

MTHONJANENI MUNICIPALITY



MTHONJANENI MUNICIPALITY

2020/2021 FINANCIAL YEAR FINAL REVIEWED IDP

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Mayor's foreword

During this 2020/2021 financial year we will continue to render services to all our communities as they entrusted us. The cooperation amongst the political leadership, administration and our community has seen us moving a step forward in ensuring that we take decisions as per the expectations of the people that we serve.

The allocation we receive is very small when compared to the area we have to service and the needs of the community as raised from our IDP. We have, however, prioritize the following projects for this financial year:

INEP Projects

Ward	Project Name	Planned connections
1	Nqekwane area	75
2	Thubalethu Extension	608
3	Ofankomo area	25
4	Kataza area	50
5	Umhlathuze area	25
6	Dubeni area	25
8	Inkisa area	25
12	Ntombokazi area	50
13	Sangoyana area	25
13		
11		

MIG projects

Ward	Project name
13	Sangoyane sports field
11	Mbiza gravel road

We understand quite well that the rate of poverty and unemployment within our communities is very high. It is for this reason that we try to improve the standard of living of our people. We will also create EPWP job opportunities and also plan to fund co-operatives which will be identified in the thirteen wards within our municipality.

Our country is in the hard time die to Covid-19. We have been forced to shut down some of the activities as per the regulations underpinning the lockdown process. This has made us to redirect some of our funds into the fight of this virus. We have made provision of sanitizers and facial masks for our communities and employers.

It is also our aim to ensure that we ensure that our heritage is part of our pride. We still have the our daughters being supported and encouraged to be part of the Umhlanga ceremony together with the celebration of the heritage month. We do this with the support of the traditional leadership within our municipality.

I would love to thank the leadership and the administration, led by our municipal manager, for the hard work and co-operation in ensuring that we strive to make the lives of our people to be better every day. We are the municipality that put our people first as they are the ones who voted us. We are therefore dedicated to ensure that the standard of living of our people is improved.

Trust uswe are really committed in service delivery and improving the lives of our people.

Thank you.

Chapter A: EXECUTIVE SUMMARY

1.2 Legislative and Policy Framework

1.1.1 The Constitution

Section 152 Objects of local government:

- a) to provide democratic and accountable government for local communities;
- b) to ensure the provision of services to communities in a sustainable manner;
- c) to promote social and economic development;
- d) to promote a safe and healthy environment; and
- e) to encourage the involvement of communities and community organizations in the matters of local government

1.1.2 The Municipal Structures Act

The act was developed to provide for the establishment of municipalities in accordance with the requirements relating to categories and types of municipality; to establish criteria for determining the category of municipality to be established in an area; to define the types of municipality that may be established within each category; to provide for an appropriate division of functions and powers between categories of municipality; to regulate the internal systems, structures and office-bearers of municipalities; to provide for appropriate electoral systems; and to provide for matters in connection therewith. Of importance in the context of this legislation is the following:

- a) A local municipalities within the area of the municipality must co-operate with one another by assisting and supporting each other;
- b) A local municipality may provide financial, technical or administrative support services to another local municipality within the area of the same municipality to the extent that it has the capacity to provide those support services, if the municipality or that local municipality so requests; and
- c) The MEC for local government in a province must assist a municipality to provide support services to a local municipality.

1.1.3 The Municipal Systems Act

Chapter 5 of this Act provides for the preparation of IDP. S. S26(e) lists an SDF as a core component of an IDP and requires that the SDF provides basic guidelines for a municipal land use management system.

Local Government: Municipal Planning and Performance Management Regulations (GN R796 of 2001)

S2(4) requires that an SDF should:

- Give Effect To The DFA Principles;
- Set Out Objectives That Reflect The Desired Spatial Form Of The Municipality;
- Contain Strategies And Policies To Achieve The Objectives And Which Should Indicate Desired Patterns Of Land Use;
- Address The Spatial Reconstruction;
- Provide Strategic Guidance Regarding The Location And Nature Of Development;
- Set Out Basic Guidelines For A Land Use Management System In The Municipality;
- Set Out A Capital Investment Framework For The Municipality's Development Programs;
- Contain A Strategic Assessment Of The Environmental Impact Of The SDF;
- Identify Programs And Projects For The Development Of Land Within The Municipality;
- Be Aligned With The Spatial Development Frameworks Reflected In The Integrated Development Plans Of Neighbouring Municipalities;
- And Provide A Plan Of The Desired Spatial Form Of The Municipality, Which Should:
- Indicate Where Public And Private Land Development And Infrastructure Investment Should Take Place;
- Indicate Desired Or Undesired Utilisation Of Space In A Particular Area;
- Delineate An Urban Edge;
- Identify Areas For Strategic Intervention; and
- Indicate Priority Spending Areas.

1.1.4 The Spatial Planning and Land Use Management Act (Act No.16 Of 2013)

The role of local government in spatial planning has been re-energized through the introduction of the Spatial Planning and Land Use Management Act No. 16 of 2013 (commonly known as SPLUMA). The intention of this national legislation is to introduce the norms and standards for spatial planning and to specify the relationship between spatial planning and land use management. This is intended to create uniformity and consistency on the manner in which both spatial planning and land use management is practiced within the whole country. Chapter 4 of SPLUMA stipulates the need to prepare Spatial Development Frameworks (SDFs) by all municipalities including the Districts. Part D (19) stipulates that the Regional Spatial Development Framework must cover the following minimum issues:

- a) Give effect to the development principles and applicable norms and standards

set out in Chapter 2;

- b) Give effect to national and provincial policies, priorities, plans and planning legislation;
- c) Reflect the current state of affairs in that area from a spatial and land use perspective of the region;
- d) Indicate desired patterns of land use in that area;
- e) Provide basic guidelines for spatial planning, land development and land use management in that area;
- f) Propose how the framework is to be implemented and funded; and
- g) Comply with environmental legislation.

The preparation of the Mthonjaneni local municipality SDF is guided by the following spatial principles listed under Chapter 2 of the SPLUMA legislations:-

a) Spatial Justice: Ensures equitable distribution and increase access to social infrastructure and addresses the injustices of the past.

b) Spatial Sustainability: Ensures protection of agricultural prime land and uphold consistency of land use measures in accordance with environmental management instruments; promote and stimulate the effective and equitable functioning of land markets; consider all current and future costs to all parties for the provision of infrastructure and social services in land developments; promote land development in locations that are sustainable and limit urban sprawl; and result in communities that are viable.

c) Spatial Efficiency: which ensures that land development optimizes the use of existing resources and infrastructure; decision-making procedures are designed to minimize negative financial, social, economic or environmental impacts; and development application procedures are efficient and streamlined and timeframes are adhered to by all parties

d) Spatial Resilience: promote flexibility in spatial plans, policies and ensure that land use management systems accommodate sustainable livelihoods in communities most likely to suffer the impacts of economic and environmental shocks.

e) Good Governance: Ensures that all spheres of government carry-out an integrated approach to land use and land development that is guided by the spatial planning and land use management systems. The preparation and amendment of spatial plans, policies, land use schemes as well as procedures for development applications, to include transparent processes of citizen participation and all parties to have the opportunity to provide inputs on matters affecting them; and policies, legislation and procedures must be clearly set out and inform and empower citizens.

- develop an argument or approach to the development of the area of jurisdiction which is clear enough to allow decision-makers to deal with the unexpected (for example, applications from the private sector);

- develop a spatial logic which guides private sector investment. This logic primarily relates to establishing a clear hierarchy of accessibility;
- ensure the social, economic and environmental sustainability of the area;
- establish priorities in terms of public sector development and investment; and
- identify spatial priorities and places where public-private partnerships are a possibility.

S51 (1) further requires and local municipalities to align their spatial development frameworks and land use schemes as required by the MSA.

1.1.5 The Municipal Finance Management Act

To secure sound and sustainable management of Municipal financial affairs, and in particular the management and disposal of public assets, particularly land.

Subdivision of Agricultural Land Act 70 of 1970

Application Regulations regarding the subdivision of agricultural land for development within a municipality:

Subject to the provisions of section 2 a Surveyor-General shall only approve a general plan or diagram relating to a subdivision of agricultural land

Any subdivision of any land in connection with which a surveyor has completed the relevant survey and has submitted the relevant sub-divisional diagram and survey records for examination and approval to the surveyor-general concerned prior to the commencement of this Act.¶

A Registrar of Deeds shall only register the vesting of an undivided share in agricultural land referred to in section 3 (b), or a part of any such share referred to in section 3 (c), or a lease referred to in section 3 (d) or, if applicable, a right referred to in section 3 (e) in respect of a portion of agricultural land, if the written consent of the Minister in terms of this Act has been submitted to him.

(b) no undivided share in agricultural land not already held by any person, shall vest in any person;

(c) no part of any undivided share in agricultural land shall vest in any person, if such part is not already held by any person;

(d) no lease in respect of a portion of agricultural land of which the period is 10 years or longer, or is the natural life of the lessee or any other person mentioned in the lease, or which is renewable from time to time at the will of the lessee, either by the continuation of the original lease or by entering into a new lease, indefinitely or for periods which together with the first period of the lease amount in all to not less than 10 years, shall be entered into;

(e) (i) no portion of agricultural land, whether surveyed or not, and whether there is any building thereon or not, shall be sold or advertised for sale, except for the purposes of a mine as defined in section 1 of the Mines and Works Act, 1956 (Act 27 of 1956); and

(ii) no right to such portion shall be sold or granted for a period of more than 10 years or for the natural life of any person or to the same person for periods aggregating more than 10 years, or advertised for sale or with a view to any such granting, except for the purposes of a mine as defined in section 1 of the Mines and Works Act, 1956;

[Para. (e) Substituted by s. 2 of Act 12 of 1979 and by s. 2 (1) (a) of Act 33 of 1984.]

1.1.6 National Environmental Management Act No.107 Of 1998

The SDF promotes (4) (a) Sustainable development, which requires the consideration of all relevant factors including the following:

- i. That the disturbance of ecosystems and loss of biological diversity are avoided, or, where they cannot be altogether avoided, are minimised and remedied;
- ii. that pollution and degradation of the environment are avoided, or, where they cannot be altogether avoided, are minimised and remedied;
- iii. that the disturbance of landscapes and sites that constitute the nation's cultural heritage is avoided, or where it cannot be altogether avoided, is minimised and remedied;
- iv. that waste is avoided, or where it cannot be altogether avoided, minimised and reused or recycled where possible and otherwise disposed of in a responsible manner;
- v. that the use and exploitation of non-renewable natural resources is responsible and equitable, and takes into account the consequences of the depletion of the resource;
- vi. that the development, use and exploitation of renewable resources and the ecosystems of which they are part do not exceed the level beyond which their integrity is jeopardised;
- vii. that a risk averse and cautious approach is applied, which takes into account the limits of current knowledge about the consequences of decisions and actions; and
- viii. That negative impacts on the environment and on people's environmental rights be anticipated and prevented, and where they cannot be altogether prevented, are minimised and remedied.

(d) Equitable access to environmental resources, benefits and services to meet basic human needs and ensure human wellbeing must be pursued and special measures may be taken to ensure access thereto by categories of persons disadvantaged by unfair discrimination.

(f) The participation of all interested and affected parties in environmental governance must be promoted, and all people must have the opportunity to develop the understanding, skills and capacity necessary for achieving equitable and effective participation, and participation by vulnerable and disadvantaged persons must be ensured.

(g) Decisions must take into account the interests, needs and values of all interested and affected parties, and this includes recognising all forms of

knowledge, including traditional and ordinary knowledge.

(h) Community wellbeing and empowerment must be promoted through environmental education, the raising of environmental awareness, the sharing of knowledge and experience and other appropriate means.

(p) The costs of remedying pollution, environmental degradation and consequent adverse health effects and of preventing, controlling or minimising further pollution, environmental damage or adverse health effects must be paid for by those responsible for harming the environment.

(q) The vital role of women and youth in environmental management and development must be recognised and their full participation therein must be promoted.

(r) Sensitive, vulnerable, highly dynamic or stressed ecosystems, such as coastal shores, estuaries, wetlands, and similar systems require specific attention in management and planning procedures, especially where they are subject to significant human resource usage and development pressure.

1.1.7 Provincial Growth and Development Strategy (PGDS 2035)

The provincial Government has developed its own Growth and Development Strategy, which is closely aligned to both the Millennium Development Goals and national development goals in 2011. The PGDS is essentially a tool through which the provincial government can address the legacies of the apartheid space economy, promote sustainable development and ensure poverty eradication and employment creation.

The Provincial Vision is indicated as:

By 2035, the PROVINCE OF KWAZULU-NATAL should have maximized its position as a GATEWAY to South and Southern Africa, as well as its human and natural resources so creating a safe, healthy and sustainable living environment.

Abject poverty, inequality, unemployment and current disease burden should be history, basic services must have reached all its people, domestic and foreign investors are attracted by world class infrastructure and a skilled labour force.

The people shall have options on where and how they opt to live, work and play, where the principle of putting people first and where leadership, partnership and prosperity in action has become a normal way of life.

This PGDS provides KwaZulu-Natal with a reasoned strategic framework for accelerated and shared economic growth through catalytic and developmental interventions, within a coherent equitable spatial development architecture, putting people first, particularly the poor and vulnerable, and building sustainable communities, livelihoods and living environments. Concomitant attention is also given to the provision of infrastructure and services, restoring the natural resources, public sector leadership, delivery and accountability, ensuring that these changes are responded to with resilience, innovation and adaptability. This will lay the foundations for attracting and instilling confidence from potential investors and developing social compacts that seek to address the inter-connectedness of the Provincial challenges in a holistic, sustainable manner, whilst nurturing a populous that is productive, healthy and socially

cohesive.

The purpose of the 2016 KZN PGDS is to:

- Be the primary strategy for KwaZulu-Natal that drives growth and development in the Province to 2035;
- Mobilize and synchronize strategic plans and investment priorities of all spheres of government, state owned entities, business, higher education institutions, labour, civil society and all other social partners towards achieving the desired growth and development goals, objectives and outcomes;
- Spatially contextualize and prioritize interventions so as to achieve greater spatial equity;
- Develop clearly defined institutional arrangements ensuring decisive leadership, robust management, implementation and on-going reviewing of the growth and development plan.

1.1.8 LED Strategy

The Mthonjaneni Municipality Local Economic Development strategy (2003) has a number of set objectives, strategies and principles that needs to be considered during the development of the SDF. These are briefly discussed in the sections below.

Mthonjaneni LED strategy has the following overall objectives to be achieved.

Table 1: LED Strategy Objectives

Reduction in income leakage	Ensure spendable income is utilised within itself.
To increase investment (Local and external)	Investment in tourism, agriculture and business is to be promoted
To promote local business development and business interaction	Interaction between businesses will contribute to countering income leakage and establishing a new vibrancy in the economy.
To increase entrepreneurial opportunities and employment	All the objectives need to be supported by a strong focus on entrepreneurial development, micro and small business establishment, and employment creation through appropriate support mechanisms.

Principles

In addition to the above mentioned objectives, the following principles needs to be considered during development of the Mthonjaneni Spatial Development Framework.

Table 2: LED Strategy Principles

Process approach:	Local economic development is a process and the planning for implementation should consider the logical steps involved in such a process, i.e. a focus on small scale community tourism if tourists cannot be attracted to the area will not be sustainable.
Sustainability	Local economic development processes should be economically, socially and environmentally sustainable, e.g. the impact of coal mining on the environment and specifically on tourism needs to be considered, because it is makes economic sense does not suggest that it is sustainable.
Collaborative effort / Coordination	The Municipality views economic development as a collaborative effort in which a wide range of stakeholders have a role to fulfil. The successful implementation of the strategies will be dependent on all stakeholders fulfilling its specific role in a coordinated fashion.
Market based	Support for new economic development ventures will be based on a clearly defined market for the products / services which the venture will deliver.
Integration	Integration of existing and new economic development ventures is essential. The upstream and downstream impact of ventures within the needs to be considered. The impact of ventures should not be considered in isolation.

Strategies

The sector specific strategies relating to the municipality are outlined in the table below:

Table 3: LED Strategy – Strategies

Strategies	<ol style="list-style-type: none"> 1. Establishing LED institutions and processes 2. Changing attitudes 3. Addressing the fundamentals 4. Raising the profile of the region 5. Improving and Promoting Access 6. Visible Delivery
Business Strategies	<ol style="list-style-type: none"> 1. Institutional structuring for delivery 2. Capacity building and training 3. Establishing/building agri-industries

	<ul style="list-style-type: none"> 4. Establishing small scale mining 5. Municipal business strategies
Agriculture Strategies	<ul style="list-style-type: none"> 1. Institutional structuring for agricultural delivery 2. Sustainable land reform 3. Improved market access for agricultural produce 4. Visible delivery in agricultural sector 5. Municipal agricultural strategies
Tourism Strategies	<ul style="list-style-type: none"> 1. Institutional structuring for tourism 2. Tourist information inside the District 3. Tourist information outside the District 4. Making tourists feel safe and welcome 5. Community tourism 6. Visible tourism delivery 7. Municipal tourism strategies

Source: LED Strategy revised 2015

The above strategies are summarised and depicted on the diagram below:

Figure 1: Integrated LED Strategy

	INSTITUTIONS	FUNDAMENTALS	MARKETING	ACCESS	DELIVERY
OVERALL	Establishing LED Institutions and Processes	Changing Attitudes Addressing the Fundamentals	Raising the Profile of the Region	Improving and Promoting Access	Visible Delivery
BUSINESS	Institutional Structuring for Business	Capacity Building and Training	Raising the Profile of the Region	Improving and Promoting Access	Establishing/building agri-industries Establishing Small Scale Mining
AGRICULTURE	Institutional Structuring for Agriculture	Sustainable Land Reform	Raising the Profile of the Region	Improving and Promoting Access Market Access for Agricultural Produce	Visible Agricultural Delivery
TOURISM	Institutional Structuring for Tourism	Making Tourists Feel Safe and Welcome	Raising the Profile of the Region Tourism Information Outside District	Improving and Promoting Access Tourism Information Inside the Region	Visible Tourism Delivery Community Tourism

Source: Mthonjaneni LED Strategy

1.1.9 Framework for Managing Programme Performance Information

This Framework aims to:

- Clarify definitions and standards for
- Performance information in support of regular
- Audits of such information where appropriate
- Improve integrated structures, systems and
- Processes required to manage performance information
- Define roles and responsibilities for managing performance information
- Promote accountability and transparency by providing parliament, provincial legislatures,
- Municipal councils and the public with timely, accessible and accurate performance information.

1.2 Who are we?

Melmoth is a small municipality situated in the north coast of KZN with a population of 83563 (CS: 2016). The town was established in the Mthonjaneni after the invasion of Mthonjaneni by United Kingdom in 1887 and was named after Sir Melmoth Osborn. Large wattle plantations were set up and wattle bark factory was established in 1926. The is also planted with sugarcane and forestry on the outskirts of the town into surrounded areas. The government funded hospital in Melmoth is St Mary's hospital KwaMagwaza that caters for people of Melmoth and surrounding areas.

The Council of Mthonjaneni Municipality in partnership with the Department of Arts and Culture resolved, during the process of renaming of most areas that were named during apartheid regime, after engaging in renaming process through public participation both entities unanimously agreed to change the name of Melmoth to Mthonjaneni. The town is now officially called Mthonjaneni. Mthonjaneni Municipality is located in the central north eastern part of the province of KwaZulu Natal.

Mthonjaneni Municipality (KZ 285) is one of the five local municipalities that make up King Cetshwayo (KCD). The other locals that forms KCD are Mfolozi (KZ 281), uMhlathuze (KZ 282), uMlalazi (KZ 284) and Nkandla (KZ 286). The Mthonjaneni Municipality consist of 13 wards as per the new demarcations after the 2016 Local Government Elections.

King Cetshwayo is a municipality situated in the north eastern region of KwaZulu-Natal province on the eastern seaboard of South Africa. King Cetshwayo covers an area of approximately 8213 square kilometres, from the agricultural town of Gingindlovu in the south to the uMfolozi river in the north and inland to the mountainous beauty of rural Nkandla.

It comprises of economic activity centre which was previously known as Melmoth Town which serves as the Central Place Town for its surrounding rural areas. The larger part of the areas that forms the sphere of influence of Mthonjaneni is deep rural with the majority of the people ranging from low to middle income earners. Most of the area under Mthonjaneni Municipality is owned by Ingonyama Trust under the leadership of INkosi Biyela of Obuka, INkosi Zulu of Ntembeni and INkosi Biyela of Yanguye. Part of the area is privately owned with vast areas being owned by white farmers.

Mthonjaneni is a member of Tourism Association Agency Route 66 which comprises of all municipalities that are linked by R66 in their economic and tourism activities. Route 66 members include Gingindlovu, Eshowe, Mthonjaneni, Ulundi, Nongoma and Pongola. Mthonjaneni is the gateway to Mthonjaneni and major economic active provinces in RSA which is Mpumalanga Province and Gauteng through R66 route.

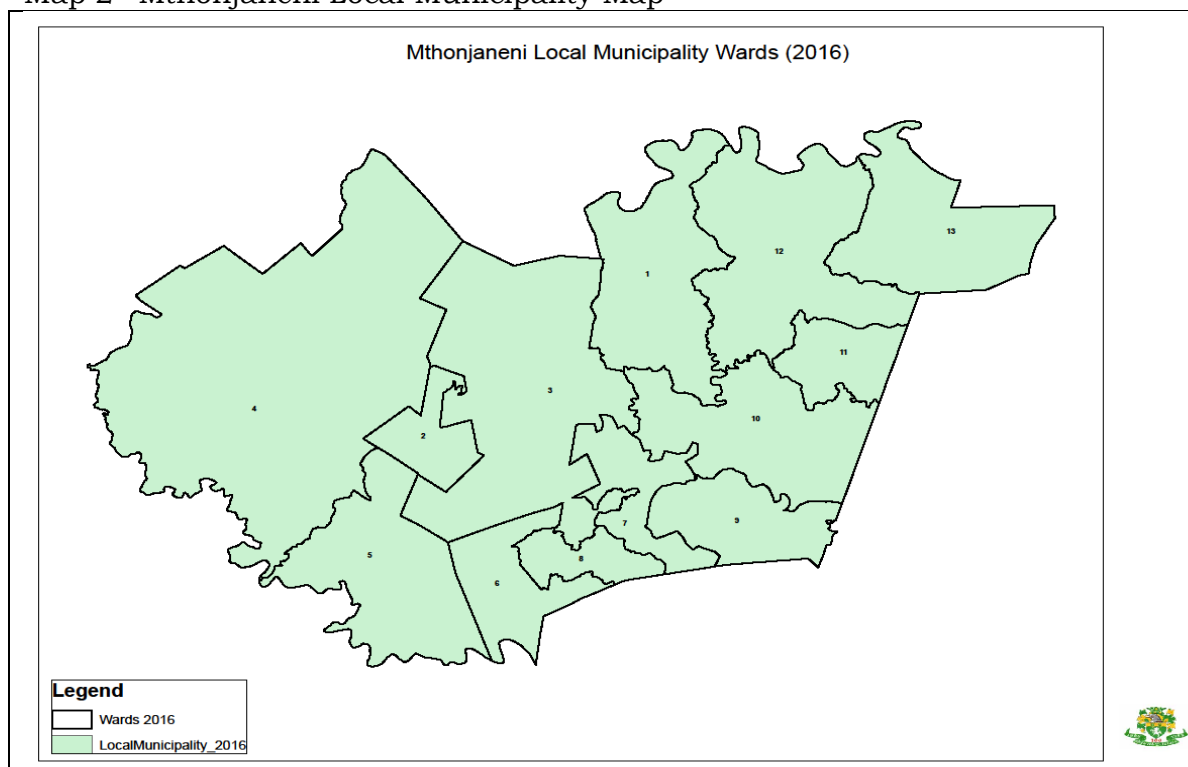
Mthonjaneni Municipality experiences warm humid climate with more rainfall being experienced during the summer season. This becomes the favouring factor towards agricultural production. Forests and sugarcane production are the major commercial agricultural practices and livestock farming which is mostly subsistence in most surrounding rural areas.

Map1 – King Cetshwayo Map



GIS: KCDM 2018

Map 2 –Mthonjaneni Local Municipality Map



GIS: KCDM 2018

There are currently three Traditional Authority areas within the Mthonjaneni Municipality. All these Traditional Authority areas are solely owned by Ingonyama Trust. The Biyela-KwaYanguye Traditional Authority is located to the north-east of

Improve livelihoods of our communities through the following programs:

- Implementation of EPWP programme and the food for waste programme,
- Implementing of Operation Sukuma Sakhe,
- Educational support to youth at tertiary level,
- Implementation of skills development programs,
- Youth empowerment through Local Economic Development.
- Focus will be made on Labour Intensive Capital Projects

The municipality intends to provide quality services to all residents through:

- Enhance communication channels between the municipality and the community through Public Participation and IDP review processes,
- improve and maintain infrastructure
- Maintenance of financial viability.
- Strengthen Public Consultation.
- Provision of infrastructure in rural wards by allocating 60% of the MIG grant.

The Municipality will deliver directly those services it is mandated to deliver and as the level of government closest to the people, will ensure the coordinated delivery of infrastructure and services by all other line function departments.

1.5 Municipal Vision

After Local Government Elections in 2016 the council proposed the strategic direction for the municipality for the next five (5) years. This was done after considering the challenges that the municipality is faced with and taking into cognizance the current status quo of the Municipality in terms of Service Delivery targets. The vision and Mission as per council strategic priorities is as follow:

Municipal vision:

Excelling in service delivery and good governance to all our communitiesTRUST US.

Municipal Mission:

Committed in creating a stable and secure environment and service delivery to all our communities.

1.6 How was this plan developed?

The fourth generation IDP was developed with special consideration to the following aspects:

- Development of new council strategic agenda for long term aligned to NDP and PGDS;
- Development and review of IDP core sector plans;
- Implementation of the Economic Transformation Roadmap for Mthonjaneni Municipality;
- Alignment with Government Priorities e.g. State of the Nation Address, KZN State of the Province Address, NDP, PGDP, DGDGP etc.;
- Community inputs received during the community consultative programs (IDP Road shows);
- MEC Letter with assessment comments on the Final IDP Review 2018/19;
- Different stakeholder comments and requirements; and
- Legislative compliance in terms of chapter, 4, 5 and 6 of MSA Act No 32 of 2000

Council engaged with all relevant stakeholders to collect views and inputs for the Mthonjaneni Fourth Generation IDP (2017/2022). Below is council approved schedule for the public participation meetings held in November 2019, further engagements will be held in April 2020 for the Draft Review of IDP and Budget.

Table 4: 1st Round IDP Public Participation Meetings

Wards	Venue	Dates	Time
1	Sanguye Tribal Court	13 November 2019	10h00
2	Thubalethu Hall	21 November 2019	17h00
3	Mkhindini P Centre	20 November 2019	10h00
4	KwaMagwaza Community Hall	15 November 2019	10h00
5	Mfanefile community hall	19 November 2019	10h00
6	Ekuthuleni Pay point	18 November 2019	10h00
7	Nkwenkwe Pay point	12 November 2019	10h00
8	Mabhungu Pay point	14 November 2019	10h00
9	Mpevu Community Hall	11 November 2019	10h00
10	Ncemaneni Community Hall	08 November 2019	10h00
11	Gobihlahla Crèche	22 November 2019	10h00
12	Mkhandlwini Library	21 November 2019	10h00
13	Sangoyana Community Hall	05 November 2019	10h00
2 & 3 (CBD)	Melmoth Town Hall	20 November 2019	18h00

Table 5: Second Round IDP/Budget Road shows

Dates	Wards	Venue	Time
06 April 2020	13	Debe community hall	10h00
07 April 2020	12	Mawanda community hall	10h00
08 April 2020	11	Upper Nseleni Skills Centre	10h00
15 April 2020	10	Syethemba community hall	10h00
16 April 2020	9	Mpevu community hall	10h00
17 April 2020	8	Mabhungu Pay point	10h00
20 April 2020	7	Makhasaneni community hall	10h00
21 April 2020	6	Ekuthuleni Pay point	10h00
22 April 2020	5	Mfanefile community hall	10h00
22 April 2020	2&3 (CBD)	Melmoth Town hall	18h00
23 April 2020	4	Thunzini P-Centre	10h00
23 April 2020	2	Thubalethu community hall	17h00
24 April 2020	3	Njomelwane crèche	10h00
29 April 2020	1	Sanguye Tribal Court	10h00

1.7 Population Profile

According to the latest census that was conducted in 2016 there was a total population of 83 563 people residing in municipal area of jurisdiction. According to the 2016 census there is an increase in the total population which is a result of the wards that were inherited from Ntambanana municipality. Males constitute 45.8% with 54.2 females. This reflects that the percentage of the females is 8.4% greater than that of the males

Table6: Population by gender.

	Male	Female	Total
KZN285 : Mthonjaneni	38257	45306	83563
52805001 : Ward 1	3496	4427	7923
52805002 : Ward 2	3254	3607	6861
52805003 : Ward 3	2898	3414	6312
52805004 : Ward 4	2822	2948	5770
52805005 : Ward 5	2878	3263	6142
52805006 : Ward 6	2908	3483	6392
52805007 : Ward 7	3481	4041	7522
52805008 : Ward 8	1609	1963	3573
52805009 : Ward 9	3244	3758	7003
52805010 : Ward 10	3815	4693	8509
52805011 : Ward 11	2375	2778	5152
52805012 : Ward 12	3407	4439	7846
52805013 : Ward 13	2069	2489	4558

StatSA: 2016

1.8 Economic Profile

The 2011 statistics reflect that a large amount of people in Mthonjaneni area of jurisdiction are either unemployed or discouraged work seekers. The majority of those who are employed are low income earners. A high percentage of the households depend on government social grants as means of poverty alleviation. There is a large labour force employed by farms around Mthonjaneni and earn very low salaries.

The table below shows the number of persons in the respective municipal wards that are employed and unemployed.

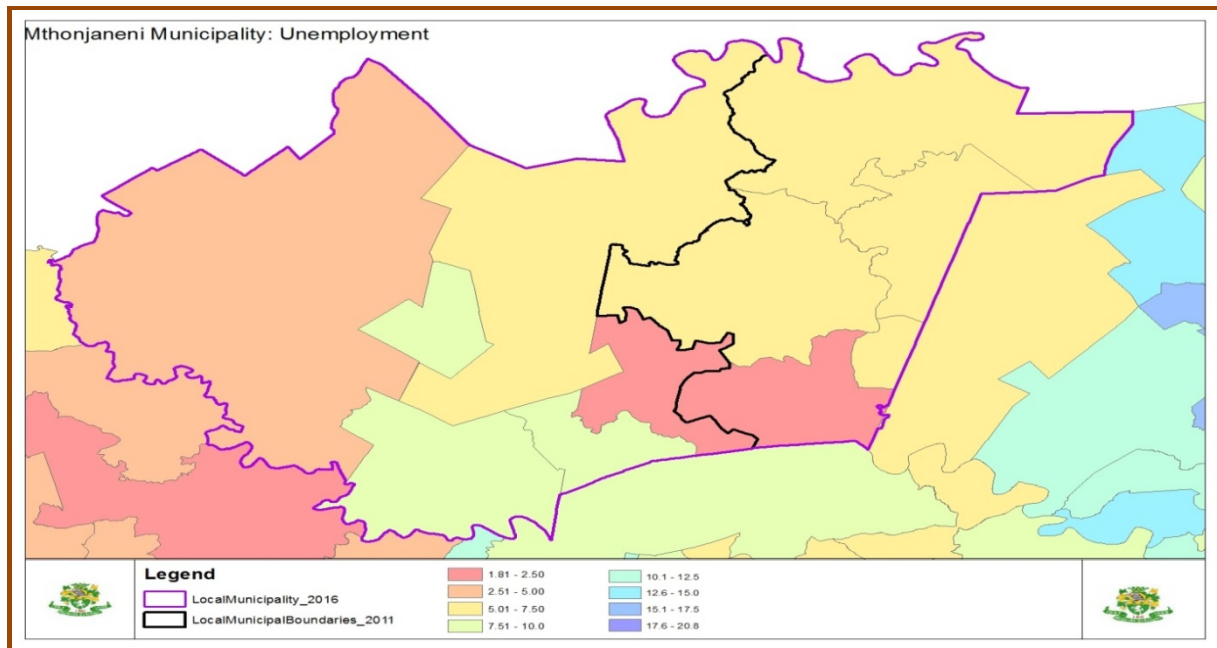
Table 7: Employment statistics

	Employed	Unemployed	Discouraged work-seeker	Other not economically active	Not applicable	Total
Mthonjaneni	9639	4771	4364	27311	37477	83563
Ward 1	370	574	477	2470	4032	7923
Ward 2	2227	715	260	1464	2196	6861
Ward 3	1968	268	203	1488	2385	6312
Ward 4	1995	204	266	1239	2067	5770
Ward 5	288	247	324	2381	2902	6142
Ward 6	225	644	299	2129	3095	6392
Ward 7	432	153	378	2982	3577	7522
Ward 8	290	400	185	1038	1660	3573
Ward 9	495	180	251	2782	3295	7003
Ward 10	534	296	698	2949	4032	8509
Ward 11	277	425	113	2015	2323	5152
Ward 12	291	370	604	2873	3708	7846
Ward 13	247	295	307	1502	2206	4558

CS 2016: StatSA

The rate of unemployment within the municipality remains being high. In order to find employment opportunities, the economically active population has to travel to areas such as Richards Bay and Empangeni.

Map 3: Showing Unemployment within the Municipality



GIS: KCDM 2018

Education Profile.

Education serves as the means to bring about the desired change in society and contribute to the development of responsible citizen of our country. Education empowers individuals to take better care of themselves and their children. It is a key to higher economic growth through higher level of skilled society. This is why the provision of good education and educational resources remains a high priority for Mthonjaneni municipality and KCDM. The department of education in King Cetshwayo is playing a vital role in ensuring that the education is given the priority by providing necessary resources and support to enhance the culture of teaching and learning.

Level of Education.

A small percentage of the population in the has post-matric qualifications. The rate of illiteracy still remains being very high and our schooling system has not yet effectively addressed the problem of dropouts especially at high school level. This means that there is a limited pool of skilled labour in the municipality and that basic education needs to be addressed in order to improve skills levels in the future. Basic education is considered fundamental to the future success of the local economy.

Household Income.

Household income can be used as a proxy for economic well-being of household and individuals, as it determines their consumption and savings potentials. Changes in the income by households is one of the direct indicator available that can be used to establish who benefits from economic development and by how

much are the beneficiaries benefiting. Furthermore, data on household income can be used to inform poverty analysis.

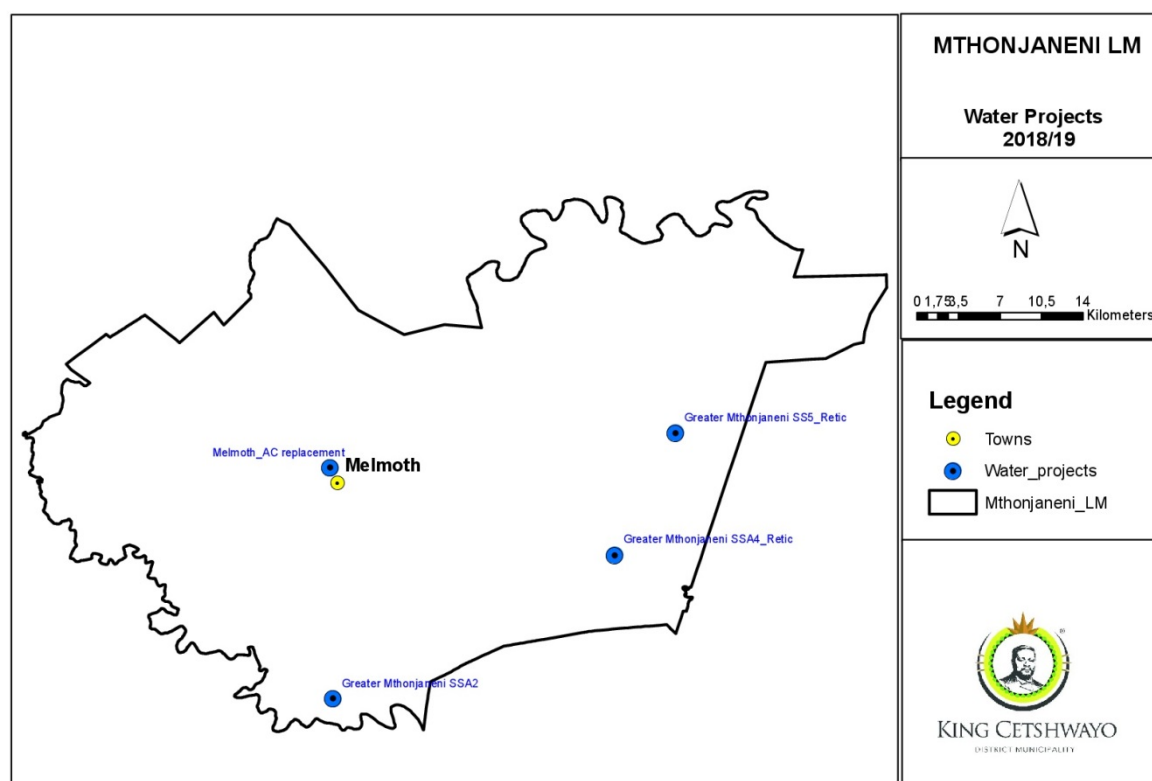
Table 8: Household income

diagram to be inserted in final IDP

1.9 Access to water and sanitation

Mthonjaneni Local Municipality is not the Water Service Authority. King Cetshwayo municipality is a Water Service Authority and a Water Services Provider for all the areas under the Mthonjaneni Municipality. The King Cetshwayo Municipality has a duty to all consumers, or potential consumers, in its area of jurisdiction to progressively ensure efficient, affordable, economical and sustainable access to water supply and sanitation (collectively referred to as water services). As a WSA, King Cetshwayo Municipality focuses on water services and on providing at least a basic level of service to consumers in its area of jurisdiction.

Map 4: KCDM Planned water projects during 2020/2021 financial year



KCDM GIS: 2019

1.10 Municipal Institutional Profile

The Council of the Mthonjaneni Municipality consists of 25 Councillors, thirteen are ward councilors and the other 12 are PR Councillors. The Honorable Mayor is

Councilor S.B.K. Biyela with Councilor P.E. Ntombela as Deputy Mayor. The Council is chaired by the Honorable Speaker, Cllr. N.A. Mbatha.

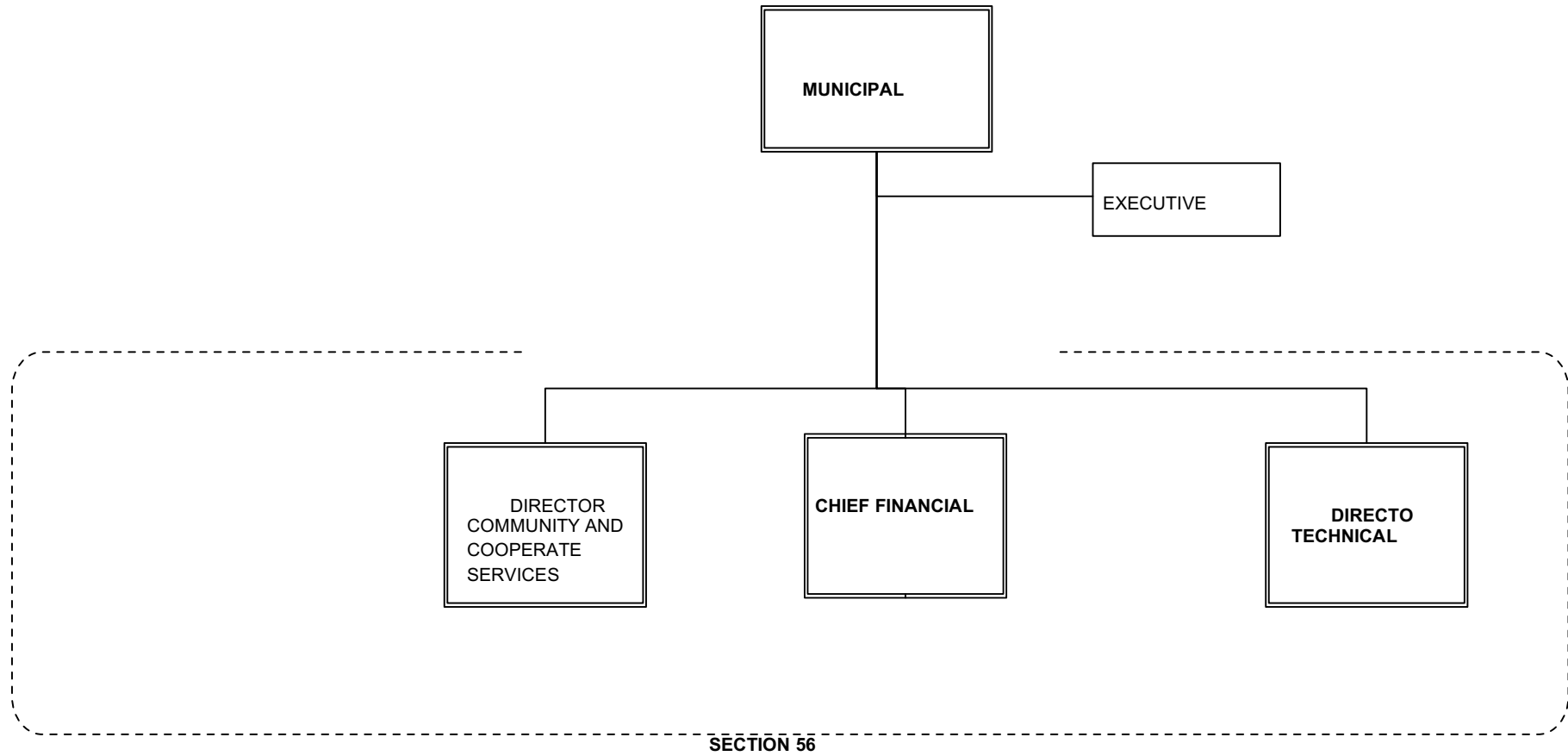
Amakhosi from the three traditional authorities are invited and attend all Council Meetings.

The municipality consists of four (4) departments:

- Office of the municipal Manager: MM: Mr. P.P. Sibiya
- Financial Services Department: CFO: Mr. M.N. Myeni
- Community and Corporate Services Department: HOD: Mr. Z.S Mthethwa
- Technical and Planning Department: HOD: Mrs. S.F. Mchunu

The municipality's high level organogram is indicated hereunder:

Figure 2: Mthonjaneni High Level Organogram



1.10.1 Employment and Vacancies

The following summary indicates the number of posts on the establishment, the number of employees and the vacancy rate. The table below indicates posts and vacancies:

Table 9: Number of post and vacancies per Department

Number of posts and vacancies per department				
Department	2018/19		2019/20	
	No. of Posts	No. of Vacancies	No. of Posts	No. of Vacancies
Office of the Municipal Manager	06	00	06	01
Finance	22	02	22	02
Technical and Planning	56	01	56	01
Community and Corporate	69	04	69	04

Status of Critical Posts

All Senior Managers reporting to the Municipal Manager are appointed. The Municipal Manager post is also in occupied.

Organizational Structure

The draft organizational structure was approved by Council in 2019 in line with the IDP. It is being reviewed on annual basis.

Performance Management

The Municipal Systems Act requires municipalities to develop a performance management system that is suitable for their own circumstances.

Performance Management is located in the Planning unit.

Performance-based management is a systematic approach to improving performance, via an on-going process of establishing strategic performance objectives; measuring performance; collecting, analysing, reviewing, and reporting performance data; and using that data to drive performance improvement.

The performance management system or framework must describe how the municipality's cycle and processes of performance planning, monitoring, measurement, review and reporting will happen and be organised and managed, while determining the roles of different role-players.

The PMS Framework 2017-2022 was adopted by Council on the 28th March 2017.

Performance Review and monitoring takes place in October, January, April and August every financial year. Legislation makes provision for performance reporting to be tabled to Council at least twice in a financial year.

As at 30 June 2019, performance evaluation applies to section 54 and 56 managers and does not cascade to other levels of employees.

Auditing and Oversight

In its annual audits, the Auditor-General of South Africa examines financial and non-financial information of the municipality to determine:

- Fair representation and absence of material misstatements in the financial statements
- Reliable and credible performance information for purposes of reporting on pre-determined performance objectives
- Compliance with all legislation governing financial matters

For the 2018/2019 financial year Mthonjaneni municipality received an Unqualified Audit with few matters of emphasis. In 2017/2018 the municipality received an unqualified audit with matters of emphasis. The regress was due to lack in monitoring controls as well as irregular expenditure as a result of non-compliance with legislation.

Internal Audit

Internal Audit is outsourced to PriceWaterHouse Coopers. The audit commences every quarter to produce a report which is tabled to the Audit and Performance Management Committee. The Internal Audit is guided by the Internal Audit Charter and Audit Plan which are tabled to the Audit and Performance Management Committee.

The Audit Plan (which is risk based) and Audit Charter for the 2018/2019 financial year was tabled to the Audit Committee in August 2017.

Audit and Performance Management Committee

The Mthonjaneni Municipality has an established Audit and Audit Performance Management Committee in accordance with section 166 of the Municipal Finance Management Act, Act no 56 of 2003 (MFMA) and section 14(2)(c) of the Local Government Municipal Planning and Performance Regulations, 2001 (Regulations). Consideration has also been given to section 14(2)(c) of the Regulations and MFMA Circular No. 65 issued by the National Treasury in November 2012 as well as the recommendations contained in the King Report on Governance for South Africa 2016 (King IV).

The Audit and Performance Management Committee, consisting of independent, external members listed below, is required to meet at least 4 times per annum as per the Audit Committee Charter, although additional meetings may be called as the need arises.

Table 40: Members of the Audit and Performance Committee

Member	Designation
Mr K.N. Ngubane	Chairperson
Dr T.I Nzimakwe	Member
Dr B.V. Thabethe	Member
Mr P.E Mntambo	Member
Cllr SBK Biyela	Mayor
Cllr PE Ntombela	Deputy Mayor
Cllr MS Zulu	MPAC Chair

Oversight Committee

The section 79 oversight committee was established as per schedule 5 of the Local Government: Municipal Structures Act 1998 (Act 117 of 1998). The oversight committee comprises of a chairperson elected by the municipal council, members of the committee as well as a committee secretary.

1.11 Performance Analyses**Figure 3: Infrastructure and Services**

Infrastructure Development and Service Delivery	85%
Municipal Transformation and Institutional Development	93%
Good Governance and Public Participation	94%
Financial Viability and Financial Management.	97%
Local Economic Development	87%
Cross Cutting Intervention-(Community & Social Development)	90%

This KPA covers the following key focus areas (powers & functions): Municipal rural Roads, Municipal urban roads, Disaster Management, Municipal energy provision and Municipal Solid Waste Management.

In 2017/18 the Mthonjaneni Municipality achieved 80% for Infrastructure and 85% in 2018/19. One of the core functions of the municipality is to provide access roads.

All targets were met in respect of disaster management.

1.12 Municipal Strategic Plan

The basis for strategic planning, in the municipality, is firstly the NDP – which has broad objectives of:

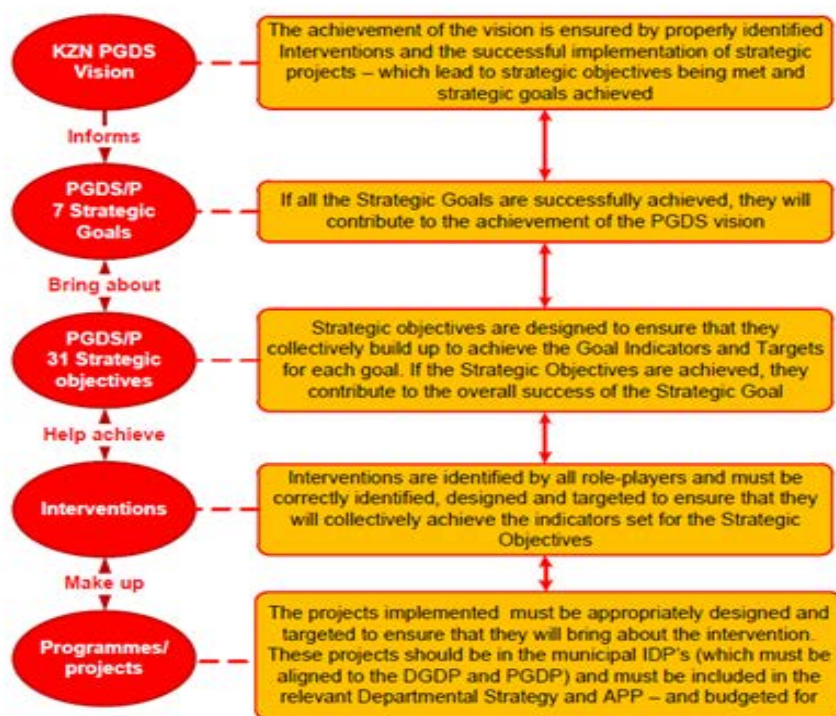
1. Economic Infrastructure
2. Transitioning to a low carbon economy
3. Inclusive rural economy
4. Positioning South Africa in the world
5. Human settlements
6. Improving education, innovation and training
7. Promoting health
8. Social protection
9. Building safer communities
10. Building a capable state
11. Promoting accountability and fighting corruption
12. Transforming society and uniting the country

The KZN Provincial Growth and Development Strategy, is also a foundational document, with its objectives of;

1. Job Creation
2. Human Resource Development
3. Human and Community Development
4. Strategic Infrastructure
5. Environmental Sustainability
6. Governance and Policy
7. Spatial Equity

The IDP will be aligned, as much as, possible to these goals and objectives. An overview of the KZN PGDS framework with associated goals and objectives for water and sanitation services can be reviewed in the next figure.

Figure 4: KZN PGDS Framework



The 2016 Revised PGDS Strategic Framework

Figure 10: PGDS Strategic Framework

2016 PGDS STRATEGIC GOALS and OBJECTIVES		
STRATEGIC GOAL	No	STRATEGIC OBJECTIVE 2016
1 INCLUSIVE ECONOMIC GROWTH	1.1	Develop and promote the agricultural potential of KZN
	1.2	Enhance sectoral development through trade investment and business retention
	1.3	Enhance spatial economic development
	1.4	Improve the efficiency, innovation and variety of government-led job creation programmes
	1.5	Promote SMME and entrepreneurial development
	1.6	Enhance the Knowledge Economy
2 HUMAN RESOURCE DEVELOPMENT	2.1	Improve early childhood development, primary and secondary education
	2.2	Support skills development to economic growth
	2.3	Enhance youth and adult skills development and life-long learning
3 HUMAN AND COMMUNITY DEVELOPMENT	3.1	Eradicate poverty and improve social welfare services
	3.2	Enhance health of communities and citizens
	3.3	Safeguard and enhance sustainable livelihoods and food security
	3.4	Promote sustainable human settlements
	3.5	Enhance safety and security
	3.6	Advance social cohesion and social capital
	3.7	Promote youth, gender and disability advocacy and the advancement of women
4 INFRASTRUCTURE DEVELOPMENT	4.1	Development of seaports and airports
	4.2	Develop road and rail networks
	4.3	Develop ICT infrastructure
5 ENVIRONMENTAL SUSTAINABILITY	4.4	Ensure availability and sustainable management of water and sanitation for all
	4.5	Ensure access to affordable, reliable, sustainable and modern energy for all
	4.6	Enhance KZN waste management capacity
6 GOVERNANCE AND POLICY	5.1	Enhance resilience of ecosystem services
	5.2	Expand the application of green technologies
	5.3	Adapt and respond climate change
7 SPATIAL EQUITY	6.1	Strengthen policy, strategy coordination and IGR
	6.2	Build government capacity
	6.3	Eradicate fraud and corruption
	6.4	Promote participative, facilitative and accountable governance
	7.1	Enhance the resilience of new and existing cities, towns and rural nodes, ensuring equitable access to resources, social and economic opportunities
	7.2	Ensure integrated land management use across the Province, ensuring equitable access to goods and services, attracting social and financial investment

1.13 Summary of Municipal Goals, Objectives and Strategies
Mthonjaneni Municipal Goals, Objectives and Strategies:

Key Performance Area: Basic Service Delivery and Infrastructure Development			
Goal: To reduce levels of infrastructure backlogs by providing Basic Services, Facilities and maintaining existing infrastructure.			
Key Focus Area	IDP Ref. No.	Development Objectives	Development Strategies
1. Roads	1	Expand accessibility of roads in various wards	<ul style="list-style-type: none"> Constructing New Gravel Roads Constructing new tarred and paved roads Constructing new cause ways
	2	Maintenance and rehabilitation of existing access roads in rural & urban areas	<ul style="list-style-type: none"> Upgrading of gravel roads to tar Re-gravelling of roads Resealing of Roads Rehabilitation of existing tar roads Blading of roads Road marking Road signage Spatially capture road infrastructure Developing road maintenance plan
2. Storm Water	3	Building and maintaining Storm Water Infrastructure	<ul style="list-style-type: none"> Construction of new storm water drains Cleaning of storm water drains Spatially capture storm water infrastructure
3. Electricity	6	Expand electrical accessibility in various wards	<ul style="list-style-type: none"> Installation of New electrical connections Rural connection
	7	Expand and Maintain existing network electricity in urban and rural areas. Provide alternative energy	<ul style="list-style-type: none"> Installation of Electrical Meters Installation and repairs of High Mast Lights General Infrastructure-maintenance on mini and major substations Upgrade existing transformers Repairs to Robots Provision of street lights Provision of solar geysers

			<ul style="list-style-type: none"> • Provision of solar panels in urban and rural areas • Spatially capture electricity infrastructure • Master sector plans to be in place
4. Sport fields & Parks	8	Expand accessibility and maintenance of Sports fields and Parks in various wards	<ul style="list-style-type: none"> • Construction and maintenance of new Sports fields and Parks in various wards • Upgrade and revamp existing Sports fields and Parks
5. Community Halls	9	Expand accessibility and maintenance of Community Halls in various wards	<ul style="list-style-type: none"> • Construction and maintenance of New Community Halls • Upgrade and revamp existing Community Halls
6. Cemeteries	10	Expand accessibility and maintenance of Community Cemeteries in various wards	<ul style="list-style-type: none"> • Construction and maintenance of Cemeteries • Upgrade and revamp existing Cemeteries • Fencing of cemeteries • Identify and establish new cemeteries
7. Crèches	11	Enhance Early Childhood Development	<ul style="list-style-type: none"> • Construction of new crèches
8. Libraries	12	Expand accessibility and maintenance of Libraries in various wards	<ul style="list-style-type: none"> • Construction of new Libraries • Upgrade and Maintain existing Libraries
9. Refuse Removal	13	Expand accessibility of Refuse Services in various wards	<ul style="list-style-type: none"> • Identify new areas and settlements to offer Refuse Services • Integrated waste management plan
10. Human Settlements	14	To provide sustainable human settlements to the people	<ul style="list-style-type: none"> • Identify and Secure land prior to project approval • Ensure appointment of experienced and qualified implementing agents • Land disposal policy for public use • Strengthen Intergovernmental Relations • Land identification and release • facilitation of bulk service provision • Facilitate Land Release • Approval and implementation of the Housing Sector Plan • Set up housing consumer education programme • Linking of the HSP to SDF, IDP and Comprehensive CIF

			<ul style="list-style-type: none"> • Middle income housing development
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1.14 Service Delivery Performance

Organisational Performance System;

Each municipality is required by legislation to develop a performance management framework. The framework should describe how the process of performance planning, monitoring, measurement, review and reporting will happen.

The framework also needs to indicate how the process will be organized and managed, by determining the functions of each role-player in the process.

In terms of Local Government Municipal Planning and Performance Regulations, a system must:

- Comply with all requirements set out in the Municipal Systems Act;
- Demonstrate how it is to operate and be managed from the planning stage up to the stages of performance review and reporting;
- Clarify the roles and responsibilities of each role player, including the local community, in the functioning of the system;
- Clarify the processes of implementing the system within the framework of the integrated development planning process;
- Determine the frequency of reporting and the lines for accountability for performance;
- Relates to the Municipality's employee performance management process

The Mthonjaneni Municipality Performance Management Framework is a tool used by management to gain a better understanding of the ability of the organization to fulfil its mandate and achieve its goals.

The Mthonjaneni Municipality Performance framework has the following steps:

Table 5: Stages in the preparation of the Mthonjaneni LM OPMS

RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
Amendments identified in the revision process	All previous years' amendments to be taken into consideration in updating the IDP	Council; Exco; MM; HODs
Adoption of a process for drafting the IDP	Process adopted to guide the planning, drafting, adoption & review of the IDP	Council; Exco; MM; HODs
	Constitute municipal Representative forum as Community Participation structure	Planning; Depts
	Advertise for Community Participation	Depts
	As part of IDP process, identify key development challenges	Council; Exco; MM; HODs
	Arrange for notices and agendas to be distributed at least 14 days before the meeting	Planning; Depts

RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
	Document meeting comments and representations and include in Performance sheet	Planning; Depts
	Confirm key development priorities	Exco; Depts
Drafting of the IDP	Exco to delegate responsibility of drafting the IDP, whilst continuously monitoring it	Planning
Adoption of the adopted IDP	Submit draft IDP to Council for adoption	Planning
	Community given 21 days to comment on draft prior to plan being submitted to Council for adoption	Planning; Depts
Implementation of the developed IDP	Convene regular meetings with Community to monitor IDP implementation	Planning; Depts
	Community forum members given 14 days before meetings to allow consultation with their constituencies regarding matters to be discussed at the meeting	Planning; Depts
	Municipality formally adopted the IDP	Council; Exco; MM; HODs
Disclose requirements of the IDP	MM to submit copy of IDP to the MEC for local Govt within 10 days of its adoption by Council	MM
	Copy of IDP to MEC must contain : Summary of process adopted; Statement confirming that IDP development process has been complied with and a copy of the adopted framework	MM
	Municipality to give notice to Public, within 14 days of IDP adoption and makes copies available for Public inspection	Planning; Depts
	Municipality to publicize, within 14 days of IDP adoption, a summary of the Plan	Depts
Proposals on the IDP received from the MEC	If proposals received from MEC, proof must be obtained that : 1) IDP has been adjusted if proposals agreed to 2) Reasons have been provided to MEC where proposals not agreed to	Council; Exco; MM; HODs
Proposals for amending the IDP	If IDP amended, proof to be held that proposals were introduced by a member or committee of the Council	Council; Exco; MM; HODs
Amending the IDP	Proof must be obtained that notice was given by Municipality to all Council members before amendment adopted	Planning
	Proof must be obtained that prior to IDP amendment being adopted, public notice was issued for public comment allowing at least 21 days to comment on the proposed amendment	Planning; Depts

RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
	Confirmation required that local Municipalities were consulted and that their comments were considered	Planning; Depts
	Proof must be held that the MM submitted copy of subsequent amendment to the MEC for local Govt within 10 days of the amendment of the Plan	MM

2. DEVELOPMENT OF A FRAMEWORK FOR THE PMS		
RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
Review of framework for PMS together with PMS for year under review	Municipality review its framework for the PMS together with PMS for year under review	Dev Planning
Development of a framework for the PMS	Municipality has a documented framework for its PMS	Dev Planning
	Keep minutes of meetings that were convened with Community Forum to consult regarding the development of the framework for the PMS	Planning; Depts
	Community must be given at least 14 days before each meeting to consult their constituencies regarding the matters to be discussed at the meeting	Corporate Serv; Depts
Development of the PMS	Proof that Exco managed the development of the municipality's PMS	Exco
	Convene meetings with community forum to consult	Planning; Depts
	Delegation of responsibilities assigned to the MM by EXCO with regard to the development of the PMS in place	Planning
Adoption of the PMS	Proof required that EXCO submitted the proposed PMS to Council for adoption	MM; Planning
	Proof required that Council adopted the PMS before or at the same time as setting up of KPIs and targets as per IDP	Exco; Council; MM; HODs

2. DEVELOPMENT OF A FRAMEWORK FOR THE PMS		
RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
Implementation of the PMS	Proof that the municipality did implement the PMS	Dev Planning
	Proof that the community forum was consulted through regular meetings regarding the implementation of the PMS	Planning; Depts
Monitoring and review of the PMS	Proof that the municipality did establish mechanisms to monitor and review its PMS	Planning; Depts
	Proof that the municipality does monitor and review its PMS	Dev Planning
	Confirm that the community forum was given enough time to consult their constituencies regarding matters to be discussed at meetings	Dev Planning
	Proof that the municipality made know internally and to the public, the KPIs and performance targets set by it for the purposes of its PMS	Planning; Depts
Evaluating the framework for the PMS	Proof that the PMS framework describes how the municipality's cycle and processes of Performance Planning, Monitoring, Measurement, Review, Reporting and Improvement will be conducted, organized and managed	Dev Planning
Evaluating the PMS	Proof that the municipality's PMS shows how it is to operate, clarifies roles and responsibilities of role-players, clarifies system implementation, frequency of reporting and accountabilities, relates to the municipality's employee performance management process, provide a procedure to link PMS to IDP planning process and is devised to serve as an early warning of under-performance	Planning; Depts

3. PROCESS FOR SETTING & REVIEWING KPIs		
RESPONSIBILITY	KEY ACTIONS	PARTY/IES RESP. FOR ACTIONING
Prescribed process for setting Key Performance Indicators	Confirmation required that the PMS prescribes a process of setting KPI's	Planning; HODs
Prescribed process for the Review	Confirmation that the PMS prescribes an annual	Planning;

3. PROCESS FOR SETTING & REVIEWING KPIs		
RESPONSIBILITY	KEY ACTIONS	PARTY/IES RESP. FOR ACTIONING
of the Key Performance Indicators	performance review process for the review of KPIs	HODs
Developing KPIs	Proof required that the municipality's PMS sets KPIs which are used as a yardstick for measuring performance, including outcomes and impact	Planning; HODs
	Proof required that the community through a forum was allowed to participate in the setting of appropriate KPIs for the municipality	Planning; HODs
Reviewing the KPIs	Proof that the municipality does review its KPIs on an annual basis in accordance with the PMS's review process	Planning; HODs
Evaluating the Key Performance Indicators	Proof required that the KPIs are reflected in the IDP of the municipality	Planning; HODs
	Ensure that KPIs set include the general national KPIs prescribed according to Regulation 10	Dev Planning
	Include KPIs for all municipal entities and Service Providers with whom the municipality has entered into a service delivery agreement	Planning; HODs

4. PROCESS FOR SETTING PERFORMANCE TARGETS		
RESPONSIBILITY	KEY ACTIONS	PARTY/IES RESP. FOR ACTIONING
Prescribed process for setting Performance targets	Confirmation that the municipality's PMS prescribes process for setting performance targets	Planning; MM; HODs
Setting Performance targets	Ensure performance targets are set in terms of the PMS	Planning; MM; HODs
	Ensure that Community involvement was sought in setting Performance targets for the municipality	Planning; Depts
	If the IDP and subsequently the KPIs were amended, confirm that performance targets were also amended in accordance with the amendments of the KPIs	Planning; Depts
Evaluating the Performance	Proof that targets were set for each of the KPIS	Planning; Depts

4. PROCESS FOR SETTING PERFORMANCE TARGETS		
RESPONSIBILITY	KEY ACTIONS	PARTY/IES RESP. FOR ACTIONING
targets	Ensure that the performance targets are practical and realistic and measure the efficiency, effectiveness, quality and impact of the performance of the municipality and its constituencies	Planning; Depts

5. TRACK PERFORMANCE OF STAFF AND SERVICE PROVIDERS		
RESPONSIBILITY	KEY ACTIONS	PARTY/IES RESP. FOR ACTIONING
Framework to track the performance of staff and Service Providers of the Municipality	Confirmation that the municipality has a framework in terms of its PMS to track performance of staff and Service Providers	Planning; Depts
Service delivery process	Ensure that all municipal staff reported in accordance with their lines of accountability and at the required intervals	MM; HOD's
	Proof that each service provider has reported to the municipality in accordance with their responsibilities and at the required reporting intervals	HOD's
	Ensure that resource allocation to service providers is in accordance with the municipality's development priorities and objectives	HOD's
Evaluating the framework for the tracking of the performance of the municipality's staff and service providers	Proof required that the framework has clarified breakdown of performance targets at all levels of the organization	HOD's
	Ensure that the framework clarifies the lines of accountability within the municipality and the intervals for reporting thereto (Staff & SPs)	MM; HOD's
	Ensure that framework clarifies methods for tracking performance of municipality's staff and that of Service Providers	HOD's

6. DEVELOPMENT OF A MONITORING FRAMEWORK		
RESPONSIBILITY	KEY ACTIONS	PARTY/IESRESP . FOR ACTIONING
Monitoring framework	Ensure that the municipality has, as part of its PMS, a monitoring framework	EXCO; Council; MM; HODs
Development of a monitoring framework	Proof that the municipality developed its monitoring framework after consultation with some form of Community forum	Planning; Depts
	Where Forum was used, proof required that notice was given at least 14 days prior to each meeting, giving them a chance to consult with their constituencies	Planning; Depts
Performance Monitoring	Proof that the monitoring of municipality's and service providers' performance are monitored in accordance with the monitoring framework	Planning; Depts
	Proof required that performance of staff and that of service providers is monitored on an on-going basis throughout the financial year	MM; EXCO; Council; HODs
	Where under-performance detected, proof that corrective measures were taken	MM; EXCO; Council; HODs
Evaluating the monitoring framework	Confirm that the monitoring framework identifies roles of role-players in monitoring, collecting and analysing data; allocating tasks and gathering data; determines what data to be collected, how data is to be collected, stored, verified and analysed; gives timeframes for the data collection, times for report submissions and how they are to be submitted	Depts
	Confirmation that the framework provides for corrective measures where under-performance has been identified	MM; HODs
	There must be reporting to Council at least twice a year	MM

7. INTERNAL CONTROLS		
RESPONSIBILITY	KEY ACTIONS	PARTY/IES RESP. FOR ACTIONING
Internal control	Ensure that the municipality has, as part of its internal control, an Internal Audit Activity	CFO
	Ensure that a Performance Audit Committee has been set	Depts
Internal control exercised	<p>Proof that the Audit Committee performs continuous audits assessing :</p> <p>1) Functionality of the PMS 2) Compliance of the PMS with Systems Act 3) The extent to which measurements are reliable measures of the municipality's performance against KPIs</p>	Depts
	Ensure that Performance Audit Committee has at least 3 members	Depts
	Ensure majority of Committee members are not involved as councillor or employee of the municipality, with at least 1 member being a PMS expert	Depts
	Performance Audit committee to submit at least 2 Audit reports to Council during the financial year	Planning
Characteristics of the Performance Audit Committee	The Committee must have unrestricted access to records deemed necessary for it to perform its duties; it may also request any relevant person to attend its meetings to provide information considered important/relevant; it may liaise directly with Council/MM or internal and external auditors; it may also investigate any matter it deems necessary for the performance of its audits	Depts

CHAPTER B1 – LEGISLATIVE AND POLICY FRAMEWORK

2.1 The Constitution

Section 152 Objects of local government:

- f) to provide democratic and accountable government for local communities;
- g) to ensure the provision of services to communities in a sustainable manner;
- h) to promote social and economic development;
- i) to promote a safe and healthy environment; and
- j) to encourage the involvement of communities and community organizations in the matters of local government

2.2 The Municipal Structures Act

The act was developed to provide for the establishment of municipalities in accordance with the requirements relating to categories and types of municipality; to establish criteria for determining the category of municipality to be established in an area; to define the types of municipality that may be established within each category; to provide for an appropriate division of functions and powers between categories of municipality; to regulate the internal systems, structures and office-bearers of municipalities; to provide for appropriate electoral systems; and to provide for matters in connection therewith. Of importance in the context of this legislation is the following:

- d) A local municipalities within the area of that municipality must co-operate with one another by assisting and supporting each other;
- e) A local municipality on request of a municipality in whose area that local municipality falls may provide financial, technical and administrative support services to that municipality to the extent that that local municipality has the capacity to provide those support services;
- f) A local municipality may provide financial, technical or administrative support services to another local municipality within the area of the same municipality to the extent that it has the capacity to provide those support services, if the municipality or that local municipality so requests; and
- g) The MEC for local government in a province must assist to provide support services to a local municipality.

2.3 The Municipal Systems Act

Chapter 5 of this Act provides for the preparation of IDP. S. S26 (e) lists an SDF as a core component of an IDP and requires that the SDF provides basic guidelines for a municipal land use management system.

Local Government: Municipal Planning and Performance Management Regulations (GN R796 of 2001)

S2 (4) requires that an SDF should:

- Give Effect To The DFA Principles;
- Set Out Objectives That Reflect The Desired Spatial Form Of The Municipality;
- Contain Strategies And Policies To Achieve The Objectives And Which Should Indicate Desired Patterns Of Land Use;
- Address The Spatial Reconstruction;
- Provide Strategic Guidance Regarding The Location And Nature Of Development;
- Set Out Basic Guidelines For A Land Use Management System In The Municipality;
- Set Out A Capital Investment Framework For The Municipality's Development Programs;
- Contain A Strategic Assessment Of The Environmental Impact Of The SDF;
- Identify Programs And Projects For The Development Of Land Within The Municipality;
- Be Aligned With The Spatial Development Frameworks Reflected In The Integrated Development Plans Of Neighbouring Municipalities;
- And Provide A Plan Of The Desired Spatial Form Of The Municipality, Which Should:
- Indicate Where Public And Private Land Development And Infrastructure Investment Should Take Place;
- Indicate Desired Or Undesired Utilisation Of Space In A Particular Area;
- Delineate An Urban Edge;
- Identify Areas For Strategic Intervention; and
- Indicate Priority Spending Areas.

2.4 The Municipal Finance Management Act

To secure sound and sustainable management of Municipal financial affairs, and in particular the management and disposal of public assets, particularly land.

Subdivision of Agricultural Land Act 70 of 1970

Application Regulations regarding the subdivision of agricultural land for development within a municipality:

Subject to the provisions of section 2 a Surveyor-General shall only approve a general plan or diagram relating to a subdivision of agricultural land

Any subdivision of any land in connection with which a surveyor has completed the relevant survey and has submitted the relevant sub-divisional diagram and survey records for examination and approval to the surveyor-general concerned prior to the commencement of this Act.¶

A Registrar of Deeds shall only register the vesting of an undivided share in agricultural land referred to in section 3 (b), or a part of any such share referred to in section 3 (c), or a lease referred to in section 3 (d) or, if applicable, a right referred to in section 3 (e) in respect of a portion of agricultural land, if the written consent of the Minister in terms of this Act has been submitted to him.

(b) no undivided share in agricultural land not already held by any person, shall vest in any person;

(c) no part of any undivided share in agricultural land shall vest in any person, if such part is not already held by any person;

(d) no lease in respect of a portion of agricultural land of which the period is 10 years or longer, or is the natural life of the lessee or any other person mentioned in the lease, or which is renewable from time to time at the will of the lessee, either by the continuation of the original lease or by entering into a new lease, indefinitely or for periods which together with the first period of the lease amount in all to not less than 10 years, shall be entered into;

(e) (i) no portion of agricultural land, whether surveyed or not, and whether there is any building thereon or not, shall be sold or advertised for sale, except for the purposes of a mine as defined in section 1 of the Mines and Works Act, 1956 (Act 27 of 1956); and

(ii) no right to such portion shall be sold or granted for a period of more than 10 years or for the natural life of any person or to the same person for periods aggregating more than 10 years, or advertised for sale or with a view to any such granting, except for the purposes of a mine as defined in section 1 of the Mines and Works Act, 1956;

[Para. (e) Substituted by s. 2 of Act 12 of 1979 and by s. 2 (1) (a) of Act 33 of 1984.]

2.5 The Spatial Planning and Land Use Management Act

The role of local government in spatial planning has been re-energized through the introduction of the Spatial Planning and Land Use Management Act No. 16 of 2013 (commonly known as SPLUMA). The intention of this national legislation is to introduce the norms and standards for spatial planning and to specify the relationship between spatial planning and land use management. This is intended to create uniformity and consistency on the manner in which both spatial planning and land use management is practiced within the whole country. Chapter 4 of

SPLUMA stipulate the need to prepare Spatial Development Frameworks (SDFs) by all municipalities. Part D (19) stipulates that the Regional Spatial Development Framework must cover the following minimum issues:

- a) Give effect to the development principles and applicable norms and standards set out in Chapter 2;
- b) Give effect to national and provincial policies, priorities, plans and planning legislation;
- c) Reflect the current state of affairs in that area from a spatial and land use perspective of the region;
- d) Indicate desired patterns of land use in that area;
- e) Provide basic guidelines for spatial planning, land development and land use management in that area;
- f) Propose how the framework is to be implemented and funded; and
- g) Comply with environmental legislation.

The preparation of the Mthonjaneni Municipality SDF is guided the following spatial principles listed under Chapter 2 of the SPLUMA legislations:-

a) Spatial Justice: Ensures equitable distribution and increase access to social infrastructure and addresses the injustices of the past.

b) Spatial Sustainability: Ensures protection of agricultural prime land and uphold consistency of land use measures in accordance with environmental management instruments; promote and stimulate the effective and equitable functioning of land markets; consider all current and future costs to all parties for the provision of infrastructure and social services in land developments; promote land development in locations that are sustainable and limit urban sprawl; and result in communities that are viable.

c) Spatial Efficiency: which ensures that land development optimises the use of existing resources and infrastructure; decision-making procedures are designed to minimise negative financial, social, economic or environmental impacts; and development application procedures are efficient and streamlined and timeframes are adhered to by all parties

d) Spatial Resilience: promote flexibility in spatial plans, policies and ensure that land use management systems accommodate sustainable livelihoods in communities most likely to suffer the impacts of economic and environmental shocks.

e) Good Governance: Ensures that all spheres of government carry-out an integrated approach to land use and land development that is guided by the spatial planning and land use management systems. The preparation and amendment of spatial plans, policies, land use schemes as well as procedures for development

applications, to include transparent processes of citizen participation and all parties to have the opportunity to provide inputs on matters affecting them; and policies, legislation and procedures must be clearly set out and inform and empower citizens.

- develop an argument or approach to the development of the area of jurisdiction which is clear enough to allow decision-makers to deal with the unexpected (for example, applications from the private sector);
- develop a spatial logic which guides private sector investment. This logic primarily relates to establishing a clear hierarchy of accessibility;
- ensure the social, economic and environmental sustainability of the area;
- establish priorities in terms of public sector development and investment; and
- identify spatial priorities and places where public-private partnerships are a possibility.

S51 (1) further requires and local municipalities to align their spatial development frameworks and land use schemes as required by the MSA.

2.6 National Environmental Management Act

The SDF promotes (4) (a) Sustainable development, which requires the consideration of all relevant factors including the following:

- i. That the disturbance of ecosystems and loss of biological diversity are avoided, or, where they cannot be altogether avoided, are minimised and remedied;
- ii. that pollution and degradation of the environment are avoided, or, where they cannot be altogether avoided, are minimised and remedied;
- iii. that the disturbance of landscapes and sites that constitute the nation's cultural heritage is avoided, or where it cannot be altogether avoided, is minimised and remedied;
- iv. that waste is avoided, or where it cannot be altogether avoided, minimised and reused or recycled where possible and otherwise disposed of in a responsible manner;
- v. that the use and exploitation of non-renewable natural resources is responsible and equitable, and takes into account the consequences of the depletion of the resource;
- vi. that the development, use and exploitation of renewable resources and the ecosystems of which they are part do not exceed the level beyond which their integrity is jeopardised;
- vii. that a risk averse and cautious approach is applied, which takes into account the limits of current knowledge about the consequences of decisions and actions; and

viii. That negative impacts on the environment and on people's environmental rights be anticipated and prevented, and where they cannot be altogether prevented, are minimised and remedied.

(d) Equitable access to environmental resources, benefits and services to meet basic human needs and ensure human wellbeing must be pursued and special measures may be taken to ensure access thereto by categories of persons disadvantaged by unfair discrimination.

(f) The participation of all interested and affected parties in environmental governance must be promoted, and all people must have the opportunity to develop the understanding, skills and capacity necessary for achieving equitable and effective participation, and participation by vulnerable and disadvantaged persons must be ensured.

(g) Decisions must take into account the interests, needs and values of all interested and affected parties, and this includes recognising all forms of knowledge, including traditional and ordinary knowledge.

(h) Community wellbeing and empowerment must be promoted through environmental education, the raising of environmental awareness, the sharing of knowledge and experience and other appropriate means.

(p) The costs of remedying pollution, environmental degradation and consequent adverse health effects and of preventing, controlling or minimising further pollution, environmental damage or adverse health effects must be paid for by those responsible for harming the environment.

(q) The vital role of women and youth in environmental management and development must be recognised and their full participation therein must be promoted.

(r) Sensitive, vulnerable, highly dynamic or stressed ecosystems, such as coastal shores, estuaries, wetlands, and similar systems require specific attention in management and planning procedures, especially where they are subject to significant human resource usage and development pressure.

2.7 Provincial Growth and development Strategy

The provincial Government has developed its own Growth and Development Strategy, which is closely aligned to both the Millennium Development Goals and national development goals in 2011. The PGDS is essentially a tool through which the provincial government can address the legacies of the apartheid space economy, promote sustainable development and ensure poverty eradication and employment creation.

The Provincial Vision is indicated as:

By 2035, the PROVINCE OF KWAZULU-NATAL should have maximized its position as a GATEWAY to South and Southern Africa, as well as its human and natural resources so creating a safe, healthy and sustainable living environment.

Abject poverty, inequality, unemployment and current disease burden should be history, basic services must have reached all its people, domestic and foreign investors are attracted by world class infrastructure and a skilled labour force.

The people shall have options on where and how they opt to live, work and play, where the principle of putting people first and where leadership, partnership and prosperity in action has become a normal way of life.

This PGDS provides KwaZulu-Natal with a reasoned strategic framework for accelerated and shared economic growth through catalytic and developmental interventions, within a coherent equitable spatial development architecture, putting people first, particularly the poor and vulnerable, and building sustainable communities, livelihoods and living environments. Concomitant attention is also given to the provision of infrastructure and services, restoring the natural resources, public sector leadership, delivery and accountability, ensuring that these changes are responded to with resilience, innovation and adaptability. This will lay the foundations for attracting and instilling confidence from potential investors and developing social compacts that seek to address the interconnectedness of the Provincial challenges in a holistic, sustainable manner, whilst nurturing a populous that is productive, healthy and socially cohesive.

The purpose of the 2016 KZN PGDS is to:

- Be the primary strategy for KwaZulu-Natal that drives growth and development in the Province to 2035;
- Mobilize and synchronize strategic plans and investment priorities of all spheres of government, state owned entities, business, higher education institutions, labour, civil society and all other social partners towards achieving the desired growth and development goals, objectives and outcomes;
- Spatially contextualise and prioritise interventions so as to achieve greater spatial equity;
- Develop clearly defined institutional arrangements ensuring decisive leadership, robust management, implementation and on-going reviewing of the growth and development plan.

2.8 Growth and development Strategy

King Cetshwayo has adopted development of the Growth and Development Plan.

By 2030 King Cetshwayo is renowned for the vastly improved socio-economic status of its residents resulting from 15 years of sustained economic growth. The is internationally recognized as a world leader in innovative and sustainable manufacturing based on the successful implementation of the RBIDZ initiative. This economic growth, together with the rural development programme resulted in

the creation of decent employment opportunities leading to the fastest growing household and individual income levels in the province, and reducing the unemployment rate of the youth in the by more than 50%. It also resulted in a significant decrease in the economic dependency ratio and improving the overall quality of life in the district. The economic growth is underpinned by a vastly improved information and telecommunication infrastructure network with the entire having access to a wireless broadband service and all businesses and more than 50% of households with access to a computer and internet service. By 2030 the will be characterised by a high quality infrastructure network supporting both household needs and economic growth. All households will have an access to appropriate water infrastructure, adequate sanitation, and sustainable energy sources.

Improved access to health facilities and quality of health services provided resulted in continually improving health indicators in the district. The quality of the output from the primary and secondary education system has improved dramatically and all learners have access to fully equipped primary and secondary education facilities. Sustainable and coherent spatial development patterns have been successfully implemented through innovative spatial planning frameworks an effective land use management systems implemented by highly skilled officials. Improved public sector management and skills levels resulted in sound local governance and financial management.

Table 11: DGDP Goals

NO	DGDP GOALS	ALIGNMENT WITH MTHONJANENI LM
1.	Job creation	Job creation through EPWP, CWP programs and interns
2.	Human resource development	Municipality resourced and committed the attaining the vision and mission of the organization
3.	Human and community development	Supporting and training of co-operatives
4.	Strategic infrastructure	100% spending of MIG grant in all financial year
5.	Response to climate change	Approved Disaster management plan and awareness campaigns
6.	Governance and Policy	Democratic, Responsible, Transparent, Objective and Equitable Municipal Governance
7.	Spatial Equity	Development of rural housing and other rural infrastructure projects within the

		municipal area.
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2.9 Led Strategy

The Mthonjaneni Municipality has developed its Local Economic (LED) Strategy during the 2015/2016 financial year. The strategy was developed by an outsourced service provider. The LED strategy was developed in order to ensure proper alignment with the objectives of the National Development Plan and other national and provincial plans.

The terms of reference and scope for the development of the LED strategy were strictly aligned to all National and Provincial Government Development plans, e.g.: PGDP and also the Growth Development Plan. The table below reflects a summary of the terms of references developed by the Project steering committee and the terms provided to the servicing provider and project steering committee.

Table 12: Alignment of LED Strategy

	SECTION	RESPONSIBLE STAKEHOLDER
1	Ensure stakeholder participation in the project	Project Steering Committee
2	Developing of LED Goals, Objectives and Strategies.	Municipality and Service provider
3	Unpacking of Key economic Drivers.	Service provider and Melmoth business chamber
4	Proposing of LED key interventions.	Service provider and Municipality
5	Proposing and unpacking of programs to transform local tourism, local farmer, informal economy etc..	Service provider, DEDT
6	Identifying of catalytic projects	Municipality and service provider

Stakeholder Consultation

The LED role players are critical and their input during the development of this strategy was critical and taken into consideration when the LED strategy was developed. Stakeholder identification and consultation was carried out throughout the project.

The following were some of the stakeholders that were engaged in the review process:

- Formal Business Representatives;
- SMMEs & Informal Sector;
- Farmers Associations;
- Tourism association;

- Neighbouring Municipalities;
- Municipality and;
- Government Departments.

Key Economic Players (Stakeholder Analysis)

This section of the report discusses the role of all the stakeholders in Local Economic Development within both King Cetshwayo and Mthonjaneni Municipality and outlines the already existing programmes aimed at promoting viable and sustainable local economic behaviour. The section commences by looking at the role of the government structure at local, provincial and national level, then the role of NGOs, CBOs, the Traditional Authorities, the Farmers, the Business Associations, and the Tourism Association/s.

Local, Provincial and National Partnerships

Local government structures within both King Cetshwayo Municipality and Mthonjaneni Local Municipality have a critical role to play in LED. This includes investment promotion, facilitation and creating an enabling framework for job creation and economic growth. While there is general acceptance of this mandate, the municipality experience a number challenges. These challenges can be summarized as follows:

- Lack of sufficient and appropriately qualified human capacity.
- Lack of clarity about the LED role of local government and poor understanding of LED.
- Poor integration of LED into the service delivery functions of the Municipality.
- Lack of LED vision and strategy, apart from the King Cetshwayo Municipality LED and Tourism Strategies.
- Poor access to relevant information.

The level of coordination between the Municipalities and sector Departments is generally weak. The participation of government Departments in the preparation of IDPs has generally been poor.

The following government Departments are involved in LED-related activities within Mthonjaneni Local Municipality:

Department of Agriculture, Environmental Affairs and Rural Development.

Department of Economic Development & Tourism (DEDT).

Department of Arts and Culture.

Department of Human Settlements.

Department of Social Development.

Department of Transport.

Department of Public Works.

Department of Rural Development and Land Reform.
Department of Co-operative Governance & Traditional Affairs.
Department of Health.

The above mentioned Departments can be divided according to the three spheres of government, namely, local, provincial and national spheres. These spheres are the key drivers for LED. Very importantly, for the effective use of resources and implementation, the government as a whole has to have a synergy.

The key performance areas of the National and Provincial spheres of government are:

- Economic growth.
- Employment creation.
- Competitiveness.
- Broad-based economic empowerment and,
- Appropriate geographic spread of economic activity.

The key performance areas of the local government sphere include mobilization of local communities in development activities under the framework of the PGDS, PSEDS and the NSDP.

Local Business Associations

There is quite a number of businesses taking place in the Mthonjaneni Town due to it being declared a primary node. These businesses are limited to the commercial stores and transport related businesses. These businesses specialize in servicing the basic needs of the public. The existence of business forum is of prime importance to facilitate all matters pertaining to business development and support. The Department of Economic Development & Tourism (DEDT) has established a special unit called SMME Development to assist local business with technical support, training and fulfil the liaison role for funding purposes.

Tourism Associations

Tourism is one of the key economic sectors in the Mthonjaneni Municipality. It has developed and remains a generally white dominated industry. The local communities mainly in the rural areas tend to be excluded. The existence of the Tourism Associations at Mthonjaneni Local Municipality is critical to promote tourism development and give support to local tourism operators.

Farmers' Associations

The provincial farmers' association/ union called KwaZulu-Natal Agricultural Union (Kwanalu) is critical for farmer development and support. However there is a great need for the formation and existence of the local farmers associations. The following are the roles and functions of Kwanalu:

- Kwanalu serves as a catalyst to initiate an essential change within agriculture in order to secure a sustainable future for agriculture in KwaZulu-Natal.
- Kwanalu negotiates a positive policy framework on behalf of agriculture in KwaZulu-Natal, by pro-actively ensuring that laws, regulations, ordinances, attitudes and assumptions subjacent to this framework are optimally agricultural friendly.
- Kwanalu ensures that the attitude within agriculture in KwaZulu-Natal is positive and focused on the future and that agriculture in KwaZulu-Natal secures its own future by positive commitment in all walks of life.
- Kwanalu ensures that the umbrella image of agriculture in KwaZulu-Natal is optimally positive and that the most important contribution made by agriculture to the economy in KwaZulu-Natal, be drawn to the attention of all the inhabitants of KwaZulu-Natal in the most explicit and impacting ways.
- Kwanalu offers to agriculture in KwaZulu-Natal a focus point through which the collective interest of agriculture in KwaZulu-Natal is optimally enhanced.

Mthonjaneni Municipal Local Economic Policies

The Mthonjaneni municipality has been able to use several of its policy and legislative powers to enact various policies which create and sustain the enable environmental for aspiring entrepreneurs, established business and investment. These policies that are adopted have highly contributed in positioning the Mthonjaneni Municipality as investor and tourist destination of choice. Amongst the critical policies adopted are:

- Mthonjaneni Informal Traders Policy

It was adopted in 2015 and was aligned to Provincial Informal Policy

- Street Vendor Regulating Policy

There is a stall allocation policy which is also contained in the Informal Traders Policy and was approved in 2012, as well as the Informal Trading Bylaws.

- EPWP Policy

This policy was developed and adopted by Council in 2015.

These policies are not attached to this IDP document, However they are available on the municipal website.

SMME's and Cooperatives Database

The primary role of the Municipality in local economic development is to coordinate, facilitate and stimulate sustainable economic development within its

jurisdiction through appropriate mechanisms; Strategy and policy development; Programme development and co-ordination and Strategic liaison and networking.

The Municipality is in possession of LED Plan which also detail programs aimed at SMME support and development. The municipality has proactively prioritized LED projects that are aimed at assisting SMMEs in various ways.

During the 2017/2018 financial year the municipality underwent an initiative to identify all SMMEs and cooperatives in order to ensure that all SMMEs and cooperatives within the jurisdiction of Mthonjaneni Municipality are assisted.

The following table indicates the LED Co-operatives that were identified and funded by the municipality:

Table 13: LED Cooperatives

Ward	Name of Co-operative	Activity of Co-operative
1	Sizakancane goat farming	Goat farming
2	Juniors car wash	Car wash
3	Xoshububha co-operative	Sewing
4	Sigcabangile co-operative	Vegetable production 4HA
5	Fuduamazulu	Sewing
6	Zibambele primary co-operative	Goat farming
7	Ohawule agricultural project	Crop production
8	Inkisa knitting project	Knitting
9		Egg laying broilers
10	Inkathelo community development	Sewing & beadwork
11	Kancanekancane	Broiler production
12	Tilingwane Co-operative	Sewing
13	Isikhwebezi samahedle	School uniform production

The Mthonjaneni Council is working with both public and private sector in programmes that are aimed at developing our local suppliers. The table below shows the database of the program which is developed in partnership with Transnet.

Table 14: Mthonjaneni SMME's updated list: Transnet Project

Company Name	Company Registration Number	Core Services
Masizimele Projects & Supplier PTY- LTD	2013/046254/07	Consulting Services Filed Services: Filed Engineering Construction
YAKAYAKA Projects	2014/155884/07	Materials supplying construction logistics
Ngwane Construction	2014/179670/07	Construction Sector

Coalition Trading 142 t/a Amantungwa	2003/035565/23	Portable toilets Marquee hire
Mankere Trading (PTY) LTD	2013/075970/07 084 8833740	Supplying Cleaning Catering
1 Cousin Holdings (PTY) LTD	2016/342213/07	IT Services & Web design services Supplying of goods Logistics Computer equipment
<u>kwenziwe</u> Usimakade (PTY) LTD		Civil Work General Maintenance Rehabilitation Office Cleaning and Commercial & industrial Cleaning
Shayiziwethembi Construction	2011/052483/23	Construction Supplying
Jiba Transport & Construction	2005/166750/23	Transport Cleaning Fencing
DSM Electrical Contractor	2002/085242/23	Electrical services Fault findings and repairing fault on electrical systems
Thokho Construction & Services	2005/030963/23	Constriction Painting & Carpentry Industrial Cleaning Plumbing
Zphokuhle Catering & Services	2004/089171/23	Security Cleaning Transport Catering Construction
Eyakuduka Trading	2014/099354/07	Grass cutting Bush clearing Construction
DEE- DEE Towing	2007/021640/23	Towing Recovery
Nomthy Trading Enterprise	2012/154193/07	Construction Grass cutting Garden services Supply
Nqana Trading Enterprise		

Isfuba Trading & Construction	2016/034528/07	Construction Supplying Delivery Maintenance Welding
Jabula happy Contracting and Trading (PTY) LTD	2015/386359/07	Catering Transport Cleaning Construction
Ngethembe Construction	2006/064545/23	Construction Road Maintenance Catering Building
Ubuhle Bamaphikelela (PTY) LTD	2014/005289/07	Catering Construction Catering Building Installation
Zunger (PTY) LTD	2016/186464/07	General Supplying
Amampengesi Empire Trading (PTY) LTD	2016/013755/07	Catering Supplying
ABS CONSTRUCTION		Construction
Snakekelo catering PTY LTD	2014/179663/07	Catering Events coronation
Umphemvemve (PTY) LTD		Project & Suppliers
SF Security Construction and Other Services	2012/03450/07	Security services Escort Duties
Siyathuthuka Catering & Multi- Purpose	2009/001113/24	Catering Multi-purpose suppliers
Ntshalantshala Trading (PTY) LTD	2012/001060/07	Construction Catering Plumbing
Jabula Contracting and Trading (PTY LTD)	2015/386359/09	Food Supplying Catering
Zwelananathi Trading CC	2006/031919/23	Grass Cutting Maintenance Fencing & Plumbing Supply
Eyakuda Trading PTY-LTD	2014/099354/07	Grass cutting Construction Timber felling Cleaning Services
Lubambhoh Dignified PTY- LTD	2017/35532/0/07	Funeral services

BM MDIMA TRADING	2018/275686/07	Construction Civil engineering Food Services
Ulundi Fruits & Vegetables and General Supply (PTY) LTD	2015/032937/07	Fruits & Vegetables & General Supplying

Alignment of Municipal LED Plans with Government Strategies

This section identifies the alignments and the relationships between the Integrated Development Plan (IDP) and the Government development strategies. Particularly because the need to obtain a shared approach to planning and alignment between the Provincial Growth and Development Strategies (PGDSs), the municipal Integrated Development Plans (IDPs) and the National Spatial Development Perspective (NSDP), was stressed in the Cabinet Lekgotla and the President's State of the Nation Address in 2018.

It is therefore a key priority of government to make government as a whole work together and improve the impact of its programmes in achieving common objectives and outcomes, particularly with respect to economic growth, job creation and in addressing the needs of the poor.

KING CETSHWAYO LED	MTHONJANENI LED
It is aimed at promoting co-operation at all levels of society in order to improve the quality of life of all its residents.	To improve the quality of life of all the residence the Mthonjaneni LED Strategy would identify capacity building programmes to enrich the community with the skills, and knowledge for business establishment that in turn would increase the income of the people. Increased income would improve the quality of life of all the residents.
Based on local initiatives where local communities are encouraged to help	The Mthonjaneni LED Strategy would assist in identifying all the stakeholders both the recognized and those that are not recognized register them to qualify for further funding and technical assistance. The sources of funding for local initiatives would also be identified within the Mthonjaneni LED Strategy.
Focuses on equal investment in social upliftment, environmental protection and commitment from all spheres of civil society.	The LED Strategy would identify the environmentally sensitive areas that would be preserved for tourism and other economic purposes.

NATIONAL DEVELOPMENT PLAN	MTHONJANENI LED

<p>Is aimed at promoting prosperity and improving quality of life,</p> <ul style="list-style-type: none"> -Promoting sustainable economic development and job creation, -developing human capacity, -Identifying and working with all role players from all sectors of society. 	<p>The Mthonjaneni LED Strategy would assist in identifying strategic areas for investment which will assist in bolstering the local economy and employment creation within Mthonjaneni Local Municipality.</p> <p>-The Mthonjaneni LED Strategy would also identify all the role players/stakeholder in the Mthonjaneni Local Municipality.</p>
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The table below reflects the alignment between the Mthonjaneni LED and the National Spatial Development Plan.

NATIONAL SPATIAL DEVELOPEMNT PLAN	MTHONJANENI LED
<p>Is aimed at making South Africa a nation in which investment in infrastructure and development programmes support government's growth and development objectives.</p> <ul style="list-style-type: none"> - By focusing on economic growth and employment creation in areas where this is most effective and sustainable. - Fostering development on the basis of local potential. 	<p>The Mthonjaneni LED Strategy would assist in identifying strategic areas for investment within Mthonjaneni Local Municipality, which would create employment opportunities for the local community of the area.</p>

Alignment between the Mthonjaneni LED and the National Development Plan.

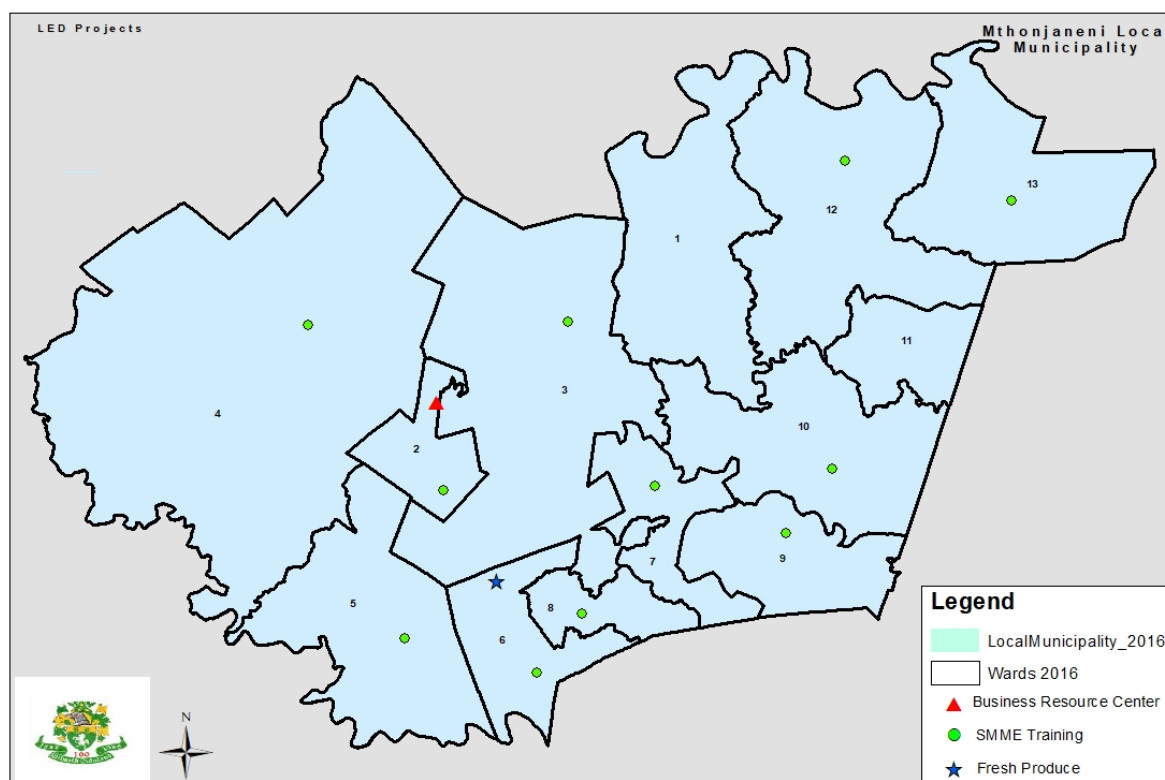
NATIONAL DEVELOPMENT PLAN (NDP)	MTHONJANENI LED
<p>Raising employment through faster economic growth.</p>	<p>Mthonjaneni LED Strategy is about job creation, poverty alleviation and reduction of unemployment.</p> <ul style="list-style-type: none"> - The strategy focuses on investment enhancement so as to create employment opportunities within Mthonjaneni Local Municipality. This will, in turn, impact positively on the expenditure patterns of the local community of the Municipality.
<p>Improving the quality of education, skills development and innovation.</p>	<p>Mthonjaneni LED Strategy clearly acknowledged the importance of education to the society hence it recommends that all the nodes should have sufficient schools and recommends the establishment of a Further Education and Training (FET) facility with the municipal area. The Municipality should promote</p>

	education by strengthening the bursary scheme to the needy tertiary students in the area. More alignment is necessary with various SETAs to promote skills development in the area.
Building the capability of the state to play a developmental, transformative role.	The LED Strategy recognizes that Mthonjaneni Local Municipality's LED section requires some restructuring for it to be able to oversee and monitor both operational and strategic economic plans of the Municipality. Among the things proposed in the Strategy is that the Municipality should ensure capacity building of the existing LED staff members. It is also proposed that co-ordination between the Municipality Department of Finance and the LED Section should be enhanced. In this regard, the LED Section would assume its power to source funding for LED activities itself.

The table below reflects the Linkage between Mthonjaneni LED Strategy and Provincial Growth and Development Strategy.

KZN PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY (PGDS)	MTHONJANENI LED
Is aimed at promoting prosperity and improving quality of life, -Promoting sustainable economic development and job creation, -developing human capacity, -Identifying and working with all role players from all sectors of society.	The Mthonjaneni LED Strategy would assist in identifying strategic areas for investment which will assist in bolstering the local economy and employment creation within Mthonjaneni Local Municipality. -The Mthonjaneni LED Strategy would also identify all the role players/stakeholder in the Mthonjaneni Local Municipality.

Map 5: LED Projects



KCDM GIS: 2019

Job creation through LED Initiatives

The table below reflects the total number of jobs created through LED and poverty alleviation programs.

PROGRAM	NO OF JOBS CREATED
EPWP	84
CWP	500
TOTAL	584

EPWP grant performance

This table reflects the EPWP grant performance during the 2018/2019 financial year.

Municipality	Full Time Equivalent 2018/19	Allocation 2018/2019 (R'000)	Full Time Equivalent 2018/19	Allocation 2020/2021 (R'000)	Full Time Equivalent Variance	Allocation Variance (R'000)
Mthonjaneni	55	R 1 808 96 000.00		R2 000.00 026	+41	+218 000.00

Table 15: 2018/2019 EPWP grant Performance.

Financial Accounting for Grant Funds Received and Expended													
	July	August	September	October	November	December	January	February	March	April	May	June	Total
Received Prior Months (Current Financial Year)	R -	R -	R 453,000	R 453,000	R 453,000	R 1,266,000	R 1,266,000	R 1,266,000	R 1,808,000	R 1,808,000	R -	R -	
Received in the Current Month		R 453,000			R 813,000			R 542,000					R 1,808,000
Total EPWP funds Received	R -	R 453,000	R 453,000	R 453,000	R 1,266,000	R 1,266,000	R 1,266,000	R 1,808,000	R 1,808,000	R 1,808,000	R -	R -	R 1,808,000
Spent Prior Months (Current Financial year)		R 169,422	R 374,613	R 572,783	R 755,276	R 944,383	R 1,141,799	R 1,418,259	R 1,707,678	R 1,808,000			
Spent in the Current Month	R 169,422	R 205,191	R 198,170	R 182,493	R 189,106	R 197,416	R 276,461	R 289,419	R 100,322	R -	R -	R -	R 1,808,000
<i>Compensation of Employees</i>	R 169,422	R 205,191	R 198,170	R 182,493	R 189,106	R 197,416	R 276,461	R 289,419	R 100,322	R -			R 1,808,000
<i>Goods and Services</i>	R -		R -										R -
<i>Machinery and Equipment</i>	R -	R -	R -										R -
Accumulated EPWP Expenditure	R 169,422	R 374,613	R 572,783	R 755,276	R 944,383	R 1,141,799	R 1,418,259	R 1,707,678	R 1,808,000	R 1,808,000	R -	R -	R 1,808,000

						9	59	78	00	00			
Total EPWP funds Received and Not Spent	R - 169,422	R 78,387	R - 119,783	R - 302,276	R 321,617	R 124,201	R - 152,259	R 100,322	R -0	R -0	R -	R -	R -0
Expenditure as % of received amount	0%	83%	126%	167%	75%	90%	112%	94%	100%	100%	0%	0%	
Funds Currently Committed but Not Spent	R -												R -
Scheduled Transfers Withheld	R -												R -
Expenditure on Approved Rollover													
Approved Rollover	July	August	Septemb er	October	Novem ber	Decem ber	Januar y	Februa ry	March	April	May	Jun e	Total
R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
<i>Compensation of Employees</i>													R -
<i>Goods and Services</i>													R -
<i>Machinery and Equipment</i>													R -

MIG PROJECTS

PROJECT DISCRIPTION	Ward	BUDGET
Urban roads upgrade and rehabilitation phase 5	3	R15 847 651.64
Ntombokazi community hall	12	R2 810 145.60
Mpevu community hall	9	R3 224 217.96
Gobihlahla crèche	11	R2 443 545.90
Imfule gravel road	4	R 3 636 919.96
Manzawayo gravel road	5	R 4 999 876.52
Nungwini gravel road	1	R8 652 358.18
Mehlamasha community hall	6	R3 473 161.33
Noziphiva gravel road	10	R6 896 699.04

2.10 Framework for Managing Programme Performance Information

This Framework aims to:

- Clarify definitions and standards for
- Performance information in support of regular
- Audits of such information where appropriate
- Improve integrated structures, systems and
- Processes required to manage performance information
- Define roles and responsibilities for managing performance information
- Promote accountability and transparency by providing parliament, provincial legislatures,
- Municipal councils and the public with timely, accessible and accurate performance information.

3.1 PGDS Spatial Planning Principles

PGDS Spatial Planning Principles

The strategic and targeted nature of the Provincial Growth and Development Strategy implies that specific interventions will be undertaken within key geographical areas of Need and Potential.

The Principle of Environmental Planning (Bioregional Planning) refers to understanding and respecting the environmental character (potential and vulnerability) and distinctiveness of places and landscapes and promoting balanced development in such areas.

The Principle of Economic Potential aims to improving productivity and closing the economic performance gap between the various areas of KwaZulu-Natal towards economic excellence of all areas. Rapid economic growth that is sustained and inclusive is seen as a pre-requisite for the achievement of poverty alleviation.

The Principle of Sustainable Communities promotes the building of places where people want to live and work. Again the sense of Quality of Living refers to the balance between environmental quality, addressing social need and promoting economic activities within communities. Often communities within the rural context of KwaZulu-Natal are not located in the areas with perceived highest economic potential. Where low economic potential exists planning and investments should be directed at projects and programmes to address poverty and the provision of basic services in order to address past and current social inequalities towards building sustainable communities.

The Principle of Local Self-Sufficiency promotes locating development in a way that reduces the need to travel, especially by car and enables people as far as possible to meet their need locally.

The Principle of Spatial Concentration aims to build on existing concentrations of activities and infrastructure towards improved access of communities to social services and economic activities. In practical terms this promotes concentration along nodes and corridors with multi-sectoral investment i.e. roads, facilities, housing etc. This principle will further assist in overcoming the spatial distortions of the past. Future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centres in order for them to become regional gateways.

The Principle of Sustainable Rural Livelihoods considers rural areas in a way which is integrated with other decision making associated with the Sustainable Livelihoods framework. This principle requires that spatial planning consider the locality and impact of human, physical, natural, financial and social capitals of an area and spatially structures these in support of each other. Another aspect of this

principle is promoting spatial planning in a continuum where rural areas are not addressed as completely separate entities to urban centres, but rather a gradual change in landscape with the potential progression of rural areas to more closely resemble the service standards and quality of living achieved in some urban contexts.

The Principle of Balanced Development promotes the linking of areas of economic opportunity with areas in greatest need of economic, social and physical restructuring and regeneration at all spatial scales. In practical terms the principles sought to find a balance between the potentially competing land uses by understanding the relationship and integration between major dimensions within the province and promoting a synergetic mixture of land uses in support of each other at various spatial scales.

The Principle of Accessibility simply promotes the highest level of accessibility to resources, services, opportunities and other communities. This is intrinsically linked to transportation planning and should consider localised needs for the transportation of people and goods by various modes of transport as guided by the scale and function of a region.

LOCAL RELEVANCE: The Mthonjaneni Municipality abides by sound spatial planning principles as extracted hereunder:
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- | |
|--|
| <ul style="list-style-type: none">○ Environmental awareness and sensitivity with due consideration to EMF and ESMP.○ Promotion of sustainable communities and the realization of restructuring zones in respect of human settlement projects.○ Urban integration and densification to decrease economic cost of travel specifically.○ Introduction of urban development boundary as a measure to achieve spatial concentration.○ Development of rural framework plans being initiated. |
|--|

3.2 SPLUMA Principles

The following provides a summary of the development principles contained in the SPLUMA (Spatial Planning and Land Use Management Act):

(a) The principle of spatial justice, whereby –

- past spatial and other development imbalances must be redressed through improved access to and use of land;
- spatial development frameworks and policies at all spheres of government must address the inclusion of persons and areas that were previously excluded, with an emphasis on informal settlements, former homeland areas and areas characterized by widespread poverty and deprivation;

- spatial planning mechanisms, including land use schemes, must incorporate provisions that enable redress in access to land by disadvantaged communities and persons;
 - land use management systems must include all areas of a municipality and specifically include provisions that are flexible and appropriate for the management of disadvantaged areas, informal settlements and former homeland areas;
 - land development procedures must include provisions that accommodate access to secure tenure and the incremental upgrading of informal areas; and
 - a Municipal Planning Tribunal considering an application before it, may not be impeded or restricted in the exercise of its discretion solely on the ground that the value of land or property is affected by the outcome of the application.
- (b) The principle of spatial sustainability whereby spatial planning and land use management systems must –
- i) promote land development that is within the fiscal, institutional and administrative means of the Republic;
 - ii) ensure that special consideration is given to the protection of prime and unique agricultural land;
 - iii) uphold consistency of land use measures in accordance with environmental management instruments;
 - iv) promote and stimulate the effective and equitable functioning of land markets;
 - v) consider all current and future costs to all parties for the provision of infrastructure and social services in land developments;
 - vi) promote land development in locations that are sustainable and limit urban sprawl; and
 - vii) result in communities that are viable.
- (c) the principle of efficiency, whereby –
- i) land development optimises the use of existing resources and infrastructure;
 - ii) decision-making procedures are designed to minimise negative financial, social, economic or environmental impacts; and
 - iii) development application procedures are efficient and streamlined and timeframes are adhered to by all parties.
- (d) the principle of spatial resilience, whereby flexibility in spatial plans, policies and land use management systems are accommodated to ensure sustainable livelihoods in communities most likely to suffer the impacts of economic and environmental shocks.
- (e) the principle of good administration, whereby –

- i) all spheres of government ensure an integrated approach to land use and land development that is guided by the spatial planning and land use management systems as embodied in this Act;
- ii) all government departments must provide their sector inputs and comply with any other prescribed requirements during the preparation or amendment of spatial development frameworks;
- iii) the requirements of any law relating to land development and land use are met timeously;
- iv) the preparation and amendment of spatial plans, policies, land use schemes as well as procedures for development applications, include transparent processes of public participation that afford all parties the opportunity to provide inputs on matters affecting them; and
- v) policies, legislation and procedures must be clearly set in order to inform and empower members of the public.
- vi)

LOCAL RELEVANCE: The following actions by the Mthonjaneni Municipality are of relevance with regard to the SPLUMA principles:

1. Efforts to densify, improve access to opportunities in non-core areas and densification.
2. Focus on sustainability of natural resource based – including protection of agricultural land resources.

Section 12 (1) (a) of the Spatial Planning and Land Use Management Act requires that the national and provincial sphere of government and each municipality must prepare spatial development framework that:

“interpret and represent the spatial development vision of the responsive sphere of government and competent authority”

Section 12 (1) (h) of the Spatial Planning and Land Use Management Act requires that the national and provincial sphere of government and each municipality must prepare spatial development framework that:

“include previously disadvantaged areas, areas under traditional leadership, rural areas, informal settlements, slums and land holdings of state-owned enterprises and government agencies and address their inclusion and integration into spatial, economic, social and environmental objectives of relevant sphere”.

Section 12 (1) (i) of the Spatial Planning and Land Use Management Act requires that the national and provincial sphere of government and each municipality must prepare spatial development framework that:

“address historical spatial imbalances in development”

The Municipal SDF is a primary spatial response to the development context, needs and development vision of the municipality (long term development vision). It is a key land use management tool at a strategic level with an important role to play in

guiding and managing Municipal decisions relating to the use, development and planning of land.

The Municipal SDF also guides the form and location of future spatial development in a manner that addresses the imbalances of the past i.e. spatial injustice. It enables the municipality to manage its land resources in a developmental and sustainable manner. It provides an analysis of the spatial problems and provides strategies and programs to address the challenges Defying.

3.3 Sustainable Development Goals

Sustainable Development Goals offer major improvements on the Millennium Development Goals (MDGs). The SDG framework addresses key systemic barriers to sustainable development such as inequality, unsustainable consumption patterns, weak institutional capacity, and environmental degradation that the MDGs neglected.

The SDG framework provides an overall narrative articulating how the goals will lead to broader outcomes for people and the planet. The 17 goals provide a clearer means-to-end continuum and they also offer better coverage of, and balance between, the three dimensions of sustainable development – social, economic and environmental – and the institutional/governance aspects. The SDGs are embedded in the world’s quest to ensure poverty eradication, changing unsustainable and promoting sustainable patterns of consumption and production and protecting and managing the natural resource base of economic and social development. These are the overarching objectives and essential requirements for sustainable development.

Table 16: Sustainable Development Goals

NO	SUSTAINABLE DELIVERY GOALS	ALIGNMENT WITH MTHONJANENI OBJECTIVES
1.	End Poverty in all its forms everywhere.	Viable Economic Growth and Development
2.	End hunger, achieve food security and improved nutrition and promote sustainable agriculture.	Develop and sustain urban and commercial agriculture to build food security
3.	Ensure healthy lifestyles and promote well-being for all at all ages.	Improve quality of citizens health
4.	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	Improving citizens skills levels and education
5.	Achieve gender equality and empower all woman and girls.	Establishment of ward-based special programmes forum

6.	Ensure availability and sustainable management of water and sanitation for all.	Efficient and integrated infrastructure and services
7.	Ensure access to affordable, reliable and modern energy for all.	
8.	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	Viable Economic Growth and Development
9.	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	Efficient and integrated infrastructure and services
10.	Reduce inequality within and among countries.	Socio-economic projects in rural areas.
11.	Make cities and human settlements inclusive, safe, resilient and sustainable.	To promote the achievement of a non-racial, integrated society, through the development of sustainable human settlements and quality housing
12.	Take urgent action to combat climate change and its impacts.	To promote environmental conservation and protection
13.	Conserve sustainably use of oceans, seas and marine resources for sustainable development	
14.	Protect, restore and promote sustainable use of terrestrial ecosystem, sustainable manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss.	
15.	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective accountable and inclusive institutions at all levels.	Democratic, Responsible, Transparent, Objective and Equitable Municipal Governance

3.4 Climate Change Resolution

In November and December 2015, the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC COP21) took place in

Paris. UNFCCC is an international environmental agreement on climate change, of which there are 195 States Parties, including the South Africa.

The UN Intergovernmental Panel on Climate Change (IPCC) has warned of the consequences of failing to limit global temperature rises to at least 2 degrees Celsius (above pre-industrial times), highlighting that the impacts would pose a threat to humanity and could lead to irreversible climate change.

The meeting in Paris was hailed as a make-or-break opportunity to secure an international agreement on approaches to tackling climate change, a commitment to a longer-term goal of near zero net emissions in the second half of the century, and supporting a transition to a clean economy and low carbon society.

The key points of the Paris Agreement are summarised below. The agreement is due to come into force in 2020.

Nr.	Key Points	Resolution
1.	Mitigation: reducing emissions	<ul style="list-style-type: none"> • A long-term goal of keeping the increase in global average temperature to well below 2°C above pre-industrial levels; • To aim to limit the increase to 1.5°C, since this would significantly reduce risks and the impacts of climate change; • On the need for global emissions to peak as soon as possible, recognising that this will take longer for developing countries; • To undertake rapid reductions thereafter in accordance with the best available science.
2.	Transparency and global stock take	<ul style="list-style-type: none"> • Come together every 5 years to set more ambitious targets as required by science; • Report to each other and the public on how well they are doing to implement their targets; • Track progress towards the long-term goal through a robust transparency and accountability system.
3.	Adaptation	<ul style="list-style-type: none"> • Strengthen societies' ability to deal with the impacts of climate change; • Provide continued and enhanced international support for adaptation to developing countries.
4.	Loss and damage	<ul style="list-style-type: none"> • Recognises the importance of averting, minimising and addressing loss and damage associated with the adverse effects of climate change; • Acknowledges the need to cooperate and enhance the understanding, action and

		support in different areas such as early warning systems, emergency preparedness and risk insurance.
5.	Support	<ul style="list-style-type: none"> • The EU and other developed countries will continue to support climate action to reduce emissions and build resilience to climate change impacts in developing countries. • Other countries are encouraged to provide or continue to provide such support voluntarily. • Developed countries intend to continue their existing collective goal to mobilise USD 100 billion per year until 2025 when a new collective goal will be set.

3.5 National Plan Priorities

The National Planning Commission issued the first draft of the National Development Plan in November 2011 for consideration – its priorities are summarized in the table below:

Table 17: National Plan Priorities

No.	National Plan Priorities	Strategic Alignment There
1.	Create jobs	Viable Economic growth and development
2.	Expand infrastructure	Integrated Infrastructure and efficient services
3.	Use resources properly	Democratic, responsible, transparent, objective and equitable Municipal Governance
4.	Inclusive planning	To improve citizens skills levels and education
5.	Quality healthcare	Safe and Healthy living environment
6.	Build a capable state	Democratic, responsible, transparent, objective and equitable municipal governance
7.	Fight corruption	Safe and Healthy living environment
8.	Unite the nation	Social Cohesion

3.6 Fourteen National Outcomes

The 14 National Outcomes that all provincial governments must align to are:

Goal No:	National Outcome	Mthonjaneni Goal/Objectives	Municipal
1	Quality basic education	Social and Economic Development	
2	A long and healthy life for all South Africans	Providing a safe a secure environment	
3	All people in South Africa are and feel safe	Proper disaster management. Implementing of Anti-corruption plan.	
4	Decent employment through inclusive economic growth	Creating a viable and sustainable work environment.	
5	Skilled and capable workforce to support an inclusive growth path	Providing opportunities for all to aspire to a better future	
6	An efficient, competitive and responsive infrastructure network	Providing a high level of affordable essential basic services	
7	Vibrant, equitable, sustainable rural communities contributing towards food security for all	Encouraging community participation and in service delivery	
8	Sustainable human settlements and improved quality of household life	Facilitating rural and middle income housing projects in all wards.	
9	Responsive, accountable, effective and efficient local government system	Providing a high level of affordable essential basic services	
10	Protect and enhance our environmental assets and natural resources	To ensure environmental sustainability and proper land use management	

11	Create a better South Africa, a better Africa, and a better world	Providing service excellence Providing a safe and secure environment
12	An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	Supporting the poor and vulnerable groups
13	An inclusive and responsible social protection system.	Democratic, responsible, transparent, objective and equitable Municipal Governance
14	National building and social cohesion	Social cohesion

3.7 Five National Priorities

The Five National and Six Provincial Priorities include the following:

	FIVE NATIONAL (INCLUDING 6 TH PROVINCIAL) PRIORITY	MTHONJANENI OBJECTIVES
1	Job creation (Decent work and Economic growth`	Implementing of EPWP, Food for Waste and CWP program. To develop, manage and implement Human Resource Strategies.
2	Education	Providing early childhood development facilities in partnership with The Department of Social development.
3	Health	Improve Quality of Citizens health.
4	Rural development, food security and land reform	Prioritisation of rural projects in IDP. E.g.: Rural roads and rural electrification projects.

5	Fighting crime and corruption	Implementing of anti-corruption plan.
6	Nation -building and good governance (State of KZN Province Address	To provide sound external and internal communication. To ensure that public participation structures are in place.

3.8 Provincial Growth and Development Strategy

No.	PGDS Strategic Goal	Alignment thereof
1.	Inclusive Economic Growth	Viable economic growth and development
2.	Human Resource Development	Municipality that is resources and committed to attaining the vision and mission of the organisation.
3.	Human and Community Development	Viable economic growth and development
4.	Strategic Infrastructure	Integrated infrastructure and efficient services
5.	Environmental Sustainability	Optimal management of natural resources and commitment to sustainable environmental management
6.	Governance and Policy	Democratic, Responsible, Transparent, Objective and Equitable Municipal Governance and Social Cohesion
	Spatial Equity	Integrated urban and rural development

3.9 Growth Development Strategy

No.	DGDP Goals	Alignment thereof
1.	Job Creation	Viable economic growth and development
2.	Human Resource Development	Municipality that is resources and committed to attaining the vision and mission of the organisation.
3.	Human and Community Development	Viable economic growth and development
4.	Strategic Infrastructure	Integrated infrastructure and efficient services
5.	Response to Climate Change	Optimal management of natural resources and commitment to sustainable environmental management
6.	Governance and Policy	Democratic, Responsible, Transparent, Objective and Equitable Municipal Governance and Social Cohesion
7.	Spatial Equity	Integrated urban and rural development

3.10 SONA 2020

Theme: Making your future work

Reflecting the past

Our country is celebrating 30 years of democracy after the release of Nelson Mandela from prison. He was quoted as he addressed masses of people saying, “Our march to freedom is irreversible. We must not allow fear to stand in our way.”

Our country need to remember patriots who game their lives fighting for our freedom. The contribution they have will never be forgotten. We need to build from the struggle of our heroes so as to realise their dreams.

Our aim must be to build the united society which is free and equal and at peace. A united society will conquer all obstacles and live in a safe and comfortable environment.

Economic growth

The country is experiencing a negative economic growth with the high rate of unemployment. This has negatively affected the business sector and brought pressure to our finances. The citizens of this country are as a result experiencing poverty and are unable to realise their potential.

Education.

We are having about 2.4 million children who are attending early child development and pre-school.

The matric class of 2019 is also congratulated for a pass rate of 81%. This mostly includes learners from rural schools and townships. 720 000 of the students were granted funding for TVET colleges and universities last year.

HIV/AIDS

We have about 6.8 million South Africans who know their HIV status and 5 million have started the ARV's program and 4.2 million of these people have their HIV viral load undetectable.

2019 achievements

The presence of the following people, who had a remarkable contribution towards the history of our country, was recognised:

- Zozibini Tunzi who won the Miss Universe title,
- Captain Siya Kolisi who won the 2019 World Rugby Championship with the Springboks and
- Miss Sinoyolo Qumba, a grade 11 learner at Lenasia South who helped the President to write the 2020 State of the Nation Address.

Coalition.

Our government has a big task of driving collaboration and consensus. The main focus must be on what is aimed to unite the people of South Africa. Our country has been able to create broad-based coalitions and compacts with business, labour, special interests groups and wider civil society. The main focus has been to build consensus around our economic recovery plan.

The country is driven by the National Development Plan which seeks to eliminate poverty and reduces inequality by 2030. The aims and objectives of the country will only be achieved when there is co-operation and working together amongst all the citizens of this country.

Addressing Socio-economic challenges

The job summit has enabled us to work together with labour, business and communities to find solutions on unemployment crisis. There are also plans to remove blockages and interventions to save and create jobs.

The country is working hard to eradicate violence against woman.

The government together with business and labour have developed a master plan for those industries that have greatest potential for growth. This has been done so as to stabilise the economy and build a foundation for growth.

Institutions have been rebuild and there has been a review of the investment strategy. There has also been actions to deal with state capture and fighting against corruption.

There has also been plans to improve access to education, the quality of health care and access to basic needs of the poor. Our main objective is to deal with our challenges so as to place our economy on a path of inclusive growth.

Turnaround plan for economic growth

The country needs to undertake critical actions in order to effective economic recovery. These actions includes fixing the fundamentals, pursuing critical areas of growth and ensuring excellency in planning and execution in government.

Energy supply.

South Africa is experiencing constraints in energy supply due to load shedding. This disrupts people's lives and causes a setback in the efforts to rebuild the economy and to create jobs.

ESKOM has a critical role in our economy but its inability to service the power plants is caused by debt, lack of capacity and state capture

Load shedding is the only solution for now to ESKOM. It must therefore be undertaken in a manner that is predictable and minimises disruptions and cost to firms and households. The following measures are taken in order to address the problems of ESKOM:

- Issue a Section 34 Ministerial Determination to give effect to the Integrated Resource Plan 2019, enabling the development of additional grid capacity from renewable energy, natural gas, hydro power, battery storage and coal.
- Initiate the procurement of emergency power from projects that can deliver electricity into the grid within 3 to 12 months from approval.
- The National Energy Regulator will continue to register small scale distributed generation for own use of under 1 MW, for which no licence is required.
- Ensure that all applications by commercial and industrial users to produce electricity for own use above 1MW are processed within the prescribed 120 days.
- Open bid window 5 of the renewable energy IPP and work with producers to accelerate the completion of window 4 projects.

- Negotiate supplementary power purchase agreements to acquire additional capacity from existing wind and solar plants.
- Put in place measures to enable municipalities in good financial standing to procure their own power from independent power producers.

Climate change

Climatologist has advised that the transition to a low carbon, climate resilient and sustainable society be cascaded across all age groups, including children. The Climate Change Bill will soon be finalised which outlines a regulatory framework for the effective management of inevitable climate change

Public finances.

We are not generating enough revenue and our debt is heading towards unsustainable levels. We need to ensure that our spending is directed towards infrastructure and productive activity. The Minister of Finance needs to come up with measures to reduce spending and improve its composition. This will be done in consultation with the Auditor-General, labour and other stakeholders so as to ensure stability in public finances.

State-owned enterprises.

There is an intention to repurpose the strategic companies to support growth and development of state-owned enterprises. All SOEs must be able to fulfil their developmental mandate and be financially sustainable. The SOEs will be rationalised so that they will be able to serve the strategic economic development. This will also involve the restructuring of South African Airways

An amount of R1.4 will be invested on the improvement of PRASA's rail network. This is done to ensure that these lines provide safe, reliable and affordable services. It will also play an important role in the economy and to the quality of life of the people while creating job opportunities.

Water.

Water use licences is now issued within 90 days. The Bizportal platform enables the registration of a company, UIF registration and SARS and opening the bank account in just one day

Ports.

Plans to reduce delays and costs in the Durban port will be undertaken to ensure its efficiency. This will be done through the development of appropriate skills and capabilities.

Education.

There is an aim to have great economic benefits in the education system by investing mostly on early child development and early school learning. There is going to be the introduction of the three-stream curriculum model which focuses more towards vocational and technical education. This year the government will build 9 new TVET colleges and there are 67 pilot schools which have introduced the occupational stream.

The bilateral student scholarship agreement has produced over 1200 medical doctors with 640 still to graduate in December 2020 from the Nelson Mandela Fidel Castro Medical Training Programme in Cuba.

The process of distributing tablets to schools is still underway while there is a plan to introduce coding and robotics in grades 1 to 3. This will be implemented fully in 2022.

A new University of Science and Innovation will be established in Ekurhuleni. It will provide training in high-impact and cutting-edge technological **innovation for** current and future industries.

Fight against crime.

The government has come up with strategies to reduce the high rate of crime that the country is facing. This will also have a positive impact on tourism. The strategy includes:

- Prioritising police visibility, effective training and better resourcing of police stations.
- Specialised units to combat crimes of economic disruption.
- SAPS to increase visibility at identified tourism attraction sites.
- Strengthening Anti-Gang units.
- Establishing a Crime Detection University at Hammanskraal.

Fighting violence against women.

South Africans need to unite in order to end the violence against women. R1.6 billion has been budgeted to implement an emergency action plan to fight violence against women. The Domestic Violence Act and the Sexual Offences Act will be amended in order to protect the victims. A law will be passed to tighten bail and sentencing condition in cases that involve gender-based violence.

State Capture.

The government is in full support of the inquiry made by the Zondo Commission on the State Capture. The report on the Commission of Enquiry and the plan to address the findings will be made available to the public.

Structural Transformation.

The Infrastructure Fund Implementation team has identified projects and has expanded private investment into public infrastructure sectors. The team needs a budget of R700 billion to operate over a period of 10 years. The budget will to student accommodation, social housing, rail freight branch lines, embedded electricity generation, municipal bulk infrastructure and broadband roll-out

Umzimvubu dam construction.

There is going to be financial provision for the construction of Umzimvubu dam in the Eastern Cape. Road construction has already been started for this project

Development of a Post-Modern city.

This is aimed at changing the social and economic apartheid spatial architecture. This development plan is led by the Investment and Infrastructure Office in the Presidency together with Gauteng and North-West Provincial government. The city will be a leading benchmark for green infrastructure continentally and internationally.

Youth development.

There is still a huge percentage of youth who are unemployed. This also involves not having access to education and training. The solution to the challenges on youth development is through the implementation of the Presidential Youth Employment Intervention which has six priority actions that will operate on the next five years. The six priority actions are as follows:

- Building cutting-edge solutions to reach youth where they are – online, on the phone and in person.
- Provide shorter, more flexible courses in specific skills as required by the working environment.
- Developing new and innovative ways to support youth entrepreneurship and self-employment.
- Ensuring that youth receive practical experience in the workplace in order to complete their training.
- Establish a programme to unlock the agency of young people and provide opportunities to for youth earn income while contributing to nation building.
- Funding the employment initiative that will deal with the high levels of youth unemployment.

The National Youth Development Agency and the Department of Small Business Development will provide grant funding to support 1000 youth entrepreneurship in the next 100 days.

Women empowerment.

The SheTradeZA has been introduced to support women-owned businesses to participate in global value chains and markets. There is a target of R10 Billion by Industrial Corporation to assist own and partner funding for women empowered business

3.11 SOPA 2020

THEME: Together, creating our common future.

STATE OF THE PROVINCE ADDRESS, AS DELIVERED BY MR SIHLE ZIKALALA, MPL, HONOURABLE PREMIER OF THE PROVINCE OF KWAZULU-NATAL ON THE 04th OF March 2020

Introduction: Tribute to His Majesty the King

The MEC, in his introduction, acknowledged the presence and the role of His Majesty Isilo Samabandla Onke. He works to fulfil the country's vision 2013 and remains the symbol of unity, peace and development. He is the centre of saving lives and community empowerment on HIV and TB awareness. He has also played a role on the improvement of the provincial matric results to 81.3%.

The National Development Plan and Vision 2030

This is a plan which is aimed to restore the dignity of all South Africans and to improve the lives of our people.

- The seven priorities of the NDP are:
- Economic transformation and job creation;

- Education, skills and health;
- Consolidating the social wage through reliable and quality basic services;
- Spatial integration, human settlements and local government;
- Social cohesion and safe communities;
- A capable, ethical and developmental state; and
- A better Africa and a better world.

KZN has adopted the following eight provincial priorities which are informed by the NDP:

Basic services (especially access to clean potable water)

- Job creation
- Growing the economy
- Growing SMMEs and cooperatives
- Education, health, and skills development
- Human settlements and sustainable livelihoods
- Building a peaceful province
- Building a caring and incorruptible government

Recap from June 2019: The future is certain

The province is facing a number of challenges including high level of unemployment, shortages of water, community protests and political killings. Despite these challenges the province has been able to perform the following tasks:

- Operation Siyahlola which is meant to monitor and enforce professional and ethical services to our people. It is also aimed at monitoring implementation of key projects in the province.
- Skills audit for all senior officials in nine municipalities.
- Make local government work better.

Community consultation process

The Premier had embarked on consultation process as he was preparing for SOPA 2020. This allowed community members to raise their views on what they are expecting from the provincial government. Amongst the things that were raised by the people, the following were brought to the attention of the Premier:

- Renovation of schools and address drugs abuse in townships.
- Notify community on pilot schools for coding and robotics

2019 achievements

The people with achievements during the previous year were recognised and they include:

- A group of learners from KwaZulu-Natal who won the prestigious 5th International School Moot Court Competition in Poland, beating the USA in the finals.

- Elderly people crowned National Golden Games Champions in Port Elizabeth.
- Six homebrewed film productions nominated for the South African Film and Television Awards.

Important anniversaries and tributes

The province is celebrating 60 years of the founding of Ladysmith Black Mambazo, 60 years since the award of the Nobel Peace Prize to Inkosi Albert Luthuli and also 60th anniversary of uKhozi fm.

Our province remembers the 25 years of the Shobashobane Massacre, the birth of Harry Gwala and Raymond Mlaba, the arrival of the first Indian worker 160 years ago into our province, 60 years since the Sharpville and Langa Massacre and also 65 years since the adoption of the Freedom Charter

Radical economic transformation and job creation

Our province aims to promote township economy and revitalise the agricultural sector with an aim of creating job opportunities

Global economic developments

The global economy is under strain because of the spread of the coronavirus. This could disrupt global oil supply, hurt sentiment, and weaken the already fragile business investment.

Trade policy uncertainty and pressures in key emerging market economies continue to weigh on global economic activity particularly for manufactured products.

Brexit remains a concern more to South African economy due to our strong ties with the UK. This has impacted on our steel and aluminium industries.

Domestic economic developments

Our own economy is trapped in a low-growth cycle due to high unemployment rate. 29.1% of the working-age people with an increase in the country's population. This calls for government to speedily implement policies that will inspire confidence and encourage investment. There is a need for own contribution to the GDP growth and job creation. This must also include SMME development. The government is bolstering programmes like Investment Attraction, Enterprise Development, or Operation Vula so as to drive radical economic transformation, bulk-buying to support small traders, youth empowerment and support for black industrialists.

Attracting investments

The provincial government has attracted major companies to operate at the Dube Trade Port and Richards Bay IDZ.

- The launch of Mara Group, Africa's first cell phone manufacturer, investing more than R1-billion and creating more than 300 permanent jobs in the province.
- Ubuhle Towels (Pty) Ltd, a 75% black women-owned company, investing R132-million in towel manufacturing Elegant Afro Line (Pty) Ltd, a 100% black women-owned company, investing about R900 million in chemicals in the Richards Bay IDZ.
- Nyanza Light Metal, a 100% black-owned company, investing R4.5-billion in the production of titanium dioxide pigments. Construction of the top structure at RBIDZ Phase 1F is expected to resume in April 2020.
- Wilmar SA (Pty) Ltd, a manufacturer of edible oils, investing R1.3-billion and creating 300 jobs.

These investments are adding nearly R7-billion in both Phase 1A and 1F of RIBDZ that are planned to materialise from March 2020 in Richards Bay.

There are private sector companies that have settled in the province. These include Samsung Electronics and Heineken.

The province also won the rights to host the World Halaal Day 2020. This event will be attracting investments in priority sectors of the provincial economy.

Economic infrastructure

The 2019 International Investment Conference launched the Durban Aerotropolis Master Plan. EDTEA has provided funding to upgrade regional airport infrastructure so as to increase passenger connectivity.

EDTEA has similarly provided R30-million towards the construction of a terminal building at Mkhuze airport. EDTEA is also working with Ray Nkonyeni local municipality to upgrade the Margate airport terminal building at a cost of R5-million following its transfer to the municipality.

Engineering studies have been completed and an implementation MOU between EDTEA, Dube Trade Port and eThekweni signed by the parties. The automotive supplier park will be in operation by 2021.

The province has engaged with the Department of Trade and Industry towards the development of the Clothing and Textiles SEZ in the province.

People are encouraged to buy locally produced goods as this will support job creation in South Africa.

Ingonyama Trust under the leadership of INkosi Biyela of Obuka, INkosi Zulu of Ntembeni and INkosi Biyela of Yanguye. Part of the area is privately owned with vast areas being owned by white farmers.

4.3 Structuring Elements

There are lot of natural as well as man-made features that shape up Mthonjaneni municipality. Indigenous plantations and mountains add to the beauty of the area of Mthonjaneni municipality. There are also cultural and tourism site like Mthonjaneni cultural museum, Phobane lake, Inkosi Mgabhi home (the home to Nandi who was the mother of King Shaka)

Mthonjaneni also has three traditional authorities which are INkosi Biyela of Obuka, INkosi Zulu of Ntembeni and INkosi Biyela of Yanguye.

4.4 Existing Nodes and Corridors

The desired spatial outcome of any area is regarded as a situation rather than an environment with specific character. The location and nature of developments within the Mthonjaneni municipal area are shown in the maps in this section. The Mthonjaneni's desired spatial outcomes for all nodes are shown in the tables below:

Primary Node: Melmoth

Table 18: Primary Node – Melmoth

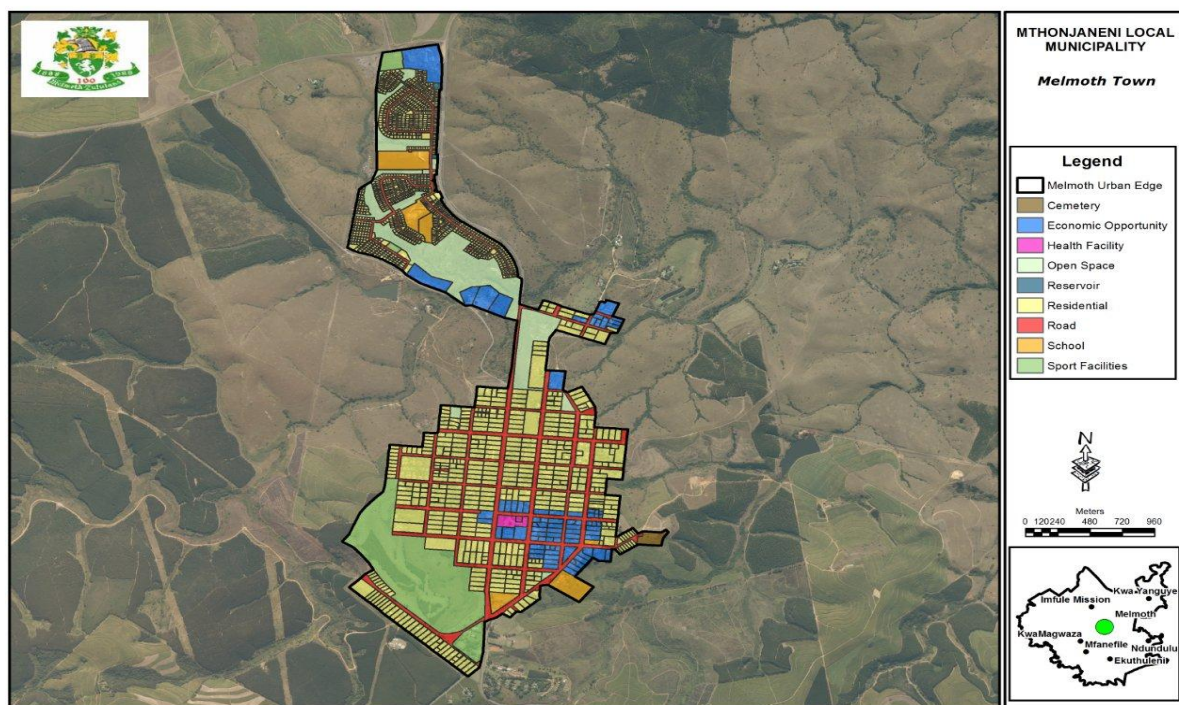
Town/Settlement	Existing level of services/ facilities	Desired spatial outcomes
Melmoth (including Thubalethu)	Municipal Offices Clinic Welfare Offices Primary School High School Permanent Information Centre Post Office + Post Boxes Banks Library Bus and Taxi Terminals Police Station Magistrates Court Home Affairs Offices Community Hall Wholesalers/Stores/Shops Cemetery Jail Waste water treatment plant Refuse site Worship (8 Churches)	Melmoth is most suited for a primary node in Mthonjaneni Municipality. It has adequate facilities and meets most of the requirements in terms of level of services/ facilities for a primary node. It does not have a hospital but does have a clinic. KwaMagwaza hospital is approximately 10 km away and fulfills this function. There is no high school in Melmoth itself, but there is one in Thubalethu which services that area. Another gap is a Tertiary Training Facility.

Melmoth and the adjoining settlement of Thubalethu form the primary node and commercial and administrative hub of the Municipality. Located within this area are the municipal offices, provincial government offices, schools, police station, magistrate's court and various stores and shops. (Mthonjaneni Draft IDP 2012/13 to 2019/20). Melmoth has an existing Town Planning Scheme which guides land use and development within the town.

The CBD is dissected by the Primary Corridor (R66/R34) which links Melmoth and Thubalethu making them highly accessible and giving them potential for economic development. The R66/R34 is the only proposed primary corridor. The idea is to encourage mixed usage between the two areas and along the primary corridor.

The map below shows the spatial form and land use within Melmoth town.

Map 7: Melmoth town



Secondary Nodes

Ndundulu, KwaMagwaza and KwaYanguye are linked by the R66 and R68 respectively and have been identified as secondary nodes. These areas play an important role as service centres to the rural communities which are further removed from the primary node. The KwaMagwaza area is located close to the primary node and is relatively well established with a range of services and facilities.

The other two areas identified as secondary nodes need further planning and development in order to adequately fulfil their function as service centres. According to the Public Capital Investment and Settlement Growth guideline

(Dewer, D and Iyer, N 2009) capital investment should aim to develop support to facilities and the current activities. This would involve the establishment of a formal market, taxi rank and the development of a multi-purpose hall as a first step.

The development of a library and resource centre is another social facility that would complement the existing facilities at the next level of development. This should be easily accessible to the existing schools.

Table 22 below also outlines minimum levels of services and facilities which should be available at a secondary node. In addition to the community hall, taxi rank and formal market, a Satellite Police Station and access to post boxes will ensure feasibility of all three nodes. The KwaYanguye area in particular would benefit from the establishment of an additional high school and clinic.

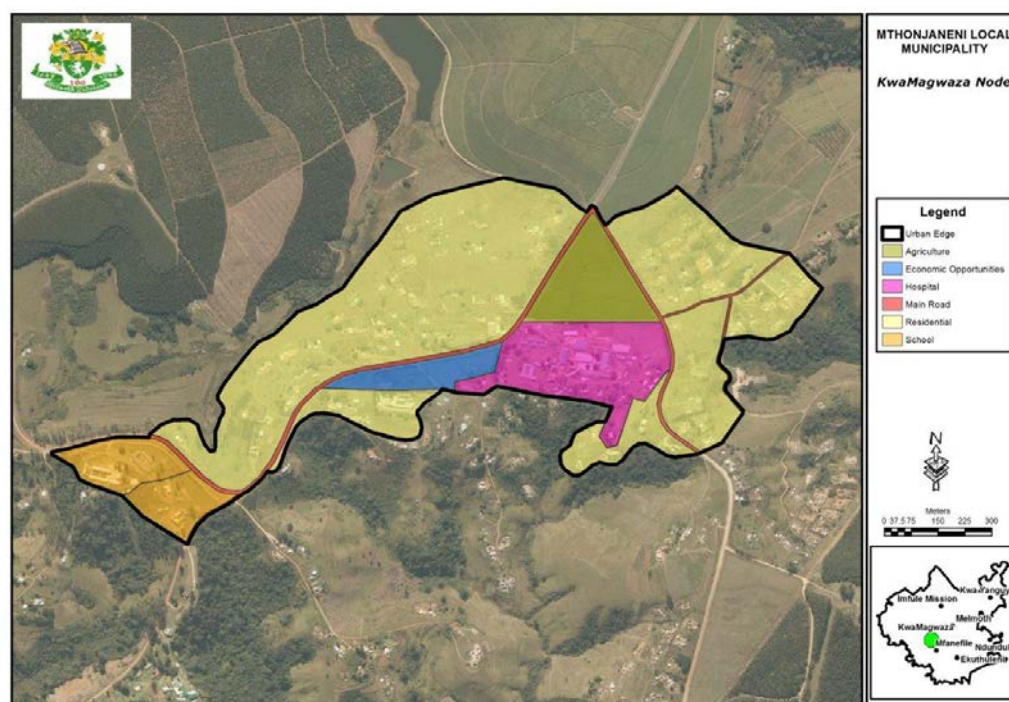
(1) KwaMagwaza

Table 19: Secondary Node – KwaMagwaza

Town/Settlement	Existing level of services/ facilities	Desired outcomes
KwaMagwaza	Hospital Clinic Primary School High School Regular Bus Service Stores/Shops Community Hall Rural Service Information Centre	KwaMagwaza is a suitable secondary node as it has a number of facilities/ services. Gaps relate to the following: There is no Satellite Police Station to service the area however, Melmoth is 10 km away and serves this purpose

The map below also shows the location and nature of developments and within the KwaMagwaza area.

Map 8: KwaMagwaza



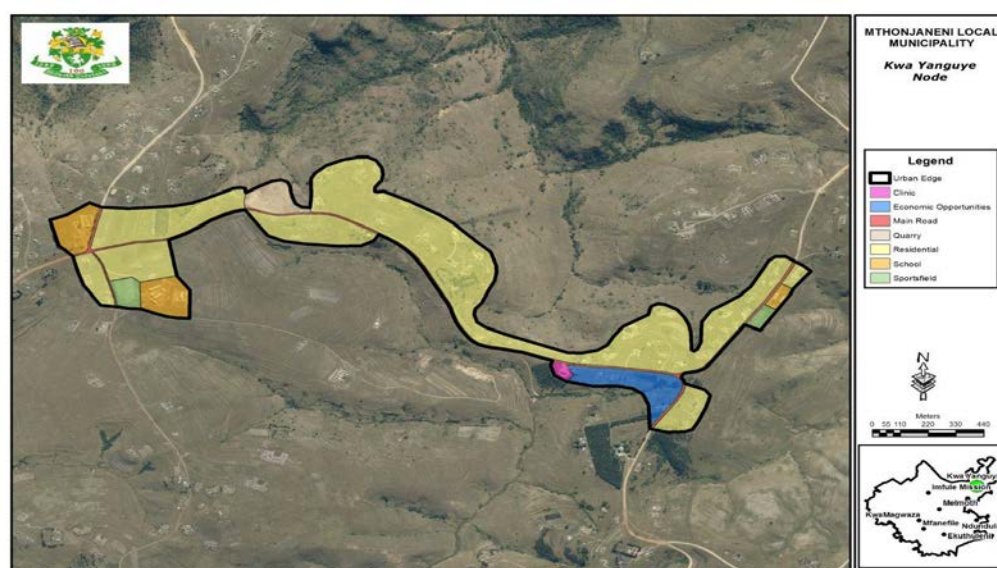
(b) KwaYanguye

Table 20: Secondary Node – KwaYanguye

Town/Settlement	Existing level of services/ facilities	Desired outcomes
KwaYanguye	Primary Schools High Schools Yanguye Tribal Court Informal taxi rank Places of Worship Cemetery Clinic	<p>This area is quite isolated and far from adequate services and facilities. If it is to be 100% effectively as a secondary node then the correct level of services/ facilities needs to be provided.</p> <p>The following are needed: Satellite Police Station Rural Service Information Centre Additional clinic Additional high school</p>

The map below also shows the location and nature of developments and within the Yanguye area.

Map 9: KwaYanguye



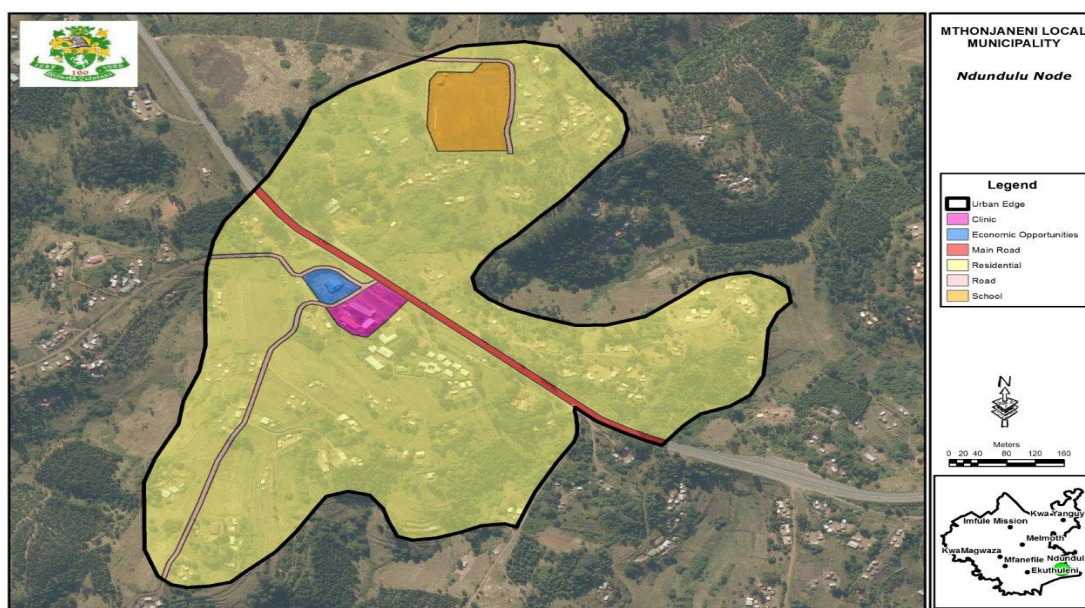
c) Ndundulu

Table 21: Secondary Node – Ndundulu

Town/Settlement	Existing level of services/ facilities	Desired outcomes
Ndundulu	Clinic Primary School Ntembeni Tribal Court Place of Worship	This area was not identified as a secondary node in the Mthonjaneni SEA 2007, but is identified in the draft IDP 2012/13 to 2019/20. A number of factors need to be addressed if this area is to function as an effective secondary node. Satellite Police Station Rural Service Information Centre Post Boxes High School

The map below also shows the location and nature of developments and within the Ndundulu area.

Map 10: Ndundulu



Tertiary Nodes

Table 22: Tertiary Node

Town/Settlement	Existing level of services/ facilities	Desired outcomes
Ekuthuleni	Primary school Secondary school clinic	This area was a former land reform project. A number of issues need to be addressed to meet the requirements of a tertiary node: Routine Police Patrol Weekly Mobile Welfare Services Post Boxes Meeting Places Shops
Imfule Mission	Primary school Secondary school Shops Cemetery	Routine Police Patrol Weekly Mobile Clinic Weekly Mobile Welfare Services Regular Bus Service Post Boxes Meeting Places
Mfanefile	Primary schools Secondary school	Cognizance needs to be taken of lack of services/ facilities in the area as well as its proximity to KwaMagwaza. Routine Police Patrol Weekly Mobile Clinic Weekly Mobile Welfare Services Post Boxes Shops

4.5 land Ownership

A large portion of the land is privately owned by individual and company commercial farmers. The remaining land belongs to Ingonyama Trust, Church land, as well as municipal owned land and State owned land.

Some of the Church and State Owned land has been earmarked for possible Land Reform projects namely;

- Melmoth State Farms,
- Ekuthuleni (Church land),
- KwaMagwaza Mission,
- Melmoth Labour Tenants,
- Mfuli Mission,
- KwaYanguye (Tribal Commonage),
- Ekuthuleni State Land (started),
- Wilhemina Farm (started), and
- Arcadia Farm (started)

The land use patterns are further elaborated upon in the Land Use Management Systems (LUMS). In the LUMS, the areas described as “densely settled area of mixed residential and agriculture under private, trust or church tenure”, are identified as areas that “are not yet formalized, but show potential for developing into distinct villages”.

The land in Mthonjaneni is mainly used for agriculture and residential purposes. There are no conservation areas and very limited recreation areas in the form of a golf course and sports fields in places.

Map 11: Land ownership in Mthonjaneni

map on land ownership to be inserted in final IDP

4.6 Land Claims

The land claim in Mthonjaneni includes land restitution, land redistribution and land tenure. There are claims which have been lodged with the regional land claims office. There are consultative meetings which have been held with all the affected stakeholders on land claim issues.

4.7 Land Capability

The majority of the land under Mthonjaneni municipality is utilised for agricultural production. This is merely favoured by the availability of arable land with the highest amount of rainfall being experienced in summer.

4.8 Private Sector Developments

The Mthonjaneni municipality is surrounded by privately owned commercial farmers and small holder settlements, the urban area of Melmoth and the

traditional authorities of Sanguye, Obuka and Ntembeni. The majority of land ownership at Mthonjaneni belongs to Ingonyama Trust with a small portion which is privately owned. The development of private sector is currently on hold since most of the land that is owned by private sector is under land claim.

4.9 Environmental Analyses

Geomorphology

The geomorphology of the landscape is generally described as middle to high-relief area. Natural forces have resulted into new physical feature being developed. This includes landforms associated with erosion and weathering. There are also a large number of perennial and non-perennial rivers with a lot of fluvial processes involved. The boundaries of Mthonjaneni are also enclosed by two exotic rivers which is Umhlathuze river on the southerly and white imfolozi towards the north. This therefore becomes an important factor for decision-making and development planning.

Climate

Mthonjaneni Municipality experiences warm humid climate with more rainfall being experienced during the summer season. This becomes the favouring factor towards agricultural production. Forests and sugarcane production are the major commercial agricultural practices and livestock farming which is mostly subsistence in most surrounding rural areas.

AGRICULTURE

The agricultural potential within Mthonjaneni Municipality is very favourable. The agricultural potential is determined by factors such as climate, vegetation, soils, water supply and topography (Mthonjaneni SEA 2007)

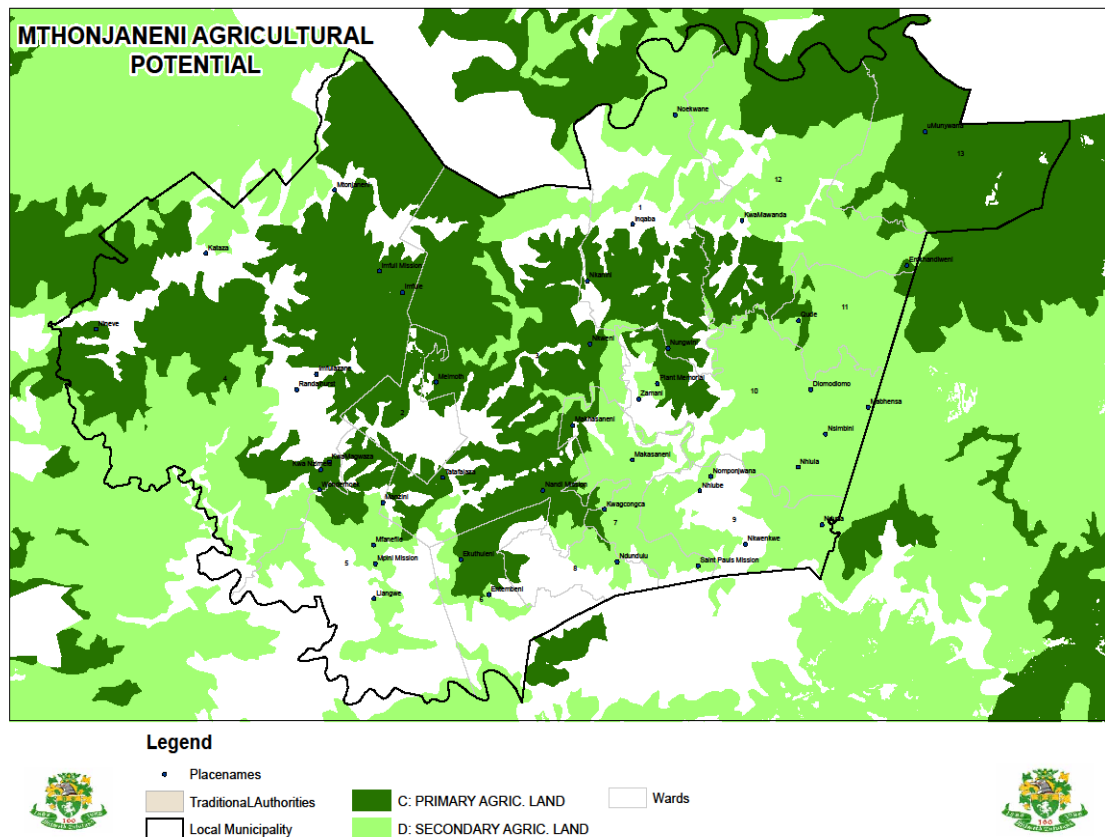
There are areas of low potential along the northern and eastern boundaries of the Municipality. The south-east boundary has an area of very low potential. There is also restricted potential north of Melmoth and in the southern section of the municipality.

The Land Cover map indicates that there are large areas of Commercial Crops primarily in the central band running from the north-west to the south-east. These follow transportation corridors and there is a concentration in the area to the north and south of Melmoth. There is a very large portion of this central band that is Commercial Forestry which covers the area that has been identified as 100% transformed. It also ties in with the Agricultural Potential map in that it overlays the areas classified as having good potential and high potential.

The areas to the east and extending towards the north-east are semi-arid with soils that are having a poor structure and less arable land.

The agricultural sector boosts the economy by creating job opportunities to local people.

Map 12: Agricultural Potential



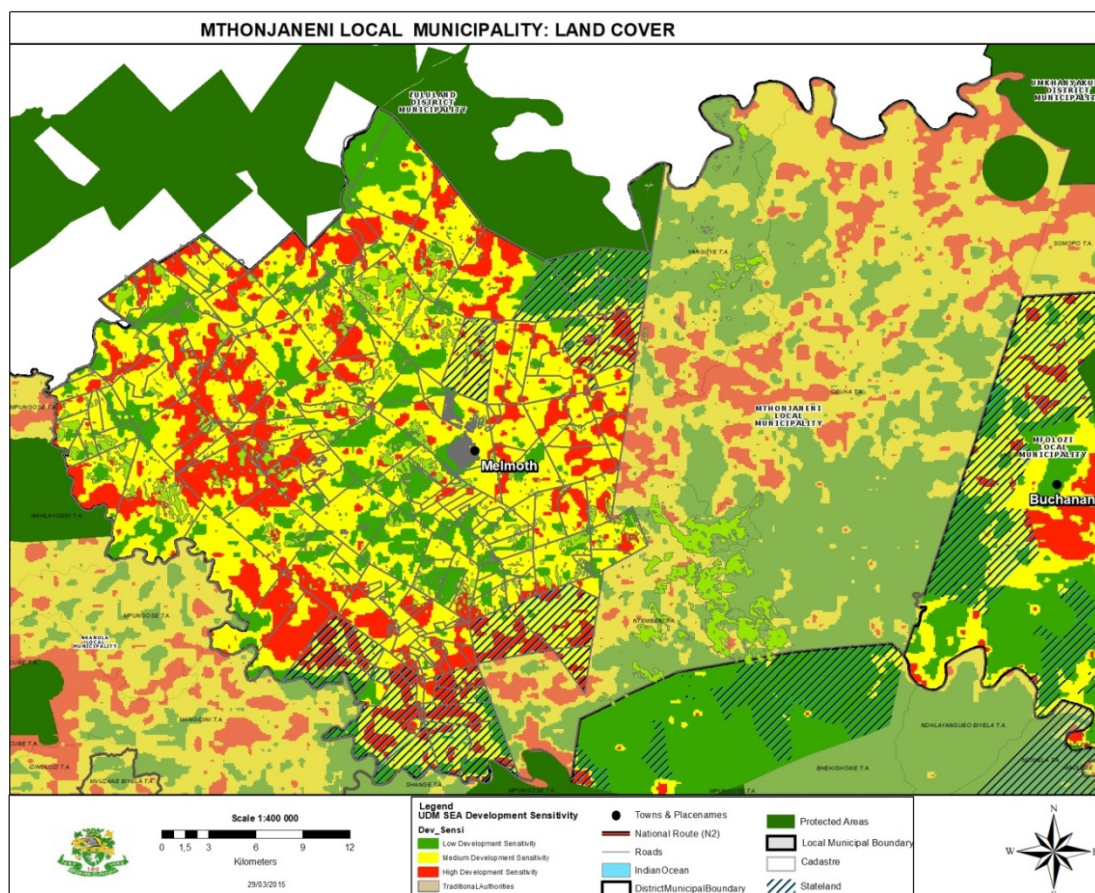
Land cover

In terms of land cover there are large areas of Commercial Crops primarily in the central band running from the north-west to the south-east. These follow transportation corridors and there is a concentration in the area to the north and south of Melmoth. There is a very large portion of this central band that is Commercial Forestry. The Commercial Forestry and Farming cover the area that has been identified as 100% transformed (see Transformation map). In terms of agricultural potential map it falls within areas classified to have high potential. Soil, climate and rainfall are also favourable in these areas.

The southern area of the municipality is primarily grassland and bushland with a few areas of subsistence rural agriculture mainly around settlements and the Ndundulu and Ekuthuleni area. The northern area of the municipality is primarily characterised by grassland and scattered bushland areas. Subsistence rural agriculture is located around the settlements surrounding Inqaba. There is significant bare rock/erosion areas amongst and surrounding the subsistence rural agricultural land use.

There is however areas which have suffered invasion by alien plants and this have resulted in reducing the supply of water to some of the drainage areas.

Map 13: Land cover



Biodiversity

According to the National Environmental Management: Biodiversity Act, No. 10 of 2004, biodiversity means the variability among living organisms from all sources including, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part and also includes diversity within species, between species, and of ecosystems.

South Africa has ratified the International Convention on Biological Diversity which aims to develop and implement a strategy for the conservation, sustainable use and equitable sharing of biodiversity elements.

The Biodiversity Bill requires that a Bioregional Plan be developed for the Province. This must ensure that a minimum area of each bioregion with all its representative ecosystems is protected. Ezemvelo KZN Wildlife are the nature conservation agency for the province and are therefore key in managing biodiversity and ensuring that the bioregional plans are prepared and implemented.

The core functions of Ezemvelo KZN Wildlife are:

Biodiversity Conservation;

Wise and Sustainable Use of Natural Resources; and

Provision of Affordable Eco-Tourism Destinations

Ezemvelo KZN Wildlife is currently in the process of preparing bioregional plans for each in the province. The Biodiversity Sector Plans for King Cetshwayo is still in the process of being prepared.

The Biodiversity Sector Plans look at both “terrestrial and aquatic features in the landscape that are critical for conserving biodiversity and maintaining ecosystem functioning”. It is intended to serve as an informant or guideline for multi-sectoral planning and decision making.

Terrestrial (MINSET)

Minset identifies a “minimum set” of planning units that will assist in meeting conservation targets. The Minset map indicates areas that are already protected, areas of transformation, and areas of biodiversity priority.

(a) Protected Areas

Protected Areas are areas that have been declared or proclaimed as such in terms of either the KwaZulu-Natal Nature Conservation Management Act (No 9 of 1997) or the National Environmental Management: Protected Areas Act (No 57 of 2003). Protected Areas play a key role in conservation and meeting biodiversity targets.

(b) Transformation

The latest Land Cover data (2005) is intended to be utilised to demarcate areas of transformation. Areas of transformation are areas that have already changed to such an extent that biodiversity is of little significance.

An Integrated approach to Development and Land Use MANAGEMENT

Key Intervention Areas

Specific areas will require targeted intervention to assist and guide development. The objectives set out below can also serve as guidelines for the municipality’s Land Use Management System.

An Integrated Approach to Land Use Management

- To create more efficient urban form by:
 - densifying existing urban nodes in appropriate locations
 - strengthening secondary service centres
 - identifying and implementing development corridors
 - Ensure more efficient use of infrastructure
 - Promoting a more appropriate land use mix

- Giving preference to those land uses that will assist in achieving the Municipality's Vision and particularly the local economic development and environmental objectives.
- preserving high quality agricultural land
- promoting diversity in land use, especially in and around the nodes
- ensuring that environmental objectives are taken in to account in the formulation and adjudication of development proposals
- creating an environment conducive to small entrepreneurs
- optimising the inherent tourism and recreation potential of the area

Environmental Management Areas

The value of landscape forms in the municipality should be conserved. In terms of land use management, the specific ecosystems and vegetation communities that require specific environmental management are wetlands and grasslands, which contain the habitats of important species.

Methodology:

A comprehensive land use needs to be undertaken for the municipality to include the following categories:

- Grassland & other
- Dense Rural
- Informal Settlement
- Natural Bush
- Active and Passive Open Space
- Thornveld
- Cultivated Land
- Commercial
- Education
- Forestry
- Formal Urban
- Transport
- Hospitals
- Industrial

This land use would be determined through the analysis of digitally corrected photography of the municipality.

The Environmental Inventory in the form of these priority zones will inform the SDF.

Beyond the Priority Areas the following factors need to be considered.

A) Indigenous forested areas

All areas under indigenous forest and properties with indigenous trees should be subject to the following guidelines:

- ☐ No indigenous trees should be removed without authorization from DWAF who are responsible for protection of protected tree species.

- No undergrowth should be removed or the natural forest structure interfered with in any way as; when the forest undergrowth is removed, the large trees left standing often slowly die due to drought. Authorization must be obtained from DWAF prior to any clearing of both trees and under story of indigenous forested areas.
- All forest along streams and rivers must be conserved to prevent bank erosion.
- Wherever possible, patches of forest must be linked to form a continuous network and thus a path of migration for flora and fauna present (bushbuck, duiker, birds and so on) this would be easiest along existing corridors like streams and rivers.
- Forest trees should be left to screen development to improve stormwater drainage and aesthetics.
- Developers should be encouraged where possible to maintain any trees on site as part of the layout of the development.

B) Areas of High Biodiversity Value

These areas are identified as areas of high irreplaceability and areas in the minset data set designated as non-negotiable reserves should be categorized in this category, Further the environmental atlas areas within the municipality are almost entirely biodiversity related and therefore these areas are included in this category. These areas are somewhat limited by land transformation in the municipality and include only small portions of the northern areas and south western of the study area.

- This zone represents areas of natural vegetation and therefore any transformation of this area greater than 3 Ha should be subject to impact assessment. Further any development greater than 1 Ha would be subject to Basic Assessment and any development greater than 20 Ha would be subject to Full Environmental Impact Assessment.
- The local authority should negotiate with the property developer to incorporate land not to be used for development into Conservation Reserves. This can be done when permission for development is being sought.
- The Environmental Impact Assessment required for priority 1 zones should include a biodiversity assessment of the site and its biological value.
- The layout of the development should take biodiversity impacts and mitigation into account and as such should avoid areas of high biodiversity value.
- The local authority should negotiate with the property developer to incorporate land not to be used for development into Conservation Reserves. This can be achieved as part of authorization for development on submission of the plans.
- When building plans are submitted to the local authority for approval, they shall indicate whether the development constitutes a listed activity and if so include a copy of the Record of Decision (ROD) issued by DAEA and an Environmental Management Plan (EMP) where required by the ROD.
- No construction of a listed activity under the NEMA EIA regulations may begin without authorization from DAEA, the Municipality in its development control capacity should not, under any circumstances, authorize any listed activity until such time as DAEA has given authorization for the activity to go ahead.
- Any unauthorized development should be reported immediately to the DAEA.
- The width of survey paths shall be kept to the absolute maximum of 1 metre.

- ☐ Where areas have been set aside for conservation in the layout , such areas will have to be demarcated. This should be done before building starts, sites must be staked and should be fenced or cordoned off with Chevron Tape. This is with a view to preventing damage to conservation areas during construction and operation. The fencing used should be appropriate and should allow for the movement of small animals, which may be found in this area.
- ☐ In the conserved areas, only nature-related recreation and education shall be permitted, such as bird watching, walking and canoeing. These areas should be left as undisturbed as possible.
- ☐ Exotics should be avoided in landscaping of developments.
- ☐ Invasive aliens should be eradicated as part of landscaping and management plan for the development.
- ☐ As far as possible, medium density housing development in this zone should be clustered in order to minimise visual impact and the amount of land needed. This reduces development costs and also makes land available for conservation or open space purposes. Further advantages are wind protection and better controlled access the development area
- ☐ Landowners shall be made aware of the priority status of their land before purchase. Estate agents in the area could assist in this regard. The clearance certificate issued to each purchaser shall make note of the priority status, for the purchaser's information, should the estate agent not have raised the issue.
- ☐ Earthmoving equipment must be prohibited from the site until the environmental assessment has been approved and the vegetation to be conserved has been demarcated.
- ☐ The Local Council should not plant exotic trees or shrubs in areas of this category.
- ☐ Sub divisional applications should be assessed in the light of proposed usage and the effect it would have on areas of high biodiversity value.
- ☐ Landowners should be made aware of the high biodiversity value of their land before purchase. Landowners should be made aware of their responsibility to maintain and manage the vegetation on their land. The local council may need to provide assistance in the form of advice to landowners in high biodiversity value areas.

C) Nature Reserves

These areas are mapped on the Minset Map below.

- ☐ This is with a view to preventing damage to conservation areas. The fencing used should be appropriate and should allow for the movement of small animals that may be found in this area, for e.g. Duiker, weasel.
- ☐ In the conserved areas, only nature-related recreation and education shall be permitted, such as bird-watching, walking and canoeing
- ☐ The introduction of any exotic plants to conservation areas must be prevented and any existing alien invasive vegetation should be removed.

D) Wetlands, dams, and drainage corridors

The wetlands, dams, and drainage corridors are shown on Map4 however; it must be stressed that wetlands identified over and above these maps should be subject to the same guidelines:

- Infilling, drainage and hardened surfaces (including buildings and asphalt) should not be located in any of the wetland zones (i.e. permanent, seasonal and temporary) such activities generally result in significant impacts on a wetland's hydrology, hydraulics and biota and on the goods and services wetlands provide.
- Hardened surfaces and even should be located at least 15 m outside of the outer boundary of the seasonal/permanent zone (Note: if the width of the outer temporary zone is greater than 15 m and Item 1 above is met then this requirement would automatically be met). The seasonal and permanent zones generally have surface water for extended periods. In the case of seasonal zones, it may be for most of the wet season and in the case of permanent zones, it may be throughout the year. A buffer is required between areas potentially generating non-point source pollution and such areas characterized by surface water.
- Extension to the buffer in localized areas should also be included to minimize the impact of concentrated stormwater run-off into the wetland. Stormwater outflows should not enter directly into the wetland. A predominantly vegetated buffer area at least 20 m wide should be included between the stormwater outflow and the outer boundary of the wetland, with mechanisms for dissipating water energy and spreading and slowing water flow and preventing erosion. This buffer is particularly important when the catchment feeding the stormwater drain comprises predominantly hardened surfaces. Extensive hardened surfaces in the catchment and stormwater drains significantly increase the intensity of stormwater runoff, which increases the risks of erosion in a wetland. In addition, urban stormwater runoff is often polluted. A buffer is therefore required to reduce the energy and erosive power of the stormwater and to decrease the level of pollutants in the runoff before it enters the wetland.
- Where the wetland has a particularly high biodiversity value, further buffering may be required, the width of which would depend on the specific requirements of the biota. This should be determined in consultation with Ezemvelo KZN Wildlife. The value of a wetland for biodiversity derives not only from features of the wetland but also from the quality of natural, non-wetland areas adjacent to the wetland, as many wetland dependent species such as the giant bullfrog (*Pyxicephalus adspersus*) require both wetland and non-wetland habitat.
- If a road crossing is planned in a wetland, first seek an alternative route. If this is not available then ensure that the road has minimal effect on the flow of water through the wetland (e.g. by using box culverts rather than pipes). Do not lower the base level of the wetland or any stream passing through the wetland. Ensure an adequate buffer is present to deal with run-off from the road (see Item 3 above). During construction, minimize disturbance of the wetland at and adjacent to the road crossing site. Road crossings may potentially greatly modify local water flow patterns in a wetland. In addition to having a damming or draining effect on the flow upstream of the road, roads which do not allow for the adequate passage of water may concentrate flow downstream, increasing the erosion hazard and drying out this portion of the wetland. A lowering of the base level increases the gradient in the wetland, thereby increasing the speed of water flow and its erosive potential and the extent to which it contributes to lowering the water table.
- Where a road runs alongside a wetland and it intercepts natural hillslope runoff into the wetland, the road should be set back from the boundary of the wetland by at least 20 m and feed-off points should be included at

frequent intervals along the road (at least every 100 m) and the outflows of these should conform to the requirements of the stormwater outflows (given in Item 2 above). A road running alongside a wetland can strongly affect the natural hill slope runoff into the wetland by intercepting this runoff and concentrating it in localized entry points. The fewer the feed-off points into the wetland and the less protected they are, the more severe this effect will be.

- Where development (e.g. hardened surfaces, infilling and drainage) in a wetland is unavoidable then the resulting impacts must be mitigated. In many cases, off-site mitigation may be the only means of achieving satisfactory mitigation. The cumulative loss of wetlands in South Africa is already very high (see Section 1.1) and the continued net loss of wetlands needs to be prevented. Invasion of a wetland by alien plants may considerably reduce the integrity of a wetland.
- Where any disturbance of the soil takes place in a wetland, clear alien plants which establish and follow up for at least 2 years thereafter. Disturbance of a wetland favours the establishment of alien plants, which require long-term control.
- Where the infiltration rate of a wetland's catchment is naturally high and the wetland is maintained predominantly by groundwater input, at least 60% of the wetland's catchment should remain as permeable surfaces in a residential area and preferably at least 30% in an industrial/commercial area. Where the level of development is very high, reduced surface runoff can be promoted through mechanisms such as porous pavements (The inclusion of these mechanisms in areas dominated by hardened surfaces is generally sound catchment management practice and should be encouraged widely). Failure to maintain groundwater input to a predominantly groundwater-fed wetland will considerably alter the hydrological regime of the wetland, thereby compromising its integrity.
- The onus is on the developer to identify and delineate all wetlands in the project area at a finer scale depending on the proposed development. Mapping at a minimum scale of 1: 10 000 is generally required. In order to account for the impact of a development adjacent to a wetland, it is essential that the boundary of the wetland be mapped. Any wetlands identified on the ground should be delineated and mapped by the municipality on an ongoing basis.
- Any development must comply with the requirements of the National Water Act. Through the concept of the "ecological reserve", this act makes provision for ensuring water of acceptable quantity and quality for maintaining the ecological functioning of wetlands and river systems. While wetlands assist in enhancing water quality, they should not be relied upon as an easy substitute for addressing pollution at source, as this may lead to serious impacts to the wetland systems.
- Access to wetlands by off-road vehicles, man and livestock, should be as far as possible prevented.
- Development within the flood line or within 32m of a river or stream should be avoided and vegetation in this zone should be conserved.

Environmental Projects

The Mthonjaneni municipality has identified projects that will address the environmental challenges, Alleviate Poverty, create employment, labour intensive and empower marginalized community.

The Municipality has request for funding from the Department of Agriculture and Environmental Affairs for the following projects:

- Rehabilitation of the transfer station
- Weigh bridge and information system
- Refuse collection and Street cleaning
- Upgrading of Parks, (ward 2 and 3)
- Guard house at the transfer station

4.10 Disaster Management

In terms of disaster risk reduction principles, the local sphere of government is the first line of response and responsibility and therefore, in the event of a disaster occurring or threatening to occur in the Mthonjaneni municipal area of responsibility, the Municipality remains responsible for the co-ordination and management of the disaster incident until such time that the responsibility escalates to a higher level of Governance.

Thorough disaster risk management planning and effective co-ordination of all line function response agencies is, therefore, key to saving lives and limiting damage to property, infrastructure and the environment. They (disaster risk management plans) also facilitate the optimal utilization of resources.

The Mthonjaneni Disaster Management Advisory Forum is the most effective platform from which disaster risk reduction and operational plans can be developed.

Content of an Operational Plan

In terms of the provisions of the Mthonjaneni Disaster Risk Management Policy Framework, the Municipality is mandated to develop Operational Plans which are aimed at:-

- Response Protocols;
- Contingency Planning
- Access to Resources for:
- Immediate relief;
- Equipment; and
- Recovery and rehabilitation.

- Guidelines for:
- Funding; and
- Declaration of a State of Disaster.

a. Response Protocols

Having conducted, in terms of the provisions of the approved Disaster Risk Management Policy Framework, a Disaster Risk analysis of the individual Wards within the Mthonjaneni Municipal area, the Advisory Forum will now be able to identify specific communities and infrastructure that are most vulnerable to the risks or threats that are prevalent in that particular Ward.

It is important for the Advisory Forum to be fully acquainted with the Legislative provisions in respect of Line Function Policies and Responsibilities of all Response Agencies who are likely to respond to a Disaster Incident or other Emergency which would require the activation of the Disaster Management co-ordination structures of the Municipality. This is particularly important for the development of Incident Specific Contingency Plans where it is necessary to assign functions and responsibilities to Responding Agencies without deviating from the individual line function policies of the responders.

Although the Disaster Management Act assigns the responsibility for the co-ordination and management of the activities of all responders to a disaster incident, it is of vital importance that the on-scene Command and Control be assigned to the Response Agency most qualified, in terms of line function, to deal with the consequences of the incident. An example of this would be the assignment of Command and Control to the Fire Brigade during a fire.

The Response Protocol of Mthonjaneni will therefore identify the relevant agencies and individuals within those agencies who would respond to a specific incident and then, in a collective process, a plan of action or a Contingency Plan must be developed for each incident.

The Mthonjaneni Disaster Management Advisory Forum has studied the Risk / Hazard Analysis as contained in the Mthonjaneni Disaster Risk Profile and has identified the relevant agencies and individuals within those agencies who would respond to a specific incident.

Having identified the response agencies that have a specific line function responsibility in relation to a particular disaster incident, the Advisory Forum must, in a collective process, develop the Response Protocol for Mthonjaneni which will inform the development of a Contingency Plan (or Plan of Action) for each identified risk or hazard.

The following Risk Response Protocol Matrix has subsequently been developed by the Mthonjaneni Disaster Management Advisory in a consultative process.

Mthonjaneni Disaster Plan

The Mthonjaneni municipality has a disaster management plan in place. The plan was reviewed during the 2017/2018 financial year.

Mthonjaneni Municipality faces increasing levels of disaster risk. It is exposed to a wide range of natural hazards, including severe storms that can trigger widespread hardship and devastation. The Municipality's extensive forestry industry, coupled to the major transportation routes, inside the municipality as well as those leading to other major centres, present numerous catastrophic and hazardous materials threats. In addition to these natural and human-induced threats and despite on-going progress to extend essential services to poor urban and rural communities, large numbers of people live in conditions of chronic disaster vulnerability in underdeveloped, ecologically fragile or marginal areas – where they face recurrent natural and other threats that range from flooding to informal settlement fires.

The Mthonjaneni disaster management Policy Framework is the legal instrument specified by the Act to address such needs for consistency across multiple interest groups, by providing a coherent, transparent and inclusive policy on disaster management appropriate for the Municipality of Mthonjaneni as a whole.

In this context, the disaster risk management framework of Mthonjaneni Municipality recognizes a diversity of risks and disasters that occur or may occur in the Municipal area of responsibility, and gives priority to developmental measures that reduce the vulnerability of disaster-prone areas, communities and households.

Also, in keeping with international and national best practice, the Mthonjaneni disaster risk management framework places explicit emphasis on the risk reduction concepts of disaster prevention and mitigation, as the core principles to guide disaster risk management in the municipality.

In terms of disaster risk reduction principles, the local sphere of government is the first line of response and responsibility and, in the event of a disaster occurring or threatening to occur in the Mthonjaneni municipal area of responsibility, the community is, in reality, the first responder. The primary responsibility for the co-ordination and management of local disasters rests with Mthonjaneni Municipality as the local sphere of governance. Thorough disaster risk management planning and effective co-ordination is, therefore, key to saving lives and limiting damage to property, infrastructure and the environment. They also facilitate the optimal utilization of resources.

Apart from internal arrangements to allow for interdepartmental co-operation within the municipality, the ideal mechanism for dealing with disaster risk management planning and co-ordination has been the establishment of an Mthonjaneni disaster risk management committee or advisory forum. It was

launched in August 2009 and reviewed in 2017 and comprises of all internal and external role-players, including traditional authorities.

This forum is responsible to:

- Give advice and make recommendations on disaster-related issues and disaster risk management
- Contribute to disaster risk management planning and co-ordination;
- Establish joint standards of practice;
- Implement response management systems;
- Gather critical information about Mthonjaneni's capacity to assist in disasters and to access resources; and
- Assist with public awareness, training and capacity building.

The Mthonjaneni Disaster Management Plan is attached as annexure B.

Disaster Management SWOT Analysis

Strength:

- Existing Land use management systems that assists in allocating developments in the correct places.
- The local disaster management and local disaster advisory forums are all functional.
- Excellent Service and partnership with Rural Metro.

Weakness

- Disaster management framework not reviewed.
- Minimum budget and resources to address disaster issues.
- Disaster management officer position not filled.
- Motor vehicle accident rate is too high.

Opportunities

- Preparation of Wall to wall scheme will assist in land use management in rural areas and thus decrease developments in disaster sensitive areas.
- Rural Housing projects (RDP) provide safe housing structures.
- Municipal rural roads projects also act as fire breaks.

Threads

- Poor rural roads condition makes it difficult to arrive in disaster scene.

- Conditions of fire hydrant around Melmoth town in bad condition and might be a problem if there is a fire break out.
- Burning of houses caused by the illegal electricity connections.

4.11 Business Continuity Management

In the event of a material disruption to its critical activities, Mthonjaneni municipality is committed to ensuring the it's continuity by:

- Ensuring the safety and wellbeing of its employees, contractors and visitors
- Protecting the wellbeing of the environment and society in which the municipality operates
- Minimising the adverse impact of the disruption to the municipality's operations
- Ensuring continuity of the critical processes to a predefined, acceptable level.

To achieve this, Mthonjaneni has developed an integrated Business Continuity Management (BCM) as an essential part of its day-to-day operations. The Municipal Manager has established a BCM policy to provide the framework around which Mthonjaneni's BCM capability and programme are designed and built.

The objectives of Mthonjaneni's BCM programme are to:

- Protect the Municipality, including its staff and stakeholders, by minimising the impact of a material disruption to critical activities, ensuring continuation of service delivery to the community.
- Understand and communicate the recovery needs of the Municipality and ensure an appropriate recovery capability is provided.
- Recover the Municipality in a planned and controlled manner, meeting the requirements of the municipality and complying with applicable laws, contracts, regulations etc.
- Ensure that Business Continuity is an essential part of municipal planning and development.
- Maintain staff, customer and stakeholder contact and confidence.

4.12 Spatial and Environmental SWOT Analyses

Strength/Opportunity

Good agricultural potential.

Good access- The Mthonjaneni Municipality is located along an important transport route, the R66 to Ulundi/Mthonjaneni to the north and Eshowe to the South.

Opportunity of Tourism development along the R66 route.

The introduction of Land use management system for the whole of the municipal area.

Weakness/Threads

Poor land use management in the Ingonyama trust land.

Communities settling along rivers without consideration of flood lines.

Poor access roads in rural areas.

Scattered developments in traditional authority areas.

5. Demographics Characteristics

5.1 Demographic Indicators

Population and Household Numbers

Mthonjaneni Municipality is located in King Cetshwayo District. The population increase in King Cetshwayo District, broken down per municipality is indicated in the table and explanatory figure herewith.

	KCDM	MTHONJAN ENI	IMFOLOZI	UMHLATHU ZE	UMLALAZI	NKANDLA
2011	90751 9	47818	122889	334459	213601	114416
2016	97113 5	78883	144363	410465	233140	114284
% Growt h	7,01%	64,97%	17,47%	22,73%	9,15%	-0,12%

5.2 Key Findings

The 2020/2021 IDP Review makes use of the 2011STATSSA Census data and the 2001 Census information. The 2011 Census Data indicates that the population of the Mthonjaneni Municipality had decreased from 50,382 people in 2001 to 47,818 people in 2011. After the redetermination of municipal boundaries in 2016 and the inclusion of four wards from Ntambanana Municipality the Mthonjaneni municipality now has a total population of 78 883. The 2007 figures indicate a total population of 47,010 which indicates a decline of -6.69% from the 2001 population statistics. When comparing the population growth between 2001 and 2011 a total negative growth rate of -5.25% was experienced.

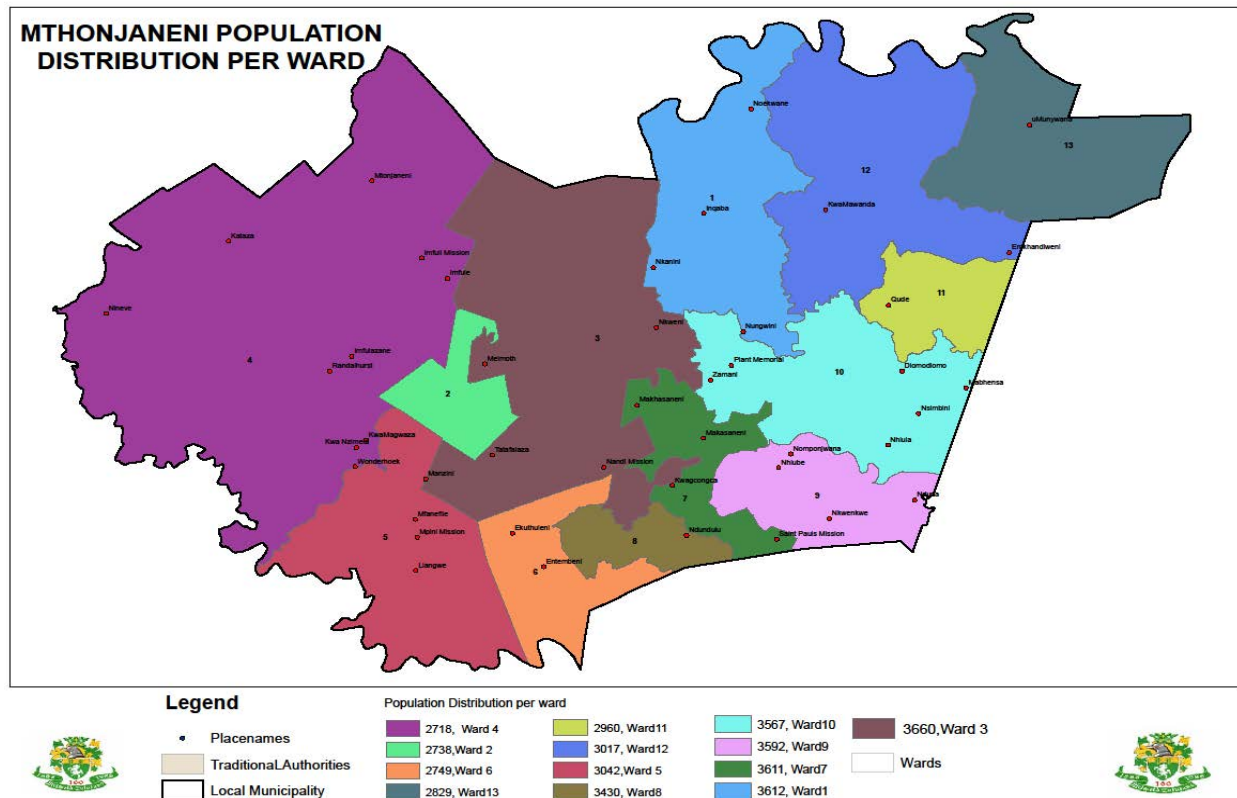
Population Density

Population densities in the Mthonjaneni Local municipality show a decline in density from the western boundary of the municipality to the eastern boundary of the Municipality. The highest densities are found around Ndundulu which has a density of 150 to 200 people per km².

In particular the northern, southern and central area stretching from the western boundary is primarily sparsely populated with a population density of less than 50 people per square kilometre. The north western boundary of the municipality has a density of less than 10 people per km². Please refer to figure 2 for depiction of the above.

Based on the STATSA 2011 census, the figure below indicates the population concentrations within the Mthonjaneni Municipality.

Map 15: Population Distribution



Gender Statistics

The 2016 figures indicate that there are 45.8% men in the municipality and 54.2% females. This indicates that there may be high levels of migratory labour from the municipality to other centres around the province and country.

Gender	Male	38257
	Female	45306
TOTAL		83563

Age Group Profiles

The age cohorts for the municipality are as follows:

Table 23: Age Distribution of the Population

	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 - 44	45 - 49	50 - 54	55 - 59	60 - 64	65 - 69	70 - 74	75 - 79	80 - 84	85+	Total
Mthonjaneni	12068	10519	10672	10479	8114	6176	4397	3554	3107	3296	2897	2180	1884	1139	1172	777	649	481	83563
Ward 1	1289	1185	1145	979	682	477	332	260	234	275	245	207	200	118	132	53	61	49	7923
Ward 2	784	633	660	709	832	804	610	463	420	334	258	136	99	47	39	18	7	8	6861
Ward 3	772	653	660	628	661	646	448	319	317	331	245	194	139	87	80	37	56	40	6312
Ward 4	634	598	589	526	594	598	480	391	292	268	224	204	127	80	71	45	31	20	5770
Ward 5	978	764	820	749	551	424	296	199	228	236	242	166	150	80	78	54	55	73	6142
Ward 6	1005	846	898	910	568	387	266	231	207	227	191	158	152	84	95	69	58	39	6392
Ward 7	1065	1034	1010	1002	732	506	317	303	234	284	188	209	172	109	118	119	79	43	7522
Ward 8	557	473	454	423	355	230	197	157	121	137	95	99	99	44	59	28	24	22	3573
Ward 9	1071	920	919	993	646	413	316	282	236	244	266	149	163	112	97	95	44	36	7003
Ward 10	1311	1123	1141	1172	755	573	389	300	249	304	318	215	203	114	131	76	85	49	8509
Ward 11	730	646	665	722	528	381	230	191	178	177	182	123	118	87	84	48	39	24	5152
Ward 12	1221	1010	1047	1066	798	452	313	294	259	309	269	199	180	109	112	88	72	49	7846
Ward 13	651	636	663	599	413	285	205	166	132	170	176	121	84	68	76	47	37	29	4558

6. Municipal Transformation and Organisational Development Analyses

6.1 Municipal Powers and Functions

A municipality has the functions and powers assigned to it in terms of Sections 156 and 229 of the Constitution. Chapter 5 of the Local Government: Municipal Structures Act, 117 of 1998 clearly defines those functions and powers vested in a local municipality, notably:

- a) To provide democratic and accountable government for local communities;
- b) To ensure the provision of services to communities in a sustainable manner;
- c) To promote social and economic development;
- d) To promote a safe and healthy environment, and
- e) To encourage the involvement of communities and community organizations in the matters of local government.

In setting out the functions of a Local Municipality, the Municipal Systems Act indicates that the Minister responsible for Local Government may authorize a Local Municipality to perform the following functions of a Municipality.

The Mthonjaneni Municipality performs the following:

- Potable water supply systems
- Bulk supply of electricity
- Domestic waste-water systems
- Sewage disposal systems
- Municipal Health Services.

More specifically, the objectives of local government are:-

- Air and Noise Pollution
- Building, Trading Regulations, Liquor and Public, Nuisance Control
- Fire Fighting Services
- Pounds
- Public Places
- Refuse Removal, Refuse Dumps and Solid Waste
- Street Trading
- Street Lighting
- Traffic and Parks
- Electricity Reticulation
- Cleansing and Trade Areas
- Beaches and Amusement Facilities
- Billboards and Display of Advertisements in Public Places
- Cemeteries, Funeral Parlours and Crematoria
- Licensing, Facilities for Accommodation, Care and Burial of Animals

- Fencing and Fences
- Local Amenities
- Local Tourism
- Municipal Airports
- Municipal Planning
- Municipal Public Transport
- Storm Water Management
- Local Sport Facilities
- Markets Stalls / Trade Areas
- Municipal Abattoirs
- Municipal Parks and Recreation

6.2 Institutional arrangements

The Mthonjaneni municipality has a staff component of 149 employees who are permanently employed, and 169 employees who are on contract.

A total number of twelve (12) staff members from the Ntambanana Municipality were redeployed to Mthonjaneni Municipality after the 2016 local government elections. The table below reflects the breakdown per department of the employees that were deployed to Mthonjaneni Municipality

DEPARTMENT	NUMBER OF STAFF
Office of MM	5
Finance	20
Technical Services	56
Community and Corporate Services	67

Municipal Directories

The municipality reviewed its organogram in 2018/2019 Financial year and has combined the department of community services and corporate services into one Directorate.

Table 24: Executive Management

DIRECTORATE	DIRECTOR RESPONSIBLE
OMM	Municipal Manager
Community and Corporate services	Director Community and Corporate services
Finance	Chief Financial Officer
Technical and Planning Services	Director Technical and Planning

The table below highlight the responsibilities of each municipal department.

Table 25: Departmental Functions

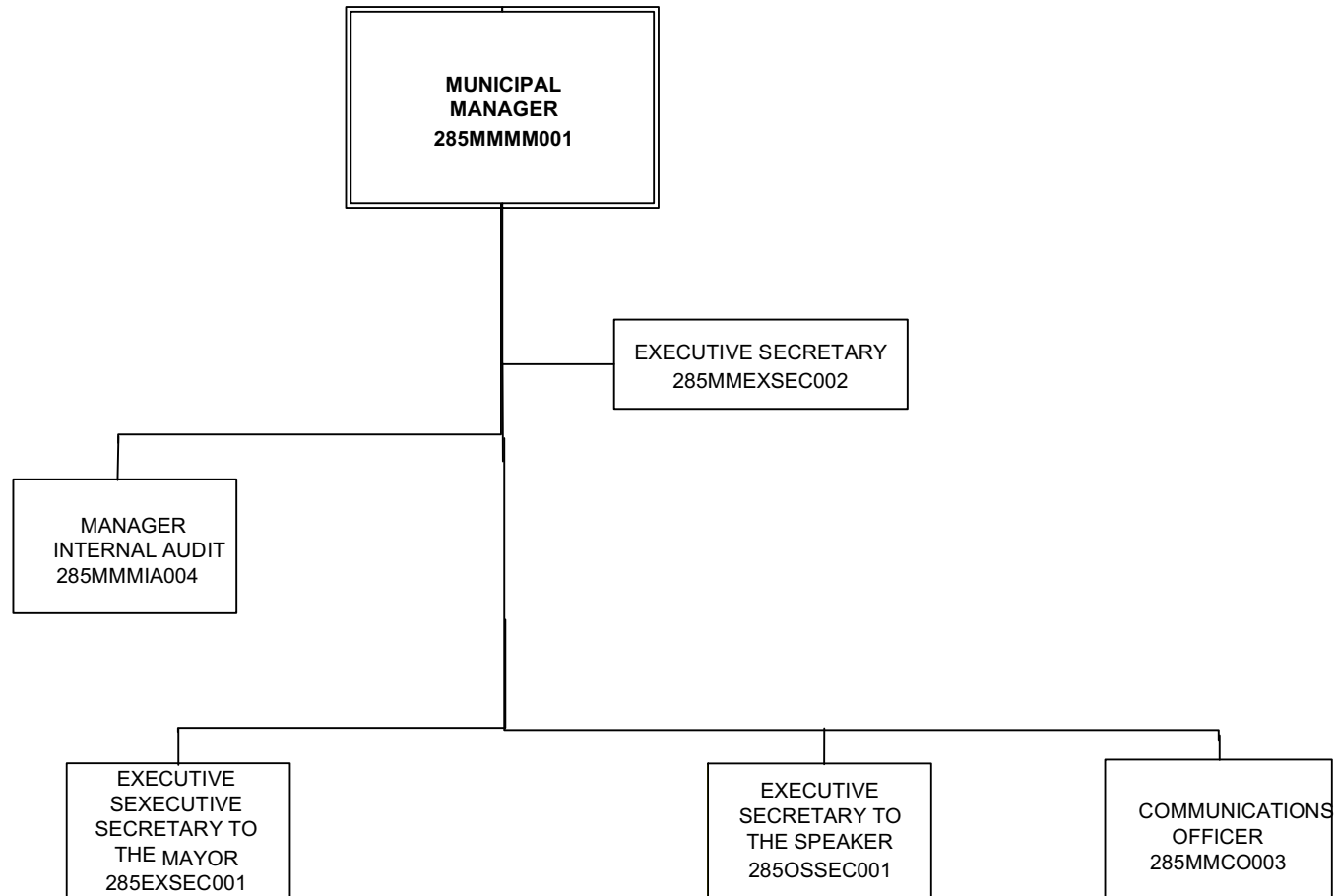
Department	Functions
Office of the Municipal Manager	Municipal Management; Municipal Finance Management. Internal audit. Communication and office bearer support.
Community and Corporate Services	Administration: it is responsible for municipal administration; property administration; security and cleaning; libraries; human resources; legal services; business licenses; information technology. : It is also responsible for community services, youth services and empowerment. Protection: it is responsible for fire-fighting services; noise pollution; pounds ; public places; street trading; traffic and parking; disaster management ; control of public nuisances; municipal public transport; public safety; motor licensing ;roadworthy testing; and municipal policing. Communication, LED, Tourism
Finance Services	Income: is responsible for Revenue Management; Debt Management and internal control. Expenditure: is responsible for expenditure management; procurement; materials; insurance; internal control and properties.
Technical Services	Community services: is responsible for Building regulations; Electrical is responsible for electricity and gas reticulation and street lighting. Civil Services: is responsible for air pollution; municipal airports; municipal public works; stormwater management; cemeteries; funeral parlours and crematoria; cleansing; fence and fences; burial of animals; local sports facilities;; markets; municipal abattoirs; municipal parks and recreation; municipal roads; and refuse removal, refuse dumps and solid waste. Municipal Planning (IDP and PMS)

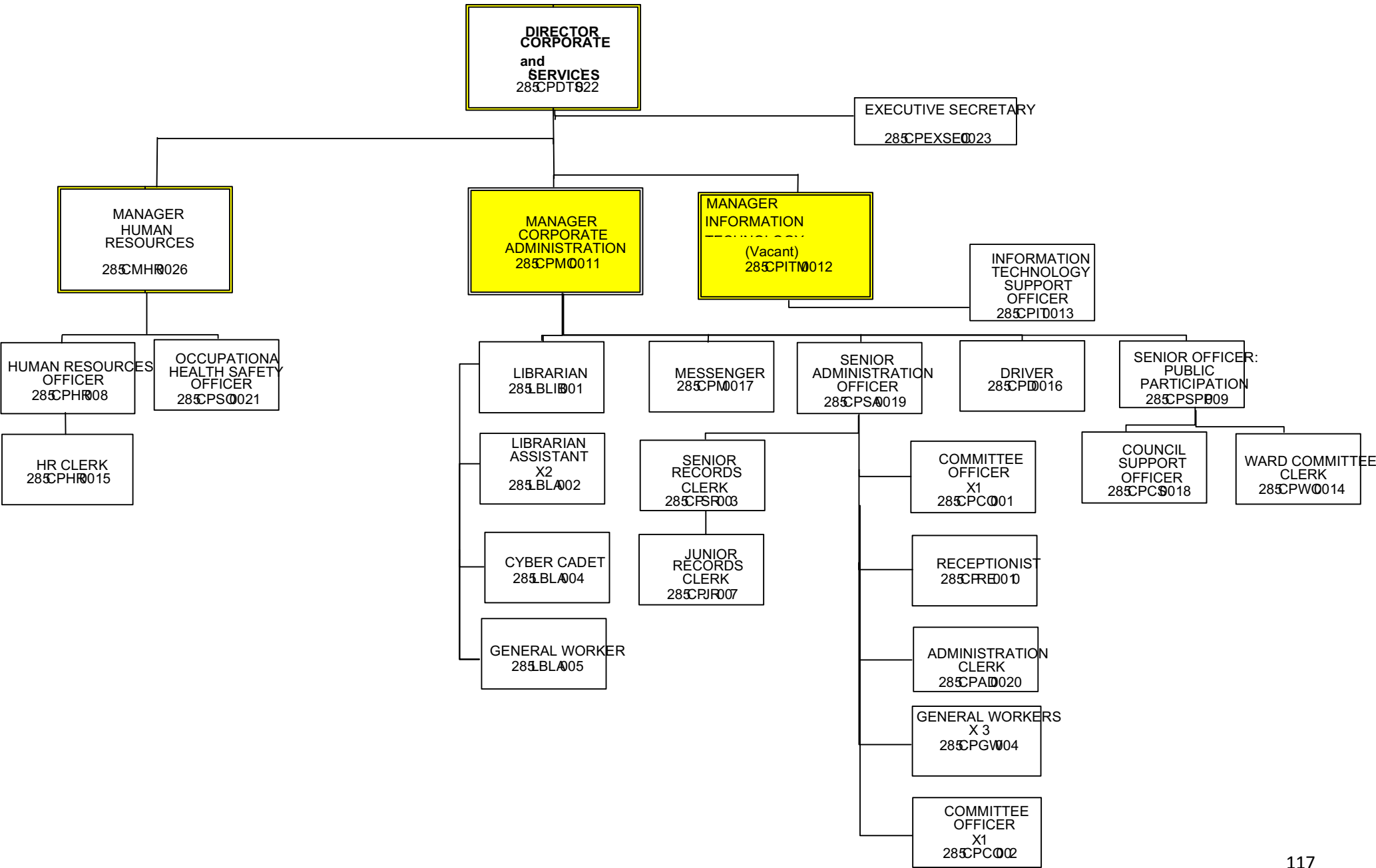
The Organogram attached below intends to show the current vacancies within the Municipality, starting from the strategic office (Office of the Municipal Manager) to Community and Corporate Services, Technical Services and Financial Services Departments. The Organogram indicates the status of budgeted and non-budgeted posts within Mthonjaneni Municipality.

Mthonjaneni Local Municipality Organogram

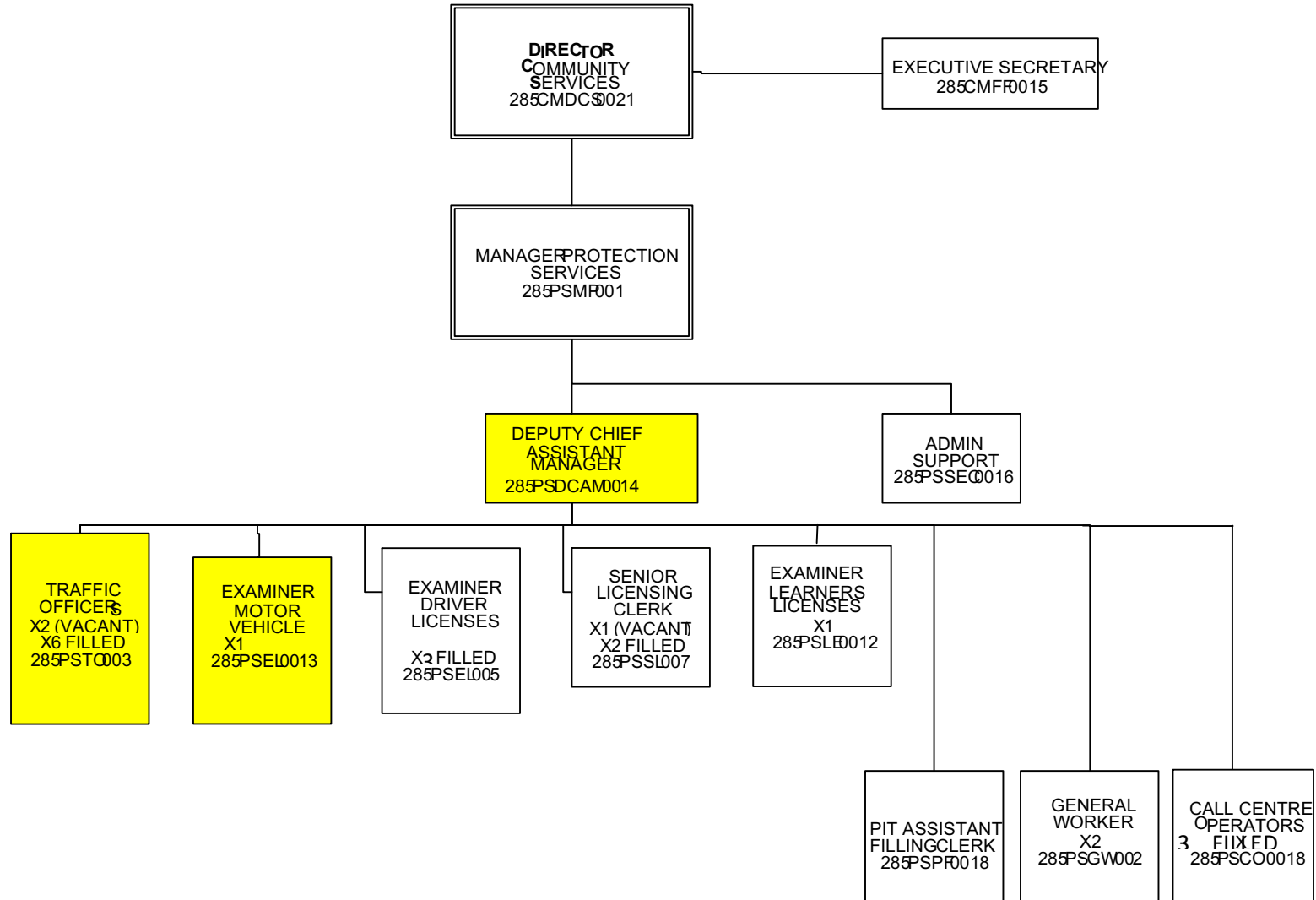
Below is the Mthonjaneni Local Municipality organogram which was approved by Council in March 2019. The organogram is been implemented and all the vacant budgeted positions will be filled during the 2020/2021 financial year.

OFFICE OF THE MUNICIPAL MANAGER

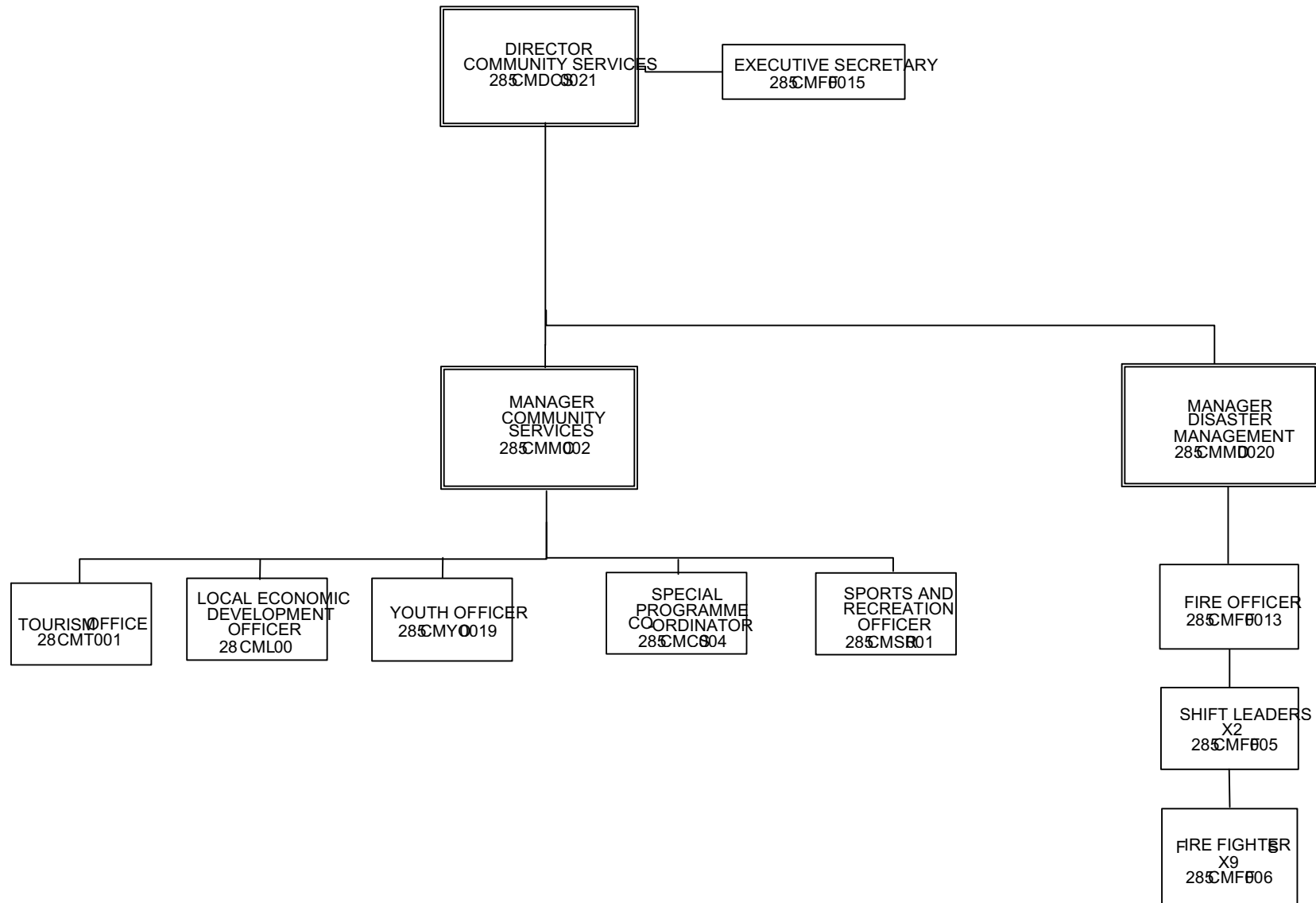




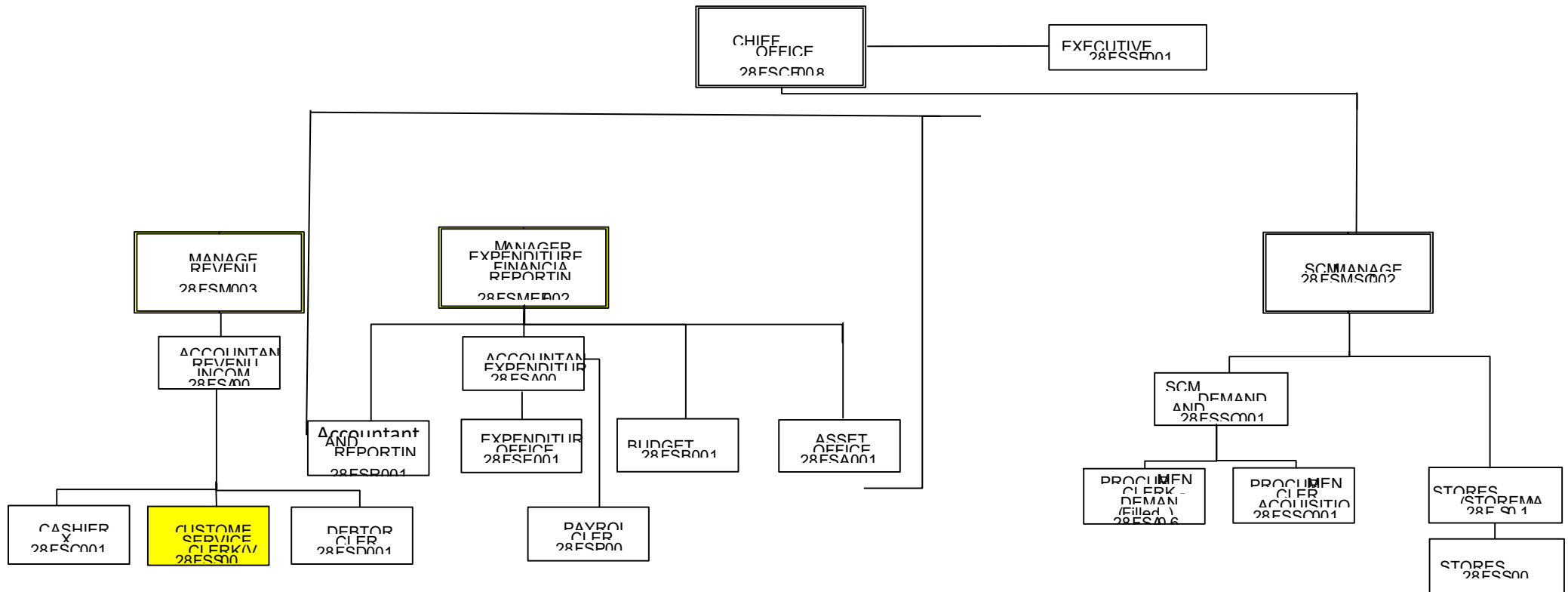
COMMUNITY SERVICES DEPARTMENT PROTECTION SERVICES



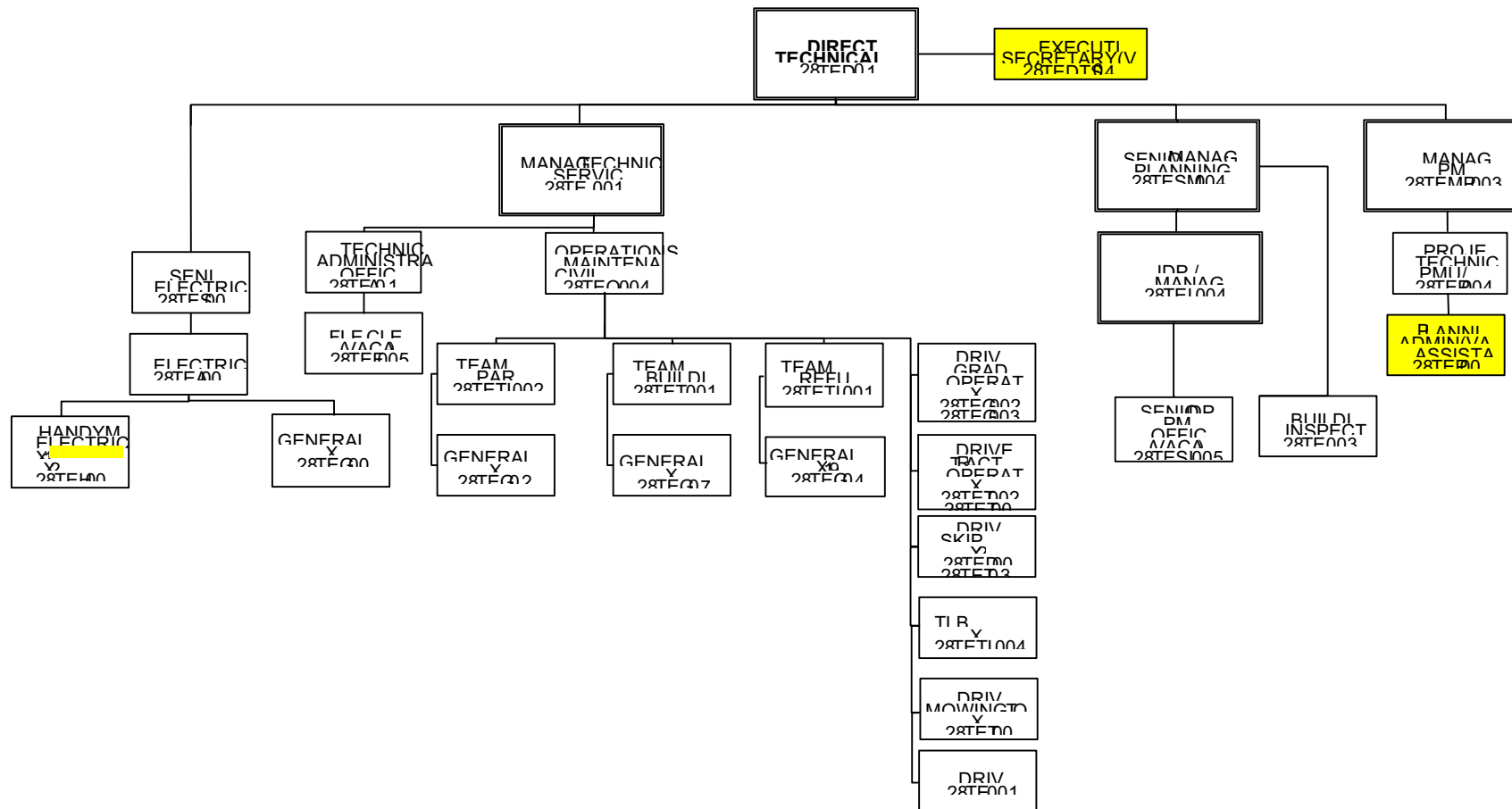
COMMUNITY SERVICES DEPARTMENT



FINANCE DEPARTMENT



TECHNICAL SERVICES DEPARTMENT



The number and levels of employees from designated and non-designated groups (as at February 2020) is provided in the following table:

Figure 26: Designated and Non-Designated Employment Numbers

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	3	0	0	0	1	0	0	0	0	0	4
Senior management	10	0	0	1	1	0	0	0	0	0	12
Professionally qualified and experienced specialists and mid-management	1	0	0	1	3	0	0	0	0	0	5
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	17	0	0	0	11	0	0	0	0	0	28
Semi-skilled and discretionary decision making	31	01	0	0	25	0	0	0	0	0	57
Unskilled and defined decision making	19	0	0	0	16	0	0	0	0	0	35
TOTAL PERMANENT	81	01	0	2	57	0	0	0	0	0	141
GRAND TOTAL	81	01	0	2	57	0	0	0	0	0	141

Vacant Positions

The Municipality currently have a total of Seven (08) budget vacant positions in its organogram. These positions are in the process of being filled during this 2020/2021 financial year.

The municipal Council took a resolution to combine two services i.e. Community and Corporate into one Directorate. The position of the CFO has also been filled.

Human Resource Strategy

Introduction

The Municipality does not have a single Human Resource strategy. The Municipality is in the process of appointing the service provider to develop the Human Resource strategy. The strategy should be developed and approved by Council during the 2020/2021 financial year.

The post of the Municipal manager, Director corporate and community services and Technical Director were filled during the 2016/17 financial year. The post of the CFO has been vacant due to resignation and has been filled during the 2019/2020 financial year

Employment Equity

In compliance with the Employment Equity Act (55 of 1998), the municipality has developed and implemented an Employment Equity Plan. The Employment equity plan was approved by Council by 2017/2018 financial year.

Skills Development

The municipality has developed a comprehensive Workplace Skills Development Plan for the period under review in accordance with the relevant legislation.

Municipal Human Resource Policies

The municipality has developed a number of policies that deal with Human Resource issues. The following are the policies that have been adopted by Mthonjaneni in order to address its institutional related matters and are currently being implemented:

Recruitment, Selection, Promotion, Demotion, Transfer, and Appointment Policy

The Municipality's policy must comply with the requirements of the Labour Relations Act, No. 66 of 1995, as amended, the Basic Conditions of Employment Act, No. 75 of 1997, and the Employment Equity Act, No. 55 of 1998.

All employments in Mthonjaneni are effected in terms of the above policy. This policy set out the principles which shall be followed in filling any vacancy within the institution. The policy is indeed implemented as and when there is recruitment processes.

Training and Development Policy: The objective of this policy is:

The objectives of this policy document is to create a pool of adequately trained and readily available personnel within the Municipality, thereby enhancing the organisation's ability to adopt and use technology to enhance the organisation's competitive position and improves employee morale.

This policy is currently being implemented i.e. there has been a number of trainings and workshops that took place. In May 2017 there was a strategic training workshop that was conducted between the Management and the new Councillors, this was done in order to share knowledge and increase understanding about the Local Government. The municipality continues to implement the policy the evidence to that is that the municipality develops the Personal Development Programme, keeping training records and etc. The policy has the number of types of development, which aims at expanding the capacitating.

Study Scheme Policy

The objectives of this policy document is to create a pool of adequately trained and readily available personnel within the Municipality, thereby enhancing the organisation's ability to adopt and use technology to enhance the organisations competitive position and improves employee morale.

To ensure a uniform procedure to all employees of the Mthonjaneni Local Municipality with regard to further studies.

To afford employees the opportunity to further their studies.

To encourage employees to acquire qualifications and skills.

To develop and empower staff to expand their career prospects within the Mthonjaneni Local Municipality and other public sector institutions.

To ensure uniformity in granting financial assistance with regard to further studies.

Other Human Resources Strategies (Policies) that have been adopted with the intension of ensuring that institutional matters are addressed in a democratic way and cost effective manner include the following policies and the these policies are also being implemented accordingly i.e.:

- Employment Equity Policy
- Overtime and Stand-by Policy

Human Resources Plan

The municipality currently does not have a Human Resources Plan. The plan is currently been developed and will be approved by Council in June 2019.

Mthonjaneni Information Technology General Controls (ITGC) Framework

The Mthonjaneni Municipality adopted its information Technology Governance Policy during the 2015/2016 financial year and will be reviewed during the 2020/2021 financial year. The purpose of the policy is to define the guidelines, principles and policy statements for the governance of Information Technology (IT) with the Mthonjaneni Municipality.

In most enterprises, IT has become an integral part of the business and is fundamental to support, sustain and grow the business. Successful enterprises understand and manage the risks and constraints of IT. As a consequence IT is of strategic importance.

Governance developments is primarily driven by the need for the transparency of enterprise risks and the protection of stakeholder value, the use of technology has created a critical dependency on IT that calls for a specific focus on IT governance.

The Mthonjaneni IT governance policy provides for applying the principles of corporate governance strategically to directing and controlling IT in Mthonjaneni Municipality and it specifically has emphasis to the following:

1. The measurement of IT performance
2. The potential of IT to leverage and influence intangible assets (e.g. information, knowledge, trust,
3. The review and approval of IT investments
4. The alignment of IT and business strategies
5. The assurance of IT-related risk transparency.

IT Steering Committee

The Mthonjaneni Municipality established its IT steering committee during the 2016/2017 financial year. The IT Steering Committee reports to the Municipal Manager and Council on the Governance subset of the Municipality IT Balanced Scorecard, consisting of;

- Governance Decisions Register – overall IT Governance Decisions and;
- Governance “Health” – Overall Effectiveness and Efficiency of the IT Governance

6.3 Powers & functions

Table 26: Mthonjaneni Municipality Powers and Functions

Function	Responsible Department
IDP	Planning
Electricity	Technical Services
Solid Waste	Technical Services
Municipal Roads	Technical Services
Fire Fighting Services	Community & Corporate Services
Cemeteries	Technical Services
Tourism	Community & Corporate Services
Grants distribute	Budget and Treasury
Collection of levies	Budget and Treasury
Other: Disaster Management	Community & Corporate Services

6.4 Municipal Transformation and Organisational development: SWOT Analyses

Strengths

- Human capital
- HR policies in place
- Sound and good administration
- Committed staff and Councillors

Weakness

- Minimum funding source
- Experienced staff retention
- Retaining of staff
- Inadequate training and development of staff

Opportunities

- Communities have access to services
- Dedicated programs for community participation
- On-going public participation process

Threads

- Lack of continuity of management skills
- Long term sustainability under threat
- Increased administration cost

7. Service Delivery and Infrastructure Analyses

7.1 Introduction

Within the Technical Services Planning Department there is a unit responsible for transport and roads. As such, the unit has the following sub-sections:

- Urban Roads and Road Markings
- Transportation Planning and Traffic Signs
- Rural Roads

7.2 Roads

The local municipal area is traversed by numerous roads, forming the base of the primary transport methodology within this municipality. As such, the roads may be regarded as the most important functional service which needs to be provided so as to ensure effective transportation of the communities between places of work and the respective residences, and to utilize community facilities or provide access to economic opportunities.

There are numerous levels of roads traversing the municipality namely:

Provincial roads (P routes);
roads (D routes);
Local roads (L routes); and
Community access roads (A routes).

The condition of the roads varies throughout the municipality. The condition of urban roads is fairly decent. The table below provides an indication of the condition of urban roads.

Table 27: Road Conditions

Condition of criteria	Distribution	
	% of surfacing	% of structure
Very good	21	36
Good	22	22
Fair	33	14
Poor	13	23
Very poor	11	5

Rural roads

Condition assessment

The condition of the rural road was assessed during in loco inspections. The condition could be classified according to the following norms:

- Gravel road, being those that had formally been shaped and provided with a gravel surface.
- Dirt roads, being those that were merely formed through blading.
- Tracks, being those formed through use of only vehicles.

The majority of the roads in existence were classified as dirt roads, being those which had merely been bladed, with no formal gravel surface or storm water drainage. These however still provide access to homesteads. .

Road functionality

During the in loco inspections, various roads were flagged by the local community as being of importance. Various other roads have also been identified which have not been flagged by the community during public meetings, but which have been identified in terms of physical functionality to be of importance, being those roads providing through access, implying use by busses and taxis, or serving community facilities such as schools and others.

7.2.1 Upgrade and expansion of roads in various wards

Arising from the condition assessments done by the municipality, the upgrade requirements to the existing road network have been determined. The municipality has allocated 50% of its 2018/2019 MIG allocation to rural and roads upgrade in order to address these issues.

7.2.2 Maintenance and Rehabilitation of existing access roads in rural and urban areas

Status of Rural Roads Projects

The Mthonjaneni Municipality is responsible for the provision and maintenance of access roads within its jurisdiction.

The table below reflects the projects implemented during the 2018/2019 financial year and which are still to be completed.

Table 28: Status of rural roads projects

PROJECT NAME	WARD	STATUS
Nungwini gravel road	Ward 1	53% complete (May 2019)
Imfule gravel road	Ward 4	63% complete (May 2019)
Manzawayo gravel road	Ward 5	72% complete (May 2019)
Noziphiva gravel road	Ward 10	28% complete (May 2019)

Road Maintenance Plan

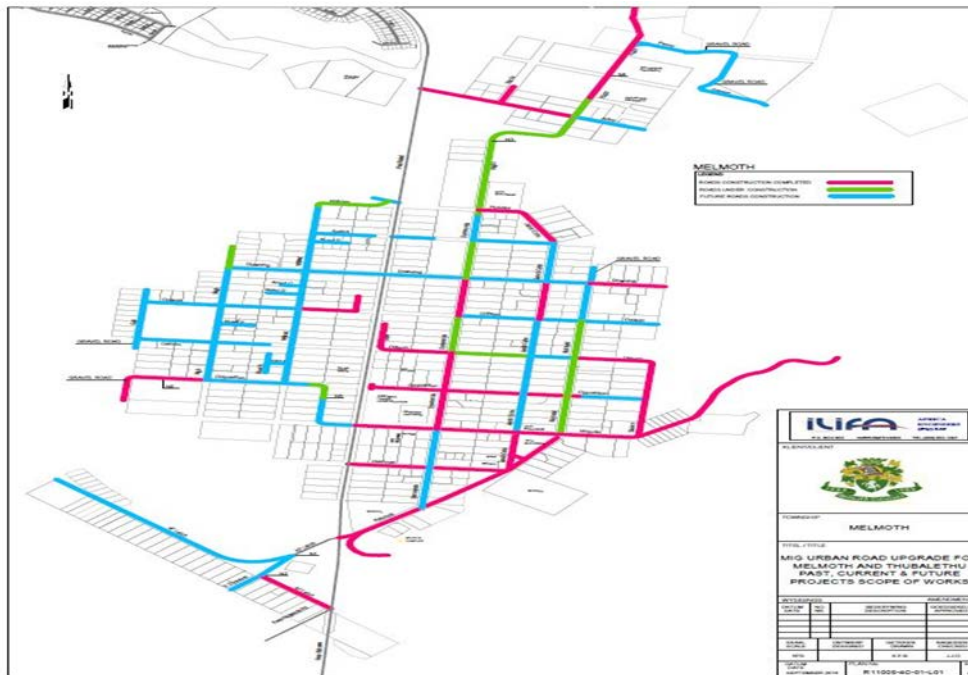
The maps below reflect the Mthonjaneni Municipality roads maintenance plan that was prepared to assist in addressing road maintenance backlog and also in identifying and prioritising of roads projects that need to be budgeted for. The road maintenance plan was approved in April 2017.

The table below reflects a list and status of urban roads projects that were implemented in 2020/2021 financial year.

Table 29: Urban road project

PROJECT NAME	WARD	STATUS
Urban roads upgrade and rehabilitation	Ward 3	57% complete (May 2019)

Map 16: Melmoth Town Roads maintenance plan



[illegible]

Map 18: Rural roads maintenance

The Mthonjaneni municipality is responsible for transport management within its area of jurisdiction. It has however been challenging for the Municipality to manage transport systems within its area because it currently does not have an integrated transport plan in place. A budget has been set aside for the development of the plan and will be developed during the 2020/2021 financial year.

The R34/R66 which runs through Ward 2 and 3 is the main transportation route between Mthonjaneni/Ulundi and Empangeni/Richards Bay.

The provincial road corridors (R34, R66) play a part in the development of urban settlements along the routes.

The R34 and R66 routes provide regional accessibility. The R34 is the strongest, being the main transport link between Richards Bay and Mpumalanga.

Road Classification

Four types of road classes have been identified according to the KwaZulu-Natal Department of Transport database. This classification is as follows:

National Roads

These roads denoted with the prefix 'N' e.g. N11 and are primarily the responsibility of the Department of Transport and are maintained through the South African National Roads Agency.

Provincial Main Roads

These are higher order provincial roads all with the prefix 'P' e.g. P47-3. There is a further breakdown of this class into types of main roads, each type meeting certain requirements pertaining to traffic volumes, freight requirements and so forth and hence not all main roads are surfaced roads. The Department of Transport also uses another classification system and therefore some provincial roads are also referred to as Routes (R). In the case of Mthonjaneni, the P47-3 is also referred to as the R66, and the P253 and P48 as the R68.

Provincial Roads

All these roads are the responsibility of the Department of Transport and the majority are not surfaced. Again there is a further breakdown into types of roads, each allocated different design and maintenance specifications. These roads normal have a prefix 'D' e.g. D550. Provincial Local Roads 77

Formerly, these were known as "Community Access Roads" and are classified as third order roads with minimum design requirements. In this class there is a further breakdown into two types, namely gravel and earth roads (tracks).

Public transport

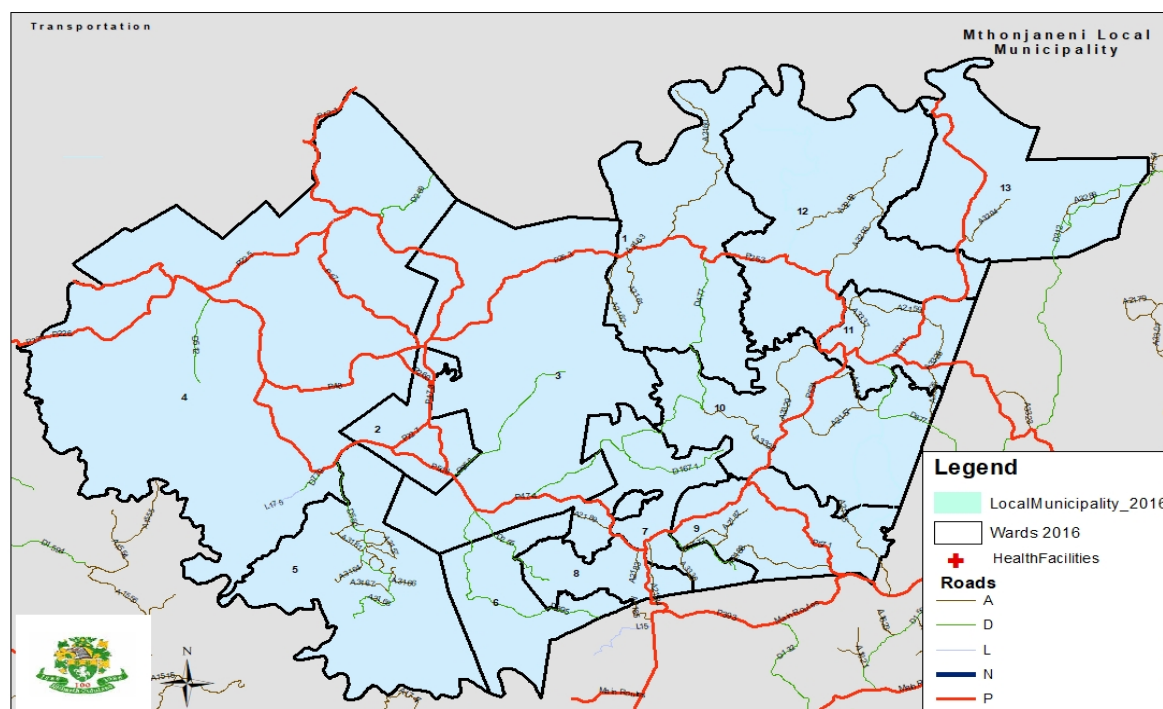
As many of the community do not have their own motor vehicles, public transport is essential in providing mobility and accessibility of these communities to socio-economic facilities. Transportation within the Municipality is almost exclusively achieved through the use of road vehicles. Categories of transport are as follows:

- Public Transport – Buses
- Public Transport – Taxis
- Private Transport – Passenger Vehicles
- Private Transport – Trucks

There is a widespread bus network which focuses primarily on short trips to the minor population centres. These centres include: Melmoth, Imfule Mission, Mfanefile, Makhasaneni, Hlabatini, Yanguye, Mkhandlwini, Mkwenkwe, Ndundulu, KwaMagwaza.

Existing transport infrastructure within Mthonjaneni Municipality

Map 19: The major transport routes and all existing in taxi ranks.



KCDM GIS: 2019

As mentioned in the transport analyses the Mthonjaneni Municipality consists of the R34/R66 that runs through the Melmoth town which is also the main transportation route between Mthonjaneni/Ulundi and Empangeni/Richards Bay. The P700 is a new Provincial road that rural connects the community of Obuka area to neighbouring towns of Empangeni and Ulundi.

7.3 Electricity

Eskom, the national electricity supplier, supplies electricity in bulk within the municipality and supply to rural areas is slow due to high costs associated with scattered settlements and no anchor clients. Melmoth town buys electricity in bulk and distributes it to its consumers in the Melmoth town and Thubalethu Township.

Figure 20: Electricity Provision for Lighting (STATSSA, 2011)

Map to be inserted in the final IDP

7.3.1 Expand electricity accessibility in various wards

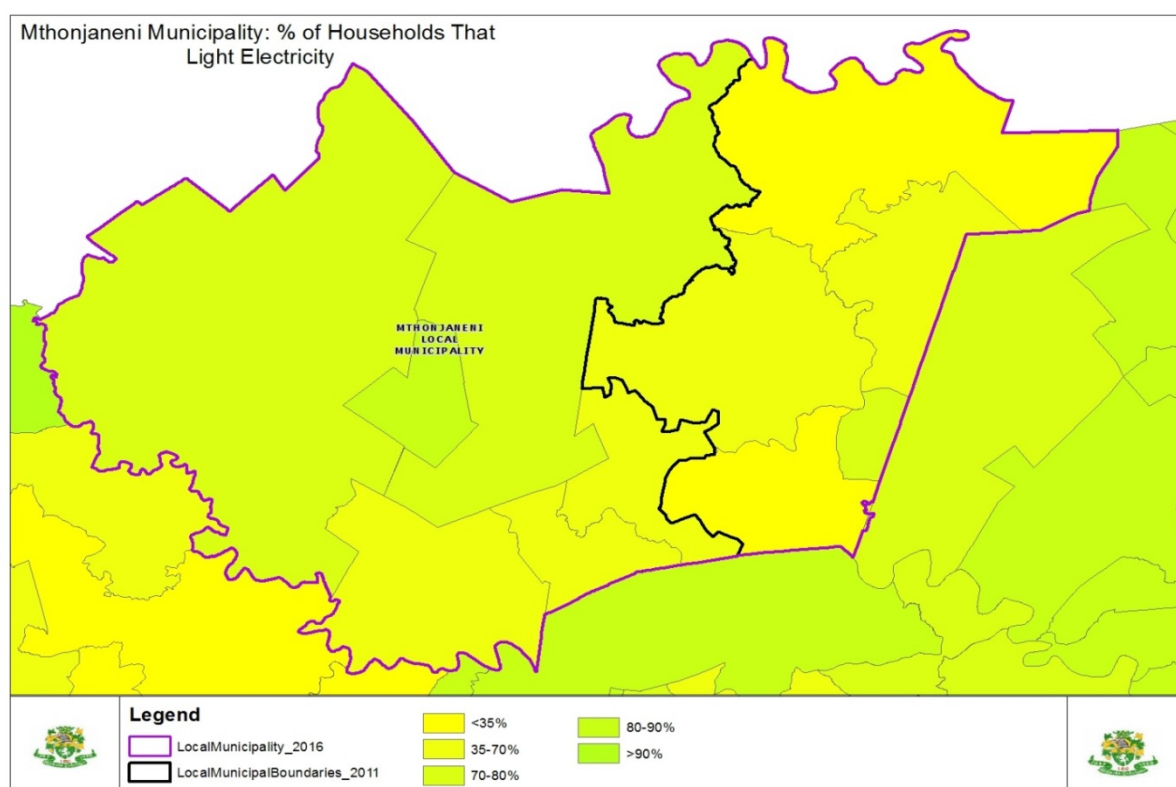
Addressing the backlog

The municipality currently has rural electrification projects in three wards which are currently underway and are phased over two financial years.

Table 30: Electrification project planned for the 2018/2019 and 2019/2020 financial years.

Project Name	Ward	No. of connections
Makhasaneni/Soqiwa	3 & 7	199 connections (Soqiwa) 275 connections (Makhasaneni)

Map 21: reflects the electrification backlog in Mthonjaneni Municipality.



7.3.2 Expand and maintain existing network electricity in urban and rural areas.

Energy Sector Plan (ESP)

The King Cetshwayo Municipality appointed NET Group Solutions to review the energy sector plan as developed in 2003. The plan includes new funded projects by Eskom, Department of Energy (DME), Department of Local Government (known as COGTA) and the municipalities.

The review of the energy sector plan is considered to be a desktop study that addresses following:

- Confirm electrification status within the District
- Assess estimated electrification backlogs
- Develop perspective of electrification requirements to eradicate backlogs

Determine suitable options for feasibility studies for investigation of the use of renewable energy sources
Develop cost estimate and implementation schedules to eradicate backlogs

Objectives of the Energy Sector Plan

The objectives of the energy sector plan are as follows:

State the vision for electricity services and support objectives of the IDP
Prioritise areas and agree on priority / to clear backlog
Compile a load forecast for capacity planning
Define study areas for renewable energy feasibility investigations
Compile capital project lists and budgets
Communicate the plan to all stakeholders

The ESP is currently being implemented by the Mthonjaneni municipality.

The Electricity Supply Development Plan (ESDP)

The ESDP key outcomes of the plan include:

Clustering of dwellings, communities, clinics and schools into sustainable nodes;
The identification of cost effective supply routes;
The preparation of an Electricity Budget based on priorities for the DM; and
The preparation of a five year Electricity roll-out plan.

In order to achieve the above outcomes, the Mthonjaneni municipality through the assistance from stakeholders will encourage the future proposed developments to take place within the existing nodes and this includes RDP housing.

Electrification Operations and Maintenance Plan

The municipality is not an Energy authority however has been implementing electrification projects through the INEP grant. For the past 5 years the municipality has constructed approximately 2500 new electrification connections to new rural households. However as indicated in this document the electrification backlog is still high and there is still a high demand for new electrification projects and infill projects. These rural projects are not maintained by the municipality. The project is handed back to ESKOM and once completed and ESKOM does all necessary maintenance to all rural electrification infrastructures.

Although the municipality currently does not have electrification operations and maintenance plan but maintains the electricity infrastructure for Melmoth town and Thubalethu as per monthly maintenance schedules that are developed internally by the municipal electrical engineer.

The municipality has set aside a budget for the development of an electrification operations and maintenance plan during the 2020/2021 financial year.

Electrification projects constructed in the past 2 years

The table below reflect funded electrification projects within the Mthonjaneni Municipal area that were implemented in the past 2 years through the INEP grant.

Table 31: Electrification projects

WARD	PROJECT NAME	NO OF CONNECTIONS
Ward 4, 7 & 8	Electrification of Siyavuna Phase 1 ,2&3	803
Wrd 4 & 5	Electrification of Bomvini,Manzawayo and Thunzini	270
Ward 3 & 7	Makhasaneni Soqiwa Electrification Project	474

7.4 Sport and Recreational facilities.

7.4.1 Expand accessibility of Sports and Recreational facilities in various wards.

The municipality has a plan of developing local talent around the area of Mthonjaneni. Sports and recreational facilities have been constructed in wards and are made accessible to community members. The access to facilities around the Melmoth town is through booking from the municipal offices and those that are in wards are accessible through ward councillors.

7.4.2 Maintenance of Sports and Recreational facilities in various wards.

There is a clear plan to ensure that the sports and recreational facilities are effectively maintained for ease of use by the community. There are CDW's in all wards which are responsible for the maintenance of these facilities. Furthermore the municipality also has a program where in the EPWP workers go to wards to clean the sports and recreational facilities which include deforestation and grass cutting.

7.5 Community facilities

7.5.1 Expand accessibility of community facilities in various wards

Communities also utilise the community facilities during various functions lie weddings, funerals, church services and meetings. The access to facilities around the Melmoth town is through booking from the municipal offices and those that are in wards are accessible through ward councillors.

7.6 Cemeteries

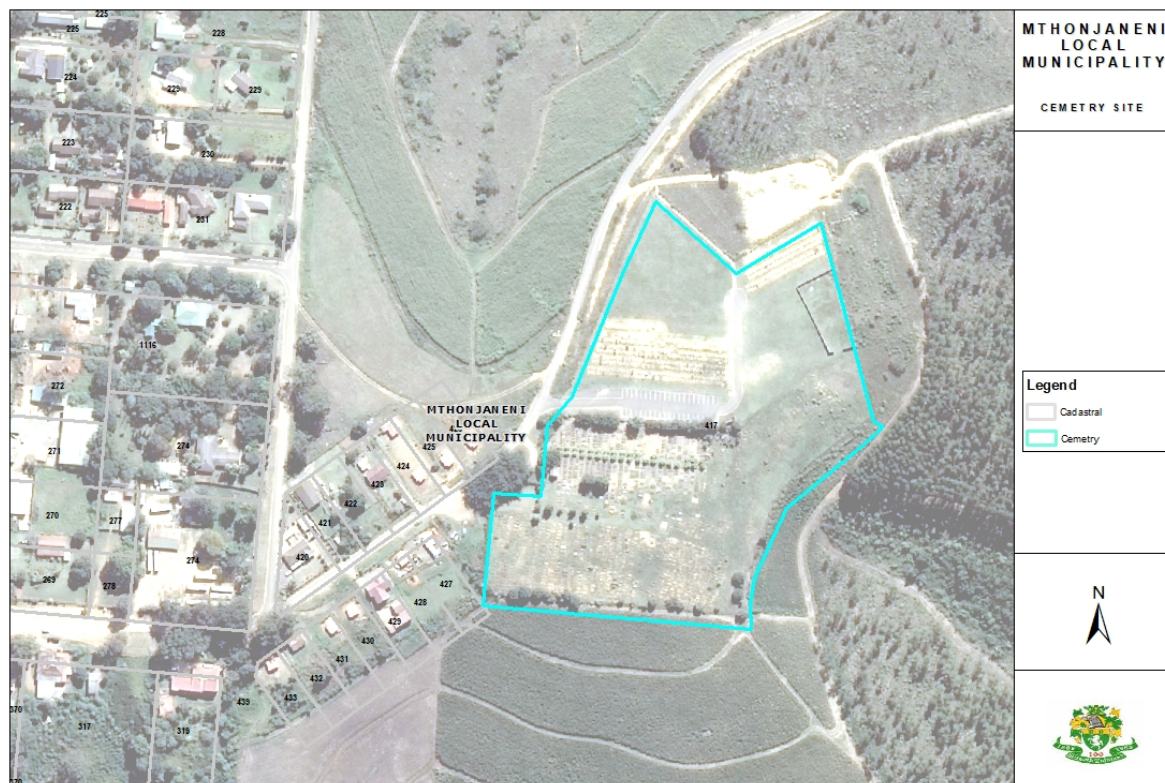
Mthonjaneni Municipality is responsible for local cemeteries. There is an existing cemetery in Melmoth town, KwaMagwaza, Mfanefile, Ekuthuleni and at Imfule Mission as well as a cemetery adjacent to the church in KwaYanguye.

7.6.1 Expand accessibility of community cemeteries in various wards.

Previous studies identified that there is insufficient capacity and it was recommended that:

The cemetery in Melmoth be extended by an additional 4 hectares in order to provide 6 400 burial sites. The Imfule Mission cemetery be extended by 5 hectares to provide 8 500 burial sites; and a new cemetery be developed in Ndundulu. The Melmoth cemetery has been partially extended with an additional 2 000 sites and is trying to source funding to address the other identified cemetery needs. The Mthonjaneni municipality has set aside a budget for the extension of the Melmoth cemetery.

Map 22: cemetery site



Source: (KCDM – GIS 2019)

7.6.2 Maintenance of community cemeteries in various wards

Cemeteries are regularly maintained in order to ensure that they are in an acceptable condition. Maintenance includes the cleaning of paved areas, grass cutting and removing unnecessary soil. The cemeteries in Melmoth town are accessible through the locked gate which is only opened when there are funerals or at a request by families of people buried on the cemetery.

7.7 Crèches

Mthonjaneni municipality has identified areas in various wards where there are no crèches. Crèches have then been built and are utilised by the community. The municipality also ensure that these crèches are maintained so that they remain in good condition.

7.7.1 Enhance Early Childhood Development

A budget has been set aside to provide resources for early child development. ECD centres are identified by councillors each year and the municipality provides aids that assist in these centres.

7.8 Libraries

7.8.1 Expand accessibility and maintenance of library

There is only one functional library which is located in the town of Melmoth. People from all the wards come to this library for information. The library is accessed by both the learners and the public. It has various sections to accommodate different age groups, varying from pre-school age learners to adults.

Community members utilize the books and other material inside the library. There is also membership provided by the library which allows the user to take out the books with him/her out of the library. Learners and teachers have an access to internet and all the material has been provided by Department of Arts and Culture.

Mthonjaneni municipality is responsible for all the maintenance processes of the library. This is done to ensure that the library is always having a conducive atmosphere for its purpose.

7.9 Refuse removal

Urban

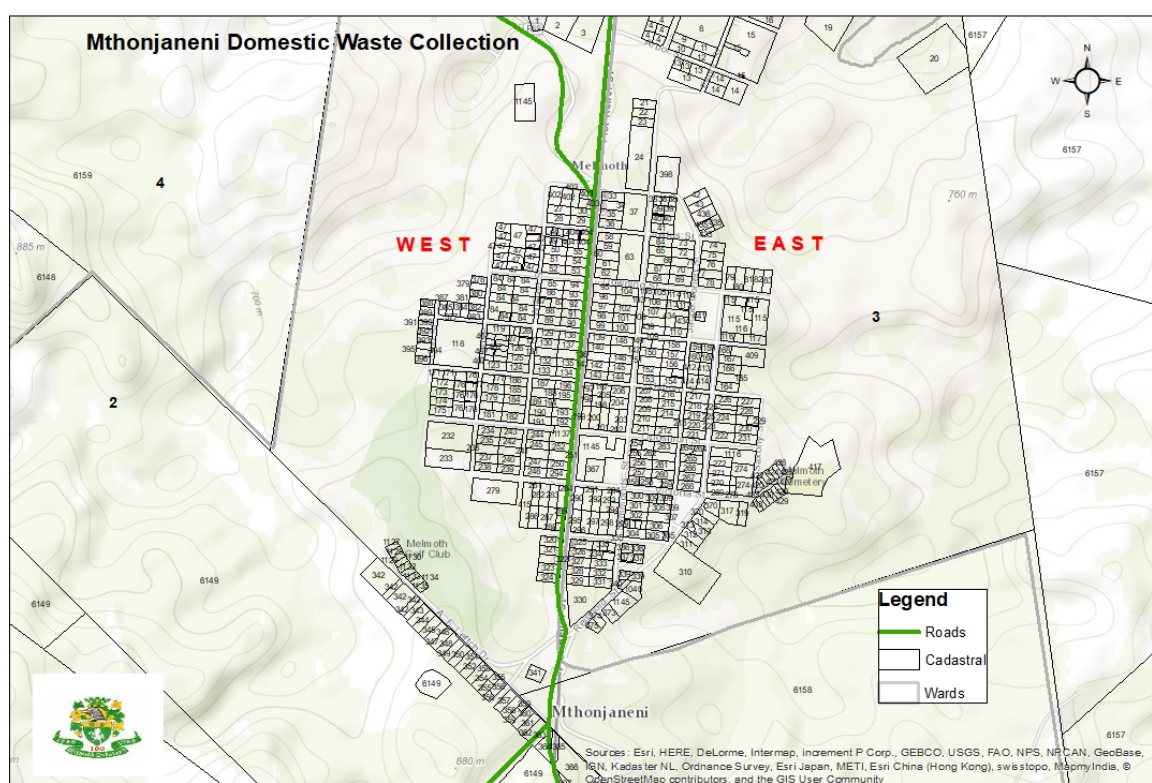
The Municipality offers a high level access to waste in the urban areas (Melmoth and Thubalethu), where waste is collected from households and businesses on weekly basis or when requested during festive season. Households are supplied with 2 refuse bags per week, and instructed to place full bags on the kerbside for collection as per a specific refuse collection programme. Tractors and trailers are used to collect the waste. Waste is removed from households within various areas as indicated in

. Skips are strategically placed within the urban areas for effective waste management.

Table 32: Timetable for waste collection

	Monday	Tuesday	Wednesday	Thursday	Friday
Household	x	x		x	x
Business	x		x		x
Garden waste		x		x	

Map 23: Urban domestic waste collection



Rural

84 % of the population in MLM is living in rural areas. MLM has strategically placed skips in some of the rural areas (wards 2; 4 and 6) as an initiative to grant rural areas a waste removal service (Refer to Waste Receptacles).

The municipality has purchased 20 skips which are strategically placed within the boundaries of MLM in the following areas. These skips in the rural areas will be collected every two days and if it is full before the two days the full skips will be collected and the waste will be disposed of.

Table 33: Record of skips within MLM

Ward	Area	Number of skips
2 & 3	Melmoth	12
2	Thabalethu	3
4	KwaMagwaza	1
8	Ndundulu (only used for cleaning services)	3



Strategically placed skips around MLM

MLM currently own 70 x 70 litre concrete waste bins which are strategically placed around public areas within the urban area in MLM. These bins are placed around urban public recreational areas, i.e. swimming pool, centenary area, pavements, taxi rank etc. It is the responsibility of waste management section within MLM to collect and remove waste from the concrete bins.



Figure 5: Concrete waste bins in urban areas

The farms and traditional/tribal areas are not receiving any service except for the provision of exposure to cleaning campaigns. In the absence of resources temporary workers are utilized to attend to littering. Waste in the serviced areas is removed in black bags supplied by the MLM.

Rural Areas

With no waste collection taking place in the rural areas (only cleaning services at the 2 market stalls in Ndundulu), illegal dumping as well as burning of waste is taking place in MLM and it's a huge problem within the Municipality. This is a

problem further compounds the effect of contamination, pollution, damage to tourist assets and the environment. There is also no real policing of illegal dumping.

There are small businesses in the rural areas of MLM, and waste is not collected by the Municipality. Waste produced by the small business is mostly burnt or buried on site.

Urban areas

The main urban area of Melmoth and Thubalethu are serviced by the Municipality. The Melmoth waste disposal site is available for the public to use in regards to disposal of their wastes. Garden waste and builders rubble removal is not formally addressed and is either taken to the waste disposal site or dumped illegally by the general public, or collected by MLM upon request. MLM collects garden waste and builder's rubble from households and businesses with a trailer. These waste streams are often left on the verges with general household/ business waste for collection.

The estimated number of households in the Municipality is 10433 and 3 084 of the households waste is collected by the MLM, this is a shortcoming which requires urgent attention.

The table below illustrates how waste removal is handled in the area. According to Stats SA, (2011) 29.56% of households did receive a collection service by the local authority/private company. It is evident that 70.44% residents have no access to household waste removal services.

Table 34: MLM Waste Removal

SOURCE	HOUSEHOLDS
Removed by local authority/private company at least once a week	2650
Removed by local authority/private company less often	434
Communal refuse dump	165
Own refuse dump	5994
No rubbish disposal	750
Other	440
Total	10433

SEPERATION/AVOIDANCE OF WASTE AT THE SOURCE

Mthonjaneni municipality supply two refuse bag per household per week one is green it is used for keeping the recyclable items the other one is black it is used for keeping non-recyclable items.

RECYCLING

There is a service provider that is sorting, processing and transporting recyclable items for re-use. The service provider employed eight people who are doing the sorting of waste at the transfer station.

STATUS OF MELMOTH WASTE DISPOSAL SITE

The Melmoth disposal was decommissioned on 13 July 2011 as per the National Environmental Management Act (act. 107 of 1998) and National Environmental Waste Act. (act. No 59 of 2008) (Permit no. D28/WML/0002/2011

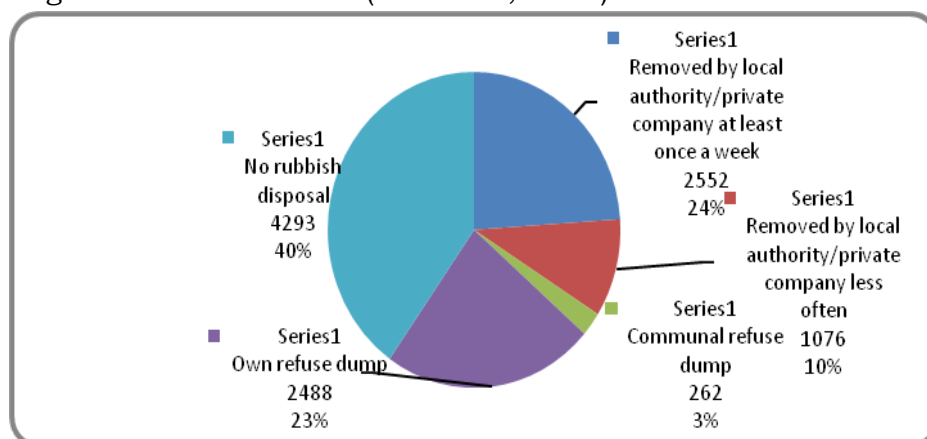
It should be noted that transfer facility was constructed at the landfill site in 2011 and that waste disposal site was to be replaced by waste transfer facility. The waste transfer facility has been commissioned by the Mthonjaneni Municipality and is currently used to temporarily store waste in rolls on bins. Once bins are full the service provider removes the waste from the transfer station to the KCDM waste disposal site.

The Melmoth waste disposal site has no remaining life as the site is technically closed.

7.9.1 Implementation of the Integrated Waste Management Plan

Waste removal and disposal is currently being provided by the Mthonjaneni Municipality and is currently restricted to Melmoth, Thubalethu Township, and KwaMagwaza area. The waste removed is disposed at the Melmoth landfill site.

Figure: Refuse Removal (STATSSA, 2007)



Expand accessibility of refuse services in various wards

The Community Survey (2007) indicates that 24% of households have refuse removed by the local authority or a private company at least once a week, while less than 10% have refuse removed less frequently. 23% of households make use of their own refuse dump and a further 40% have no refuse disposal.

Mthonjaneni Local Municipality (MLM) appointed Aurecon to assist in developing an Integrated Waste Management Plan (IWMP) for the Solid Waste Disposal Division for the Municipality. As a requirement of the National Waste Management Strategy 2011 (NWMS) and the Integrated Development Plan (IDP) process all Municipalities are obliged to compile an IWMP.

The compilation of this IWMP is done in line with the draft guidelines for compiling waste master plan documentation made available by the National Department Environmental Affairs (DEA) as well as the Draft Starter Document for Integrated Waste Management Planning in South Africa.

The Mthonjaneni Integrated waste management plan was reviewed during the 2018/2019 financial year.

The Mthonjaneni IWMP clearly sets out the IWMP goals, policies and objectives to which the MLM should strive in order to remain compliant with the overall goals and objectives of the NEMWA. The IWMP also provides an evaluation of alternative waste management scenarios and options that were scrutinized and considered for possible implementation by the MLM to address their waste management needs in a sustainable manner. The most suitable options were then translated into implementable projects as part of the IWMP Implementation Plan. The said Implementation Plan sets the time-frames over which specific projects should be rolled out by the MLM.

The following assumptions were made where insufficient information was available:

a) Waste Generation Calculations

- Domestic Waste Generation – 7 days a week
- Business Waste Generation – 6 days a week

b) Waste Collection Calculations:

- Domestic & Business – 5 days a week

c) Where recorded generation rates were not available the following quantities were used:

- Rural Settlements (Poor Communities) – 0.3 kg per person per day
- Urban – 1.5 kg per person per day

7.10 Human settlements

Status Quo of Human Settlement

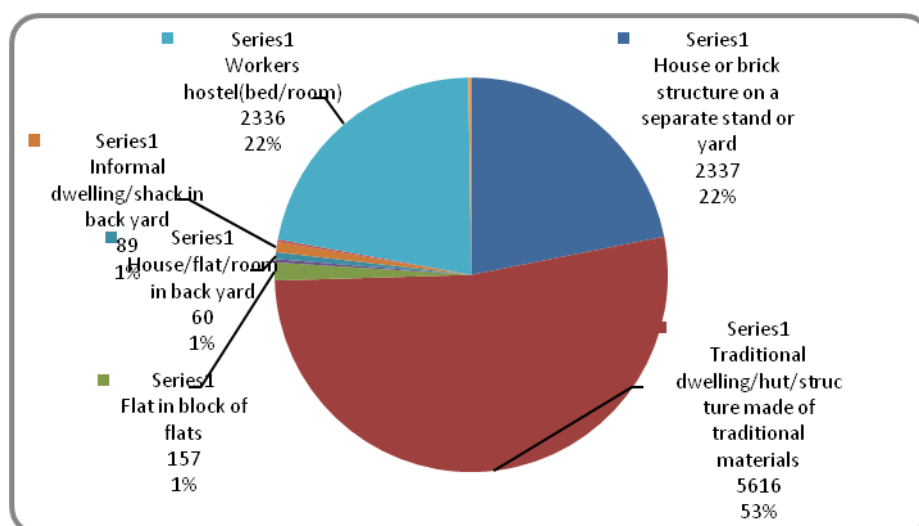
The population of the municipality is distributed per ward as per the table below.

Table 38: Land Use Settlement Patterns per Ward

WARD	ESTIMATED POPULATION	COMMENTS
1	7923	<p>This ward has three distinct areas in terms of land use: the sparsely populated north western portion which has some commercial agriculture – mainly sugar cane, but is mainly extensive areas of grassland under livestock, with patches of traditional agriculture towards KwaYanguye, where there are farms which are currently under consideration for transfer in terms of land reform policy. This area also has a large area of thickets and bush as the land falls away towards the Mfolozi river valley. The southern portion which is also very sparsely populated, but has considerably more commercial agriculture under sugar cane and timber with some citrus and other fruit. The eastern portion is the KwaYanguye Tribal Area which is under communal tenure (Ingonyama Trust).</p> <p>There are pockets of settlement ranging from 50 – 600 persons per km². Apart from these settlement clusters, which are scattered along the spine road and the flatter areas on top of the watersheds, the remaining area is very sparsely populated, largely due to the steep terrain as the land falls away from the highlands towards the valley bushveld of the Mfolozi river. Most of this is not arable, suitable only for extensive grazing, with the most environmentally sensitive areas on the steeper slopes, not suitable for any type of agricultural practice.</p>
2	6861	<p>This ward comprises part of the Melmoth Town, including Thubalethu, so comprises perhaps the highest densities in the municipality. The town of Melmoth is the central place of almost all the wards at Mthonjaneni and Thubalethu is a township which is a residential area for most of the commuters.</p>
3	6312	<p>The area covers part of the town. It also comprises of privately owned farms which are utilised for commercial farming specialising mainly on forestry and sugar cane cultivation. Part of the ward is characterised by nucleated rural settlement, the pattern being informed by unavailability of land and some areas with a steep terrain</p>

WARD	ESTIMATED POPULATION	COMMENTS
4	5770	<p>This is the largest municipal ward in terms of area, but the most sparsely populated. Apart from an area around KwaMagwaza, essentially the farms KwaMagwaza Mission Station and Spes Bona, and part of the Imfule Mission farm, the ward has a population density of less than 50-100 people per km².</p> <p>The KwaMagwaza node has a population of 601 – 700 / km².</p> <p>The ImfuleMission node – just the southern end of the Imfule Mission farm – has a population density of 901 – 1000 /km². Overall, the densities are very low, the existing land use being dominated by forestry (plantations) with grasslands on the steeper slopes.</p> <p>Around the KwaMagwaza area are small patches of commercial agriculture (largely sugar cane), traditional agriculture and thickets and bush.</p> <p>The area South west of the ward consist of partly isolated households due to steep slopes and the vegetation cover is grassland and thornbushes towards the middle course of Mhlathuze river</p>
5	6142	<p>The farms Wilhelmina and Arcadia are the most densely populated in this ward, with densities varying between 100 – 500 people per km². This area, also commonly known as Mfanefile, has a mixed land use of settlement, small scale agriculture, including sugar cane, timber and vegetable patches. The settlement and land use activities extend down the spine road which branches south of the tar road at KwaMagwaza, and winds slowly down the watershed between tributaries of the Mhlathuze, the land falling steeply away on either side. The topography of the ward, the southern part being the steep slopes leading down to the deeply incised Mhlathuze river valley, means that the remainder of the ward area, away from the road, is sparsely populated, the land use being largely grassland, thickets and bush with small patches of traditional agriculture in the river valley. Settlement patterns are mostly nucleated towards the main road.</p>
6	6392	<p>The area is under INgonyama Trust. The area consist of settlements which are sparsely nucleated and which mainly practices subsistence farming. Vast of the area is having steep slopes.</p>
7	7522	<p>This is the northern portion of the Zulu-Entembeni Tribal ward area and is Ingonyama Trust land. Once again, the terrain has led to human settlement and activity being confined to clusters ranging in density</p>

WARD	ESTIMATED POPULATION	COMMENTS
		from 100 to 800 people per km2.
8	3573	Together with the Ekuthuleni area, this ward of the municipality is perhaps the most densely settled with the concentration along the R34 primary corridor which passes through the Ndundulu node which has the highest concentration of people of between 700 – 800 people per km2. This ward all falls under the Ingonyama Trust.
9	7003	This is one of the highly populated area with clustered homestead towards the main road. The area is semi arid and this limits agricultural practices. There is but however accessibility to towns like Mhlathuze
10	8509	This is a semi arid area with nucleated homesteads. Agricultural practises very limited with large areas of erosion
11	5152	The area is also highly populated and also semi arid. It is also characterised by clustered settlements.
12	7846	The area is sparsely isolated settlement and is also semi arid. Agricultural practices are also ineffective.
13	4558	The area is in the close proximity of Umfolozi game reserve. It consist of thornveld bushes. Agricultural production is also at a very low level with only few areas of subsistence farming mainly focusing on livestock
TOTAL	83 563 (2011 StatSa, 2016 Census)	



The Community Survey (2007) indicates that the majority of households (53%) are traditional dwellings, while 22% are worker hostels, and 22% are houses on a separate stand.

7.10.1 Provision of sustainable settlements to the people

Current housing needs.

Housing was identified as a key issue in the community participation process of the IDP. As part of the Integrated Development Plan Process and Land Identification Study for Low-cost Housing, a range of population projections were undertaken to provide a base for the determination of present and future housing needs, specifically in the low-cost group. The total number of households within the municipality was calculated to be 5 461 with the total population estimated to be 47 818 this implies an average household size of approximately 10, 433. (Source Stats SA 2011)

Based on the information compiled from the Statistics SA 2011, the projections indicate that approximately 3, 1 % of households (317) within the municipal area into the homeless, and informal dwelling shack category and be in line with the Provincial targets to clear all slums by the year 2010, while 55, 8% of dwellings (5641) fall into the traditional housing category.

With reference to the above statistics it is evident that the housing demand is very high in the rural areas which estimated to be at least 70% (3 928) of the total demand in rural areas and it is increasing at a very fast rate. Therefore it is suggested that the rural housing projects be prioritised in the rural housing programme that seeks to reduce the backlog in basic infrastructure services within the rural areas.

There is a need to address major problems such as land reform related issues in many parts of the municipal area. The majority of these areas are on land that is currently occupied by farmers. Some of these areas which belongs to black farmers are not utilised for commercial farming practices.

Housing Sector Plan

Planned / proposed future housing projects

The Housing Sector Plan was prepared in 2008/09 identified projects that are required by the communities. The housing sector plan was revised for the purposes of updating the current housing status quo and new planned housing projects. The revised Housing sector plan was approved by Council during the 2014/2015 financial year. The Municipality has review its Housing sector plan during the 2017/2018 financial year and the new wards from Ntambanana Municipality have been included.

According to the housing sector plan the following are prioritised proposed housing projects per ward identified by the Housing Steering Committee within Mthonjaneni Municipality:

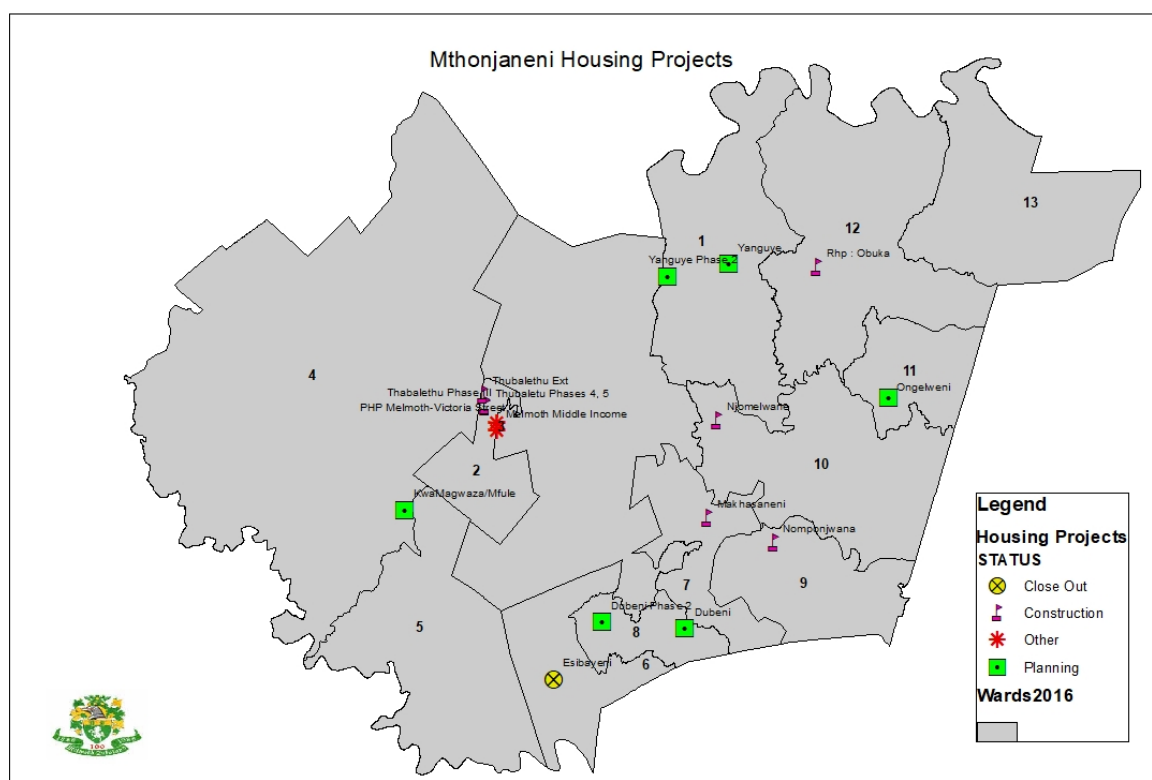
Focus point one: To compile a detailed and accurate beneficiary waiting list.

Table 39: Housing Projects

WARD	PROJECTS	REMARKS
1	Yanguye(Rural Housing)	1000 houses currently underway
2	Thubalethu (Proposed Low Cost Housing Extension)	Site is situated opposite the existing Thubalethu Township The issue of land ownership and zoning needs to be clarified and the preliminary feasibility study needs to be undertaken. The site is within the urban area and in close proximity of bulk services.
	Melmoth (Proposed Middle Income Residential)	Site is adjacent to Protection Services. The issue of land ownership and zoning needs to be clarified and the preliminary feasibility study needs to be undertaken. The site is within the urban area and in close proximity of bulk services.
4	Ward 4 Rural housing project (Proposed in-situ upgrade project)	The area is very rural and dwellings are very much dispersed. Most of the ward area is covered by private farms which poses a challenge in the implementing project. 1000 units to be constructed in the ward.
5	Mgabhi (Rural Housing)	The area is very rural and dwellings are very much dispersed, the area is also very steep. The issue of land ownership has not yet been resolved and this has poses a challenge in the provision of houses to the ward.
6	Esibayeni Rural Housing Project	The terrain of the area is steep and this becomes the confronting factor in the delivery of material to areas away from main road.
	Ekuthuleni	The area consists of mission property and it is

	(Mission Property) Rural Housing Project	one of the Land Reform projects currently underway. The area is largely rural, semi dispersed, steep and in terms of bulk services: most parts of the area are electrified and the community uses communal stand pipes as a water source.
7	Makhasaneni (Rural Housing)	The area is very rural, steep and the dwellings are dispersed; in terms of bulk services: most parts of the area are electrified and the community uses communal stand pipes as a water source. The project consist of 1000 houses
	Hawule (Rural Housing)	The area is rural, steep and dwellings are semi dispersed, in terms of bulk services: the area is not entirely electrified and communities use water tanks as a source of water.
8	Dubeni/Mabhungu Housing Project (Rural Housing)	The area is mountainous. The area does have provision of water and electricity. The project consist of 360 houses
9	Nomponjwane Rural housing Project	The terrain of the area is mostly of gently gradient. There is electricity and water yet some of the areas uses jojo tanks.
10	Nomponjwane Rural housing Project	The terrain of the area is mostly of gently gradient. There is electricity and water yet some of the areas does not have stand pipes and mainly uses jojo tanks.
11	Ogelweni Rural Housing Project	The project consist of 1000 housing units
12	Obuka Rural Housing Project	The project consist of 1000 housing units which is shared with ward 13
13	Obuka Rural Housing Project	The project consist of 1000 housing units which is shared with ward 12

Map 25: Mthonjaneni Housing Project



Source: (KCDM - GIS 2019)

Housing Strategies

Table 40: Housing Strategies Focus

OBJECTIVE	ACTIVITY/DELIVERY STRATEGY	OUTPUT	RESPONSIBLE UNIT
Compilation of a detailed housing demand database	Assign functions to an official to manage the compilation of a housing waiting list	Functions are assigned to an official to manage the housing list	Technical Department / Planning Office
	Develop a housing demand database format to be used in enlisting applicants	List format is developed	Consultant and Technical Services
	The housing database format should categorise applicants in terms of income, disability, pensioners etc.	A standard form will be agreed upon and used	Technical Services and Ward Councillors

	A data base will be established and compilation of a single municipal database categorised into wards	A data base will be established	Technical Services
	Housing Committee to decide on the allocation of subsidies.	Subsidies will be allocated	Housing Steering Committee

7.11 Sector Involvement and Projects

Table 41: Capital Projects for Electricity, Water, Sanitation and Roads

Detailed project description	Ward benefitting	adopted 2018/19
Makhasaneni/Soqiwa Electrification Project	Ward 3 & 7	199 connections (Soqiwa) 275 connections (Makhasaneni)

7.12 Access to Community Facilities Cemeteries

There is one fully operational cemetery within Mthonjaneni, located in the outskirts of the town. There are also other cemeteries in wards where burials are done for people living in rural areas.

Access to Community Facilities

Table 42: Number of facilities per municipal ward

Distribution of Community Facilities													
Facility	Wards												
	1	2	3	4	5	6	7	8	9	10	11	12	13
Community halls		1	2	2	1	1		1	2	1	2	1	3
Libraries			1									1	
Cemeteries			1	2									
Sports field	1	2	2	2	2	1	1	1	1	1	1	1	1
Pay points					1	1							

7.13 Human settlements/ Housing Charter

The Constitution of the Republic of South Africa (Act 108 of 1996) is the supreme law of the country. The sections of the Constitution that are relevant with respect to human settlements are the following:

- Sections 26, 27 and 29 of Chapter 2 - Bill of Rights – states that, “everyone has the right to access to adequate housing, health care services, social security and education.”
- Schedules 4 and 5 states that, “the Province has legislative competence in regard to (inter alia): Environment; Urban and Rural development; Welfare; Housing, Health Services; Regional planning and development; (concurrent competence with national) and Provincial planning and Provincial Roads and Traffic (exclusive competence).”

Section 9(1)(a)(i) and (f) of the Housing Act 107 of 1997 identifies the primary role of the municipality as taking all reasonable and necessary steps, within the framework of national and provincial legislation and policy, to ensure that the inhabitants within its area of jurisdiction have access to adequate housing on a progressive basis; and to initiate, plan, coordinate, facilitate, promote and enable appropriate housing development in its area of jurisdiction.

The Housing Chapter/Sector Plan is a five (5) year housing plan undertaken by the municipality and incorporated into the Municipal IDP with the aim of fulfilling the abovementioned role assigned to the municipality in terms of the Housing Act 107 of 1997 read with the National Housing Code. The Housing Chapter/Sector Plan is reviewed annually as part of the annual review of the IDP.

The Mthonjaneni Municipality developed a comprehensive Housing Chapter/Sector Plan and will be reviewed by Council during the 2020/2021 financial year. The Housing Chapter is a summarised version of the comprehensive Housing Chapter/Sector Plan and focuses on certain key areas for the purpose of the IDP (i.e. analysis of housing demand, strategy for the supply of housing demand, set of designed and prioritised housing projects integration of housing strategies and projects with other sectors).

7.14 Service Delivery and Infrastructure: SWOT Analyses

Strengths

- Good relationship with all stakeholders.
- Job creation through capital projects

- Employment through EPWP grant
- Municipal assets maintenance plans in place.
- Skilled project management personnel

Weaknesses

- Decaying municipal buildings
- Poor maintenance of municipal roads
- Unavailability of maintenance policy

Opportunities

- Acceleration of Service Delivery through MIG grants
- Strengthen relationships with other government departments to ensure program and projects alignment.
- Growth of local economy through municipal infrastructure projects
- Growth in skills development through municipal projects.

Threads

- Under expenditure of MIG grant could affect future grants allocation for the municipality.
- .
- Vandalism of municipal infrastructure
- Loss of income due to illegal electricity connections.
- Public protest due to slow progress in infrastructure projects.

8. Local economic and social development analyses

8.1 Introduction

This section serves as a highlight of the existing Local Economic Development Strategy for Mthonjaneni Municipality and will include implementation thereof. Amongst others, this section will be covering the following areas:

The LED Constraints and Opportunities of the municipality;
 The Mthonjaneni LED strategy;
 Mthonjaneni LED institutional structures;
 LED and linkages to the budget and staff compliment;
 Municipal LED support for SMME's as well the second economy; and
 Linkages of LED strategies and projects to the SDF.

8.2 Local Economic Development Analyses

LED is intended to maximize the economic potential of municipal jurisdictions throughout the country and, within the context of sustainable development, to spur macro-economic growth through economic growth, employment creation, and development initiatives at the local level. The "local" in local economic development underscores the belief that a local jurisdiction is often the most appropriate arena for economic intervention as local government enjoys legitimacy deriving from its being a democratically elected body accountable to the local community.

Mthonjaneni's Economic Profile

Functional age groups indicate the level of the potential work force in the region. Therefore, the key age group relates to individuals aged 15 to 64 years. The following tables provide a comparison between the 2001 and 2011 census years in respect of the 0-14, 15-64 and 65+ population age cohorts for Mthonjaneni and the other municipalities in the King Cetshwayo.

Table 43: Economic Population

	Population		Age Structure					
			<15		15-64		65+	
	2001	2011	2001	2011	2001	2011	2001	2011
DC28: King Cetshwayo	885965	907519	38.3	34.8	57.3	60.7	4.4	4.5
KZN285: Mthonjaneni	50382	47818	39.1	38.3	56.1	56.9	4.8	4.7
KZN284: uMlalazi	221078	213601	39.7	37.2	55.1	57.2	5.2	5.6
KZN281: Mfolozi	106942	122889	40.1	36.1	55.5	59.5	4.4	4.4
KZN286: Nkandla	133602	114416	43.7	40.3	50.2	53.6	6.1	6.1
KZN282: uMhlathuze	289190	334459	33.0	29.3	64.2	67.5	2.8	3.2

Source: 2011 Census

8.3 Local Economic Development Strategy

The Mthonjaneni Municipality Local Economic Development strategy was last reviewed in 2008-2009. The attempt to develop LED Strategy was made in 2015- 2016. Due to operational reasons this plan was not adopted by the municipality. The municipality has prioritized the development of LED Strategy by no later than 30 June 2021. Action plan to achieve this target will be developed and adherence to this deadline is critical for the municipality and the municipality will execute it without fail.

The following are the strategies and principles that needs to be considered during the development of the SDF. These are briefly discussed in the sections below. Mthonjaneni LED strategy has the following overall objectives to be achieved.

Table 6: Local Economic Development Strategy Objectives

Reduction in income leakage	Ensure spendable income is utilised within district itself.
To increase investment (Local and external)	Investment in tourism, agriculture and business is to be promoted
To promote local business development and business interaction	Interaction between businesses will contribute to countering income leakage and establishing a new vibrancy in the economy.
To increase entrepreneurial opportunities and employment	All the objectives need to be supported by a strong focus on entrepreneurial development, micro and small business establishment, and employment creation through appropriate support mechanisms.

Local Economic Development Principles

The following principles needs to be considered during development of the Mthonjaneni Spatial Development Framework which is also due for the review in the next financial year.

Table 7: LED Strategy Principles

Process approach:	Local economic development is a process and the planning for implementation should consider the logical steps involved in such a process, i.e. a focus on small scale community tourism if tourists cannot be attracted to the area will not be sustainable.
Sustainability	Local economic development processes should be economically, socially and environmentally sustainable,

	e.g. the impact of coal mining on the environment and specifically on tourism needs to be considered, because it is makes economic sense does not suggest that it is sustainable.
Collaborative effort / Coordination	The District Municipality views economic development as a collaborative effort in which a wide range of stakeholders have a role to fulfil. The successful implementation of the strategies will be dependent on all stakeholders fulfilling its specific role in a coordinated fashion.
Market based	Support for new economic development ventures will be based on a clearly defined market for the products / services which the venture will deliver.
Integration	Integration of existing and new economic development ventures is essential. The upstream and downstream impact of ventures within the District needs to be considered. The impact of ventures should not be considered in isolation.

LED Strategies

The sector specific strategies relating to the municipality are outlined in the table below:

Table 8: LED Strategy – Strategies

District Strategies	<ul style="list-style-type: none"> 7. Establishing LED institutions and processes 8. Changing attitudes 9. Addressing the fundamentals 10. Raising the profile of the region 11. Improving and Promoting Access 12. Visible Delivery
Business Strategies	<ul style="list-style-type: none"> 6. Institutional structuring for delivery 7. Capacity building and training 8. Establishing/building agri-industries 9. Establishing small scale mining 10. Municipal business strategies
Agriculture	6. Institutional structuring for agricultural

Strategies	<p>delivery</p> <p>7. Sustainable land reform</p> <p>8. Improved market access for agricultural produce</p> <p>9. Visible delivery in agricultural sector</p> <p>10. Municipal agricultural strategies</p>
Tourism Strategies	<p>8. Institutional structuring for tourism</p> <p>9. Tourist information inside the District</p> <p>10. Tourist information outside the District</p> <p>11. Making tourists feel safe and welcome</p> <p>12. Community tourism</p> <p>13. Visible tourism delivery</p> <p>14. Municipal tourism strategies</p>

Source: LED Strategy revised 2015

8.4 National Development Plan

The National Development Plan provides a target for 2030 and notes a number of enabling milestones as summarised in the following table. The following provides a brief summary of the implication of the NDP target and milestones for the Mthonjaneni Municipality:

- According to STATSSA, uMhlathuze had a population of 79 883 and the country 51,700,000 population in 2011. Mthonjaneni is therefore expected to contribute towards the employment targeted by 2030 as per the NDP.
- The NDP further requires an improvement of the Gini-coefficient from 0.69 to 0.6.
- Other, non-income and employment elements, that require on-going attention from the Municipality in relation to the NDP relate filling of managerial posts, energy supply, public transport, primary health care and water quality.

8.5 LED Strategic Focus Areas aligned to NDP, PGDS and DSGP

The Mthonjaneni Municipality has developed its Local Economic (LED) Strategy during the 2015/2016 financial year. The strategy was developed by an outsourced service provider. The LED strategy was developed in order to ensure proper

alignment with the objectives of the National Development Plan and other national and provincial plans.

The terms of reference and scope for the development of the LED strategy were strictly aligned to all National and Provincial Government Development plans, e.g.: PGDP and also the Growth Development Plan. The table below reflects a summary of the terms of references developed by the Project steering committee and the terms provided to the servicing provider and project steering committee.

	SECTION	RESPONSIBLE STAKEHOLDER
1	Ensure stakeholder participation in the project	Project Steering Committee
2	Developing of LED Goals, Objectives and Strategies.	Municipality and Service provider
3	Unpacking of Key economic Drivers.	Service provider and Melmoth business chamber
4	Proposing of LED key interventions.	Service provider and Municipality
5	Proposing and unpacking of programs to transform local tourism, local farmer, informal economy etc..	Service provider, DEDT
6	Identifying of catalytic projects	Municipality and service provider

Stakeholder consultation

All role players will be contacted and engaged during the development of LED Strategy. The LED role players are critical and their input during the development of this strategy was critical and taken into consideration when the LED strategy was developed. Stakeholder identification and consultation was carried out throughout the project.

The following were some of the stakeholders that will be engaged in the development process:

- Formal Business Representatives;
- SMMEs & Informal Sector;
- Farmers Associations;
- Tourism association;
- Neighbouring Municipalities;
- District Municipality and;
- Government departments.

Key economic players (stakeholder analysis)

This section of the report discusses the role of all the stakeholders in Local Economic Development within both King Cetshwayo and Mthonjaneni Municipality and outlines the already existing programmes aimed at promoting viable and sustainable local economic behaviour. The section commences by looking at the role of the government structure at local, provincial and national level, then the role of NGOs, CBOs, the Traditional Authorities, the Farmers, the Business Associations, and the Tourism Association/s.

Local, Provincial and National Partnerships

Local government structures within both King Cetshwayo Municipality and Mthonjaneni Local Municipality have a critical role to play in LED. This includes investment promotion, facilitation and creating an enabling framework for job creation and economic growth. While there is general acceptance of this mandate, the municipality experience a number challenges. These challenges can be summarized as follows:

- Lack of sufficient and appropriately qualified human capacity.
- Lack of clarity about the LED role of local government and poor understanding of LED.
- Poor integration of LED into the service delivery functions of the Municipality.
- Lack of LED vision and strategy, apart from the King Cetshwayo Municipality LED and Tourism Strategies.
- Poor access to relevant information.

The level of coordination between the Municipalities and sector Departments is generally weak. The participation of government Departments in the preparation of IDPs has generally been poor.

The following government Departments are involved in LED-related activities within Mthonjaneni Local Municipality:

Department of Agriculture, Environmental Affairs and Rural Development.

Department of Economic Development & Tourism (DEDT).

Department of Arts and Culture.

Department of Human Settlements.

Department of Social Development.

Department of Transport.

Department of Public Works.

Department of Rural Development and Land Reform.

Department of Co-operative Governance & Traditional Affairs.

Department of Health.

The above mentioned Departments can be divided according to the three spheres of government, namely, local, provincial and national spheres. These spheres are the key drivers for LED. Very importantly, for the effective use of resources and implementation, the government as a whole has to have a synergy.

The key performance areas of the National and Provincial spheres of government are:

- Economic growth.
- Employment creation.
- Competitiveness.
- Broad-based economic empowerment and,
- Appropriate geographic spread of economic activity.

The key performance areas of the local government sphere include mobilization of local communities in development activities under the framework of the PGDS, PSEDS and the NSDP.

Local Business Associations

There are quite a number of businesses taking place in the Mthonjaneni Town due to it being declared a primary node. These businesses are limited to the commercial stores and transport related businesses. These businesses specialize in servicing the basic needs of the public. The existence of business forum is of prime importance to facilitate all matters pertaining to business development and support. The Department of Economic Development & Tourism (DEDT) has established a special unit called SMME Development to assist local business with technical support, training and fulfil the liaison role for funding purposes.

8.6 Agriculture

The agricultural sector in the municipality has a dual nature with both commercial and traditional farmers contributing to this sector. Commercial agriculture is largely based on two mono-crops in the forms of sugarcane and forestry. Both of these sectors have also been at the forefront of assisting in the development of emerging farmers. In other traditional areas of the municipality, traditional forms of cropping are practiced. As is noted in the DM's IDP (2007/08 – 2011/12, the development of this sector is hindered by a low skills base and a lack of organised bodies for financial assistance, access to markets and markets channels.

The municipality is initiating programmes aimed at assisting emerging farmers. This program is driven by the Department of Agriculture, Land Affairs and Rural Development. It is aimed at increasing income for emerging farmers through the development of the red meat programme which is implemented at Edebe area in ward 13.

The Council is also aiming to invest in agri-processing and this will be part of the Agricultural sector plan which will be developed during the 2020/2021 financial year.

The Global Insight (2009) data indicates that the agricultural sector contributed 33.5% to the total economy of the Mthonjaneni municipality which is well above the 7.7% KCDM average.

8.7 SMME's Development

The primary role of the Municipality in local economic development is to coordinate, facilitate and stimulate sustainable economic development within its jurisdiction through appropriate mechanisms; Strategy and policy development; Programme development and co-ordination and Strategic liaison and networking.

The Municipality is in possession of LED Plan which also detail programs aimed at SMME support and development. The municipality has proactively prioritized LED projects that are aimed at assisting SMMEs in various ways.

During the 2017/2018 financial year the municipality underwent an initiative to identify all SMME's and cooperatives in order to ensure that all SMME's and cooperatives within the jurisdiction of Mthonjaneni Municipality are assisted.

The following table indicates the LED Co-operatives that were identified and funded by the municipality:

Table 44: LED Cooperatives

Ward	Name of Co-operative	Activity of Co-operative
1	Sizakancane goat farming	Goat farming
2	Juniors car wash	Car wash
3	Xoshububha co-operative	Sewing
4	Sigcabangile co-operative	Vegetable production 4HA
5	Fuduamazulu	Sewing
6	Zibambele primary co-operative	Goat farming
7	Ohawule agricultural project	Crop production
8	Inkisa knitting project	Knitting
9		Egg laying broilers
10	Inkathelo community development	Sewing & beadwork
11	Kancanekancane	Broiler production
12	Tilingwane Co-operative	Sewing
13	Isikhwebezi samahedle	School uniform production

The Mthonjaneni Council is working with both public and private sector in programmes that are aimed at developing our local suppliers. The table below shows the database of the program which is developed in partnership with Transnet.

Table 45: Mthonjaneni SMME's updated list: Transnet Project

Company Name	Company Registration Number	Core Services
Masizimele Projects & Supplier PTY- LTD	2013/046254/07	Consulting Services Filed Services: Filed Engineering Construction
YAKAYAKA Projects	2014/155884/07	Materials supplying construction logistics
Ngwane Construction	2014/179670/07	Construction Sector
Coalition Trading 142 t/a Amantungwa	2003/035565/23	Portable toilets Marquee hire
Mankere Trading (PTY) LTD	2013/075970/07 084 8833740	Supplying Cleaning Catering
1 Cousin Holdings (PTY) LTD	2016/342213/07	IT Services & Web design services Supplying of goods Logistics Computer equipment
<u>kwenziwe</u> Usimakade (PTY) LTD		Civil Work General Maintenance Rehabilitation Office Cleaning and Commercial & industrial Cleaning
Shayiziwethembi Construction	2011/052483/23	Construction Supplying
Jiba Transport & Construction	2005/166750/23	Transport Cleaning Fencing
DSM Electrical Contractor	2002/085242/23	Electrical services Fault findings and repairing fault on electrical systems
Thokho Construction & Services	2005/030963/23	Constriction Painting & Carpentry Industrial Cleaning Plumbing
Zphokuhle Catering & Services	2004/089171/23	Security Cleaning Transport Catering Construction

Eyakuduka Trading	2014/099354/07	Grass cutting Bush clearing Construction
DEE- DEE Towing	2007/021640/23	Towing Recovery
Nomthy Trading Enterprise	2012/154193/07	Construction Grass cutting Garden services Supply
Nqana Trading Enterprise		
Isfuba Trading & Construction	2016/034528/07	Construction Supplying Delivery Maintenance Welding
Jabula happy Contracting and Trading (PTