ECD, primary and secondary education	Ensure the delivery of professional management and relevant teacher development programmes in the district 2. Efficient data collection to track learner progress	% of 3-5 year old children in educational institutions (public & private) Percentage of Grade 1 learners who attended a	35% 95%	Institutional Development		

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATIO N
						and enhance retention	Grade R class				
						Promoting the use of new technologies and improving infrastructure in the district	Retention rates: Grades 10 – 12	80%			
						Enhance technical and vocational education in the district	Percentage of Grade 3 learners performing at the required levels in ANA • Literacy • Numeracy	70% 70%			
						Improve access to education facilities and infrastructure and facilities available at schools	Percentage of Grade 6 learners performing at the required levels in ANA • Literacy • Numeracy	70% 70%			
						6.Improve public transport facilities and services to all education facilities	Percentage of Grade 9 learners performing at the required levels in ANA • Literacy • Numeracy	70% 70%			
							Percentage of children who turned 9 in the	70%			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATIO N
							previous year who are currently in Grade 4 or above				
							Percentage of children who turned 12 in the previous year who are currently in Grade 7 or above	60%			
							Percentage of youths that obtain a National Senior Certificate from school	55%			
							Number of learners qualifying in NSC for: • Bachelors programme • Diploma • Certificate	TBD			
							Percentage National Senior Certificate	80%			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATIO N
							(NSC) pass rate				
							Number of learners qualifying in NSC for Bachelors programme	TBD			
							Matric pass rate for mathematics	50%			
							Matric pass rate for science	60%			
							Teacher pupil-ratio in public ordinary schools	TBD			
							Percentage of schools with classes above 40 learners	TBD			
							Percentage of schools with water, sanitation and electricity	TBD			
							Percentage of schools with library and	TBD			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTORIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
							computer facilities				
							% Population residing within threshold distance (1.5km) from primary school	60			
							% Population residing within threshold distance (2.25km) from secondary school	60			
	SO2.2	Support Skills alignment to Economic Growth			Skills alignment to economic growth	Develop a skills plan for the district council on the agricultural, retail, manufacturing (particularly agro-processing) and personal services sectors. 2. Expand the enrolment of youth from the district in FET College programmes and in other post-	Number of NSC candidates taking Mathematics • Science	TBD	LED		
							Full and part time students in public TVET colleges for • All courses • N courses Occupational Programmes	TBD			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTORIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
						school training institutions . Participate in provincial initiative and provide inputs on district priority skills requirements 4. Expand the application of ICT technology to support more distance learning in the district	Students graduating in: • Education • Science, Engineering and Technology (SET) Percentage of district population > 20 years with diploma/degree (%) Number of registered engineers and professional scientists in District Number of persons in professionally registered occupation categories Number of municipalities with skills plans	TBD 7.5 18% increase on base year 18% increase on base year 5			
	SO2.3	Enhance Youth Skills Development & Life-			Enhance youth skills development and	. Participate in provincial initiative and provide inputs on district priority	Number of youths supported by National Skills	TBD	Good governance		

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTORIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
		Long Learning			life-long learning	requirements for inclusion in vocational and career guidance programmes 2. Expand and intensify adult education and training facilities and programmes in the district	Fund, SETAs and youth programmes Participation in AET Adult literacy rate (% population older than 20 years of age who have completed at least Grade 7 or higher)	 TBD 80%			
HUMAN AND COMMUNITY DEVELOPMENT	SO3.1	Poverty alleviation and Social Welfare			Alleviate poverty and enhance social welfare	1. Promote and accelerate roll-out of Sukuma Sakhe in district 2. Eliminate corruption and fraud in the Social Grant System in the district Expansion of social welfare services to under-serviced areas of the district	Effective dependency ratio (economically inactive people/economically active people) % Households earning < R38 200 per annum Poverty gap	TBD 65 23.3	Service Delivery & Infrastructure		

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTORIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
						Development and implementation of comprehensive primary health care in district, with specific focus on most inaccessible areas.	HIV prevalence amongst antenatal women	20.3%			
						2. Ensure that downward trend in HIV prevalence is maintained and that Umzinyathi maintains the lowest rate in the province	Severe malnutrition of children under 5 years (per 1000 children)	3.0			
						Provide equitable access to health and special facilities with specific focus on most inaccessible areas.	Number of health professionals in relation to population (per 100 000 population)	137.3/100 000			
						Promote healthy lifestyle and mental health programmes in the district	Number of Medical Officers in relation to population (per 100 000 population)	29/100 000			
						5. Maintain improving trend for perinatal mortality and incidents of 4060uncilo under	TB Cases per 100 000 population	239			
							Diarrhoea incidents under 5 years per 1000 population	80			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATIO N
						five years and reverse the increase of severe malnutrition of children under 5 years 6. Accelerate programmes to further improve TB cure rate in the district and further reduce the reported cases of TB per 100 000 people closer to the national average 7. Promote and support awareness programmes against substance abuse in the district	HIV prevalence amongst antenatal women	20.3%			
	SO3.3	Enhance Sustainable Household Food Security			Sustainable household food security	1. Develop infrastructure for local markets Provide support programmes for the informal economy in the district One-Home One-Garden and roll-	Dietary Diversity Index: % of households consuming <15 major food categories in previous month.	46%			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATIO N
						out of school and community gardens 4. Accelerate Permaculture Practices 100ha Programme by Traditional Councils Regular monitoring of poverty levels in the district through the application of appropriate indicators on poverty, malnutrition and hunger	Hunger episodes: household member has gone hungry at least sometimes in the past 12 months- % of households	24%			
							Number of local municipalities supported with informal economy policies	5			
							Number of municipal officials capacitated to support the informal economy sector	5			
							Number of municipalities funded for informal economy infrastructure development	5			
							Share of	22%			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
							income earned by poorest 60%				
							Severe malnutrition of children under 5 years per 1000 children	3.0			
	SO3.4	Sustainable Human Settlement			Develop Sustainable Human Settlements	Participate in joint provincial forum addressing integrated development and champion the cause of UZDM. 2. Develop and implement a strategy and guidelines for densification of settlements 3. Implement strategy to eradicate informal housing in the district 4. Develop and implement gap housing strategy for district (or review housing chapter of IDP or	Housing backlog	Decrease by 7%			
							Percentage households with tenure that can be registered	30%			
							Number of Social Housing and Rental Opportunities	TBD			
							% Households living in informal settlements (informal settlement or informal structure in backyard)	1.5%			
							Population	30			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION	
						Housing sector plan to adequately address gap housing requirements)	density in identified priority development nodes (persons/ha)					
						5. Expand the implementation of social housing	Number of gap housing units delivered (cumulative)	3180				
	SO3.5	Safety & Security				Safety and Security	1. Implement Community Protection through Environmental Design programme in district	Number of Serious crimes reported	TBD			
								Number of crimes against women and children	TBD			
							2. Strengthen programmes aimed at curbing violence against the vulnerable	Number of drug related crimes reported	TBD			
							3. Strengthen partnerships between civil society, business and criminal justice system to curb crime in the district					
4. Establish educational												

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATIO N
						programmes on Safety for Children in the district 5. Strengthen activities to reduce stock theft in the district					
	SO3.6	Social Capital			Advanced Social Capital	Promoting norms and 411ouncilo that create an enabling environment for the development of social capital Strengthen the capacity of community institutions to provide positive and useful support services Promote voluntary associations such as stokvels and burial societies	Number of community level organisations active in participating in government department programmes, with active registration status in UZDM	TBD			
STRATEGIC INFRASTRUCTURE	SO4.1	Developen t of Harbours							Service Delivery & Infrastructure		
	SO4.2	Developm ent of Airports			Develop Airports	Optimise potential role of Dundee and Greytown	Volume of passengers through	TBD	LED		

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATIO N
						airports in district growth and development Participate in KZN Aviation Coordinating Body 3. Investigate potential linkages of district with Pietermaritzburg and Richards Bay regional airports	Dundee airport/airstrip				
						1. Maintain the functionality of the railway lines through the district and increase volumes where possible Revitalize branch rail lines and investigate feasibility for alternative uses such as tourism 3. Maintain the functionality of the important rail link to Richards Bay Upgrade the road surface quality and capacity of the R33 to improve	Number of kilometres of declared rural road that provide access to communities (km)	TBD			
		SO4.3 Developm ent of Road and Rail Network			Develop Road and Rail Network		Percentage of district road network in poor to very poor condition	30%			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION	
						transport logistics for commercial activity 6. Maintain and upgrade the secondary road network of the district 6. Maintain and upgrade the rural access road network of the district 7. Develop Integrated Public Transport Services						
	SO4.4	Development of ICT infrastructure			ICT infrastructure	1. Support the development of ICT infrastructure and increase the proportion households with access to landlines, cell phone coverage and internet	Percentage of local municipalities with established Access Networks (%)	100				
						2. Participate in provincial initiative to develop network infrastructure	Percentage of schools connected	60				
							Percentage of households with access to the internet at home or from cell phone (%)	40				

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
						Implement ICT access centres at strategic locations in the district	Minimum broadband speed available within the District (mbs)	4mbs			
							Percentage households with a computer	20			
	SO4.5	Improve Water Resource Management a supply			Improve Water Resource Management and Supply	1. Adequate sanitation services to all households supported by high quality wastewater infrastructure	% of Households with access to 75l of water per person per day	95%			
						Implement a roll-out programme for local water harvesting in the district	% of Households with water yard connections or water inside dwelling	40			
						Programme for building of dams	Water Services Authority blue drop rating	95			
						Programme for development of water sources (desalination, rainwater recycling, groundwater)	% Households making use of rainwater tanks	2.5			
Maintain and further improve											

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION	
						operation of water infrastructure network	Green drop rating	60				
						Implement a Water Conservation and Demand Management Programme for the district	% of Households with sanitation to MIG standards	70				
						Ensure access to water infrastructure at the required minimum design standard for all households in the district	Value of development /rezoning applications not approved due to bulk water and effluent constraints	TBD				
	SO4.6	Improve Energy Production and Supply			Improve Energy production and supply	Participate in and provide inputs to the Provincial energy strategy	% Households with electricity for cooking	70				
						Implement roll-out programme for alternative sources of energy supply in the district	% Households using solar energy for cooking	5				
						Obtain funding for operation and maintenance of electricity	Units of energy produced through alternative energy generation	60MW				

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTORIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
						infrastructure in district 4. Expand transmission networks to ensure all households are provided with access to an appropriate source of energy	Value of development /rezoning applications not approved due to electricity supply constraints	TBD			
ENVIRONMENTAL SUSTAINABILITY	SO5.1	Increase Productive Use of Land				Promote sustainable land use practices to preserve and enhance agricultural potential. Establish an Agricultural Resource Agency to assist commercial and subsistence farmers in the district focusing on areas with high agricultural potential.	Ha of land rehabilitated annually	TBD	Spatial & Environmental		
					Increase Land Productivity		% use of high value agricultural land for non-agricultural activities	1.3%			
	SO5.2	Advance Alternative Energy Generation			Support alternative energy generation	1. Actively participate with the provincial initiative and	% Households using solar energy for cooking	5			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
		n and Reduce Reliance on Fossil Fuels			n and reduce reliance on fossil fuels	creating awareness of the potential within the District. . Maximise the districts potential in terms of solar and wind energy and to further investigate other potential alternative energy resources (biomass, general waste). Programme for energy management systems and energy efficient measures.	Units of energy produced through alternative energy generation	60MW			
							Units of energy saved through energy efficiency interventions	TBD			
	SO5.3	Manage Pressures on on Biodiversity			Manage Pressures on Biodiversity	1. Develop an Environmental Management Framework which builds on the groundwork of the SEA.	% Increase in Provincial Land Degradation Index	0%			
						2. Cooperative environmental governance procedures	Land transformation in High-Risk Biodiversity Planning Units (HRBPU)	TBD			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTORIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
						Environmental quality management	% Conformance of land and resource use decisions with HRBPU guidelines	85%			
							% Compliance with national Ambient Air Quality Standards	80%			
							Water Services Authority blue drop rating	95			
							Green drop rating	60			
							% Waste recycled	Paper 30% Lighting 15% Tyres 50%			
							Ha of priority areas for expansion of protected areas network declared	TBD			
							% Municipal wasted diverted from landfill sites for recycling	TBD			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTORIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
							Percentage of waste license applications finalised within legislated timeframes	100			
							Percentage of EIA applications finalised within legislated timeframes	100			
							Percentage Water Use License Applications finalised within legislated timeframes	100			
							Number of compliance inspections conducted	TBD			
	SO5.4	Adapting to Climate Change			Adapt to climate change	Establish micro weather stations across the District to actively monitor the effects of climate change	Share of events with early warning systems, where affected	100%			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTORIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
						and to create awareness amongst communities, especially in relation to agricultural livelihoods and farm management	parties received prior warning				
						Finalise the review of the Disaster Management Plan and comply with all Disaster Management related legislation.	Average time taken to respond to disaster events	TBD			
							Regular forecast of anticipated impacts of climate change and response plan	TBD			
							Share of development applications addressing disaster risk management (where applicable)	100%			
							Number of municipalities incorporating comprehensive strategies for the adaptation and mitigation of climate	100%			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTORIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
							change in their IDP's				
GOVERNANCE AND POLICY	SO6.1	Strengthen Policy, Strategy Coordination & IGR			Strengthen Policy and Strategy Coordination & IGR	Utilise DGDP to establish integrated implementation framework for the district	% Public sector expenditure spent in accordance with IDP's	75%	Institutional Development		
						Utilise DGDP to create a single window of co-ordination between the Provincial Government, Municipalities and non-government forums	% Public sector capital expenditure in UZDM spent in accordance with DGDP priorities/projects	70%			
						Develop PGDP implementation institutional structures taking into consideration the core policies of transformation, growth and development	% Municipalities with appropriate suite of plans	100%			
							% of development applications that meet time norms for processing	80%			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATIO N
						Develop a district integrated HRD programme for public sector based on municipal workplace skills plans and requirements emanating from the PGDP implementation plan	% Municipal expenditure on capital infrastructure	30	Financial Viability		
						District to provide appropriate shared services according to skills and capacities available in local municipalities	% Municipalities with clean audits (Unqualified with no findings)	100			
						B. Align DGDP interventions to staff performance agreements	% Government employees complying with PSC norms and standards for the post they occupy	100			
						C. Develop and implement a district local government financial management development strategy	% Posts within local government within UZDM vacant longer than 6 months	0			
							Number of Municipalities with credible DP's in district	5			
		Building Government Capacity			Build Government Capacity						

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTORIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
						1. Implement operation clean audit in UZDM Ensure alignment with and implement provincial guidelines for disciplinary processes and effective prosecution Develop and implement district integrity management programmes	% Municipalities with clean audits (unqualified with no findings)	100%	Good governance		
							% Municipal entities with audit disclaimers or adverse findings	0%			
							Number of municipal entities with effective contract management systems	100%			
							Reduction in the number of appeals as a percentage of number of tenders awarded				
							Number of municipal officials convicted for corruption or offences	0%			
		SO6.3 Eradicating Fraud & Corruption			Eradiate fraud and corruption						

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATIO N
							related to corruption				
						1. Support municipalities to develop all required frameworks, policies and guidelines	% Municipalities with approved suite of plans	100			
						2. Implement programme to strengthen the Ward Committee System in the district	% Wards in district with functional ward committees	100			
		Promote Participative, Facilitative & Accountable Governance			Promote participative, facilitative and accountable governance		% Public sector expenditure spent in accordance with IDP's	75%			
							Voter participation in provincial and municipal elections	Prov: 82% Local: 65%			
							Percentage of women, youth and people with disabilities within the public and private sphere	Women 44% Disable 2.5%			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTORIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATION
SPATIAL EQUITY	SO7.1	Active Promote Spatial Concentration and Coordination of Development Activities			Promote Spatial Concentration	1. Establish a hierarchy of nodes with clearly defined functions and interventions per node The promotion of concentration and coordinated development along provincial corridors.	Population density in identified development nodes (persons/ha)	30	Spatial & Environmental		
							% of geographical area with Land Use Management Schemes	100			
							% of Households residing in UZDM priority nodes and high potential development areas	TBD			
							% of Public sector capital budget spent in priority nodes and high potential development areas	TBD			
							% of municipal wards with ward development	100			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATIO N
							plan				
						1.Promote development of ward based plans 2.Formulation of Land Reform Area Based Plans within each district Implementation of Land use Management Schemes across the entire provincial landscape 4.Alignment of District and Local municipal Spatial Development Frameworks with the Provincial Spatial Development	% Public sector expenditure spent in accordance with IDP's and SDF's	75%			
						Participate in and provide inputs in the formulation of provincial planning norms, standards and guidelines Implement Spatial Planning and Land	% Municipalities with approved SDF's in accordance with SPLUMA requirements	100			
							% of municipalities with approved land use management schemes	100			

PGDP GOALS		STRATEGIC OBJECTIVE	NATIONAL OUTCOMES	DGDP GOALS	DGDP STRATEGIC OBJECTIVE	DGDP 2035 INTERVENTION AREAS	DGDP INDICATORS	DGDP 2020 TRAJECTOTIES	KEY PERFORMANCE AREAS – IDP	2018/2019 IDP TARGETS	BUDGET ALLOCATIO N
						Use Management Act					

SECTION F: FINANCIAL PLAN

18 FINANCIAL PLAN

Umzinyathi District Municipality has a Financial Plan in place which is regarded as one of the key plans towards the successful implementation of the IDP. It cuts across all IDP issues, strategies and programmes since all of them require funding input. The financial plan has an impact on all other development dimensions within the municipality. Hence, financial plan preparation would always seek to find better ways and means of sourcing funding and managing it efficiently while expediting the implementation of IDP priority issues.

The municipality developed the Financial Plan during the 2011/12 financial year, the comprehensive review of the plan will be undertaken during the 2019/20 Financial Year to address amongst others the IDP Assessment Comments, and will then be integrated as part of the 2020/21 IDP Review.

18.1 Financial Strategy Overview

Plugging the holes by:

- Promoting effective expenditure to avoid recurring surpluses on operating budget and conditional; and
- Grants vigorously pursuing credit control policies increasing efficiencies by working smarter, managing performance and alternative service delivery mechanisms
- Implementing of cost cutting measures to reduce expenses and improve our revenue.

Increasing revenue by:

- Improving collections;
- Increasing rates base;
- Increasing share of intergovernmental grants to pay for unfunded/partially funded mandates;
- Vigorously pursuing cost cutting measures; and
- Pursuing public private partnerships at both programme and project level.

18.1.1 OVERVIEW OF MUNICIPAL BUDGET

Figure 26: 3 Year Synopsis of Municipal Budget

	Proposed Original Budget 2019/2020	Proposed Original Budget 2020/2021	Proposed Original Budget 2021/2022
Operating Grants	359,887,000	385,396,000	419,791,000
Water sales: Conventional (Billing)	52,733,703	56,477,796	60,713,631
Interest from receivables: Water (Billing)	14,180,124	15,186,912	16,325,931
Sanitation Charges (Billing)	12,056,698	12,912,724	13,881,178
Water: Connection/Reconnection	170,059	182,133	195,793
Interest from Short Term Investments	15,491,485	16,591,380	17,835,733
Rental of premises	585,860	627,456	674,515
LGSETA Grant training	198,328	212,410	228,340
Publications: Tender Documents	22,101	23,671	25,446
Capital Grants	279,277,000	293,850,000	293,190,000
Total Revenue	734,602,358	781,460,481	822,861,567
Employee related costs	147,471,663	157,942,151	169,787,812
Remuneration of councillors	5,711,544	6,117,064	6,575,844
Contract services	127,197,925	136,228,978	146,446,151
Debt Impairment	13,450,786	14,405,791	15,486,226
Depreciation	44,147,630	47,282,112	50,828,270
General Expenditure	109,368,709	117,133,887	125,918,929
Internal Capital Expenditure	6,500,000	6,961,500	7,483,613
Capital grant expenditure	279,277,000	293,850,000	293,190,000
Total Expenditure	733,125,256	779,921,482	815,716,843
Surplus / (Deficit)	1,477,101	1,538,998	7,144,723

Above is a synopsis of the Municipal budget over next 3 years which explains the total expenditure and revenue which is foreseen to be collected. The municipality mostly depends on grants which are more than half of the revenue, followed by water sales and interest from investments.

18.1.2 CAPITAL FUNDING AND EXPENDITURE PER GRANT

MIG	2016/17	2017/18	2018/19
Original Budget	181 064 000	191 941 000	184 485 000
Spent	194 031 733	178 941 000	110 421 123
Variance	-12 967 733	13 000 000	74 063 877
% spent	107%	93%	60%
WSIG	2016/17	2017/18	2018/19
Original Budget	84 111 000	78 693 000	55 000 000
Spent	77 476 227	42 144 550	11 866 570
Variance	6 634 773	36 548 450	43 133 430
% spent	92%	54%	22%
RBIG	2016/17	2017/18	2018/19
Original Budget	106 377 000	98 933 000	40 000 000
Spent	76 840 208	80 920 000	21 615 782
Variance	29 536 792	18 013 000	18 384 218
% spent	72%	82%	54%
EPWP	2016/17	2017/18	2018/19
Original Budget	2 350 000	2 444 000	5 109 000
Spent	2 371 554	2 444 000	3 872 838
Variance	-21 554	-	1 236 162
% spent	101%	100%	76%
RRAMS	2016/17	2017/18	2018/19
Original Budget	2 183 000	2 275 000	2 280 000
Spent	1 635 508	1 525 046	2 265 759
Variance	547 492	749 954	14 241
% spent	75%	67%	99%
FMG	2016/17	2017/18	2018/19
Original Budget	1 250 000	1 250 000	1 320 000
Spent	1 250 000	1 250 000	181 372
Variance	-	0	1 138 628
% spent	100%	100%	14%
DPSS	2016/17	2017/18	2018/19
Original Budget	400 000	300 000	450 000
Spent	376 539	203 549	100 830
Variance	23 461	96 451	349 170
% spent	94%	68%	22%

The above table is a representation of the capital funding and expenditure of the past three years. It gives a snapshot of the original budget, the amount that was spent and variance thereof. The municipality always aims for 100% spending on the grants but in an event where it's not achieved an application for a rollover is submitted with relevant reasons and attachments.

18.1.3 CAPITAL AND OPERATIONAL FINANCIAL STRATEGIES

- The municipality is engaging various financial experts to assist to raise funds for strategic project implementation;
- Funds allocated for a specific purpose are to be used for that purpose only. The CFO and his office will pursue a strong campaign to all departments aimed at enforcing this principle of complying with the budget allocations; and
- Where capital projects are to be funded by donor organizations, the Municipality must ensure that the funds have been secured prior to their inclusion in the capital budget.

18.1.4 REVENUE RAISING STRATEGIES

- All Consumers must be registered and billed for services rendered;
- A debts collection service to be instituted to monitor the billing and payment of services;
- An adoption of credit control policy; part of the debt collection process is the levying of interest on outstanding payments;
- Fast tracking of formalization of towns; and
- Attracting investors for property development in order to enhance rates income.

18.1.5 ASSET MANAGEMENT STRATEGIES

- All assets whether fixed or moveable are to be recorded in an asset register which is electronically maintained;
- The asset register is updated when assets are acquired (purchase or transfer once a capital project has been completed) or disposed off;
- On an annual basis at least there must be a reconciliation between the physical asset holding and that reflected in the asset register; and
- Where capital assets are transferred from the District Municipality, budgetary provision for the operation and maintenance of those assets must be included.

18.1.6 COST ACTIVITIES STRATEGIES

- Development of a functional organizational structure that is staffed with appropriate personnel who contribute to the efficacy of the Municipality; and

- The implementation of internal controls that ensure the management of stock holding (control over shrinkage), management of cash flow to reduce usage of overdraft facilities with attendant penal interest rates and ensure efficient investment of surplus monies.

18.1.7 POLICY DEVELOPMENT AND REFINEMENT STRATEGY

The municipality is committed in an ongoing development of policies that are compliant with the Municipal Financial Management Act and other regulations in order to ensure smooth functioning of the municipality and realisation of financial viability status. The municipality has refined and revised relevant policies so as to enhance income or revenue streams.

SECTION G: ANNUAL OPERATIONAL PLAN (SDBIP)

19 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The 2019/20 Service Delivery and Budget Implementation Plan will be approved within 28 days after the adoption of the 2019/20 Budget, as required in terms of Municipal Financial Management Act.

The Service Delivery and Budget Implementation Plan will be prepared in line with the National Treasury circular identifying key components as follows:

- Monthly projections of revenue to be collected for each source;
- Monthly projections of expenditure (Operating and Capital) and revenue for each vote;
- Quarterly projections of service delivery targets and performance indicators for each vote;
- Ward information for expenditure and service delivery; and
- Detailed capital works plan broken down by ward over three years.

The budgeted intervention projects which are part of the reviewed Back to Basics support plan, are included as part of the 2019/20 Service Delivery and Budget Implementation Plan.

SECTION H: ORGANISATIONAL AND INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

20 ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

Performance Management is a strategic approach to management, which equip leaders, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organisation in terms of indicators and targets for efficiency, effectiveness and impact.

Chapter 6: of the Municipal Systems Act (No 32 of 2000) requires municipalities to:

- Develop a performance management system;
- Set targets, monitor and review performance based on indicators linked to their IDP;
- Publish an annual report on performance for the councilors, staff, the public and other spheres of government;
- Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government;
- Have their annual performance report audited by the Auditor-General; and
- Involve the community in setting indicators and targets and reviewing municipal performance.

2001: Municipal Planning and Performance Regulations states that:

- Performance Management System must entail a Framework that describes and represent how the municipality's cycle and process of performance management, including measurement, review, reporting and improvement, will be conducted; and
- Performance Management System must inter alia comply with the requirements of the Systems Act, relates to the municipality's employee performance management processes and be linked to the municipality's IDP.

For the 2019/20 IDP, the municipality will prepare a functional and effective Organisational Performance Management System which will address performance needs of the organization and also serves to promote a culture of performance management, and to administer its affairs in an economical, effective, efficient and accountable manner as required by Section 38 of the Municipal Systems Act (No 32 of 2000).

In terms of measuring the performance of the municipality in implementing the 2018/19 IDP, the

municipality has an effective Performance Management System in place, and has the following documents in place which guide the review, implementation, monitoring and reporting on performance management system:

- Organisational Scorecards;
- Departmental Scorecards;
- Performance Framework; and
- Performance Policy.

The organisational scorecard is attached herewith as Annexure I 4.

21 INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

Subsequent to the adoption of the 2019/20 IDP and 2019/20 Budget at the end of May 2019, the municipality will finalise and approve the Service Delivery and Budget Implementation Plan within 28 days after the adoption of the Budget which will serve as a monitoring tool for the implementation during 2019/20 financial year. The IPMS policy has been developed and approved by Council.

The performance agreements for the Section 54 and 56 Managers as required as per the 2006 Performance Regulations and 2014 Regulations on appointment and conditions of employment of Senior Managers will be concluded before the end of the month of July 2019, and subsequently submitted to the Department of Co-operative Governance and Traditional Affairs for consideration.

The municipality will also undertake the quarterly reviews during 2019/20 financial year to monitor performance as per the following quarters:

First quarter	:	July – September 2019
Second quarter	:	October – December 2019
Third quarter	:	January – March 2020
Fourth quarter	:	April – June 2020

The performance agreements which be concluded will consist of the following documents

- Annexure A : Performance Plan
- Annexure B : Personnel Development Plan
- Annexure C : Financial Disclosure Form
- Annexure D : Code of Conduct

21.1 CASCADING OF PERFORMANCE MANAGEMENT SYSTEM

During the 2019/20 financial year, the municipality will continue to piloting the cascading of performance management system to lower levels below the Section 56 Managers. On the 08 – 09 May 2017, capacity building was provided by Ethekewini Municipality through the South African Local Government Association on the cascading of the performance management system. The municipality has subsequently developed an implementation plan which will be implemented

during the 2019/20 financial year on the cascading as part of the piloting phase, and it is being piloted at Middle Management Level. The municipality has recently adopted the IMPS policy as it envisages cascading of Performance management to all levels in the near future.

SECTION I: ANNEXURES

No	IDP Components	Comments
I.1	Government and Public Sector Participation, Private Sector and Community Involvement Report	
I.2	Spatial Development Framework (SDF)	Five year Spatial Development Framework to be developed during 2018/19 financial year
I.3	Disaster Management Sector Plan	Five year Disaster Management Plan to be developed during 2017/18 financial year
I.4	Organisational Scorecard	
I.5	Organisational Organogram	
I.6	Back to Basics Support Plan	
I.7	Rural Development Plan	

SECTION J: APPENDIXES

Umzinyathi District Municipality has developed a number of Sector Plans which are aimed at assisting the municipality in making well informed decisions to enable effective implementation thereby improving the quality of life for our respective communities. A table hereunder indicates the sector plans that have been prepared by the municipality to date and their status:

No	Sector Plans	Adopted		Status
		Yes	No	
K 1	2011/12 Financial Plan	√		To be reviewed during 2019/20 financial year
K 2	Integrated Waste Management Plan	√		To be reviewed during 2019/20 financial year
K 3	Water Services Development Plan	√		Municipality to source funding to review WSDP.
K 4	Integrated Transport Plan	√		Municipality to source funding to review ITP
K 5	Local Economic Development Strategy	√		New Five year LED Strategy has been adopted.
K 8	District Growth and Development Plan	√		2 nd review of DGDP has been adopted by council in December 2018.

No	Sector Plans	Adopted		Status
		Yes	No	
K 9	Environmental Management Framework	√		
K10	District Rural Development Plan	√		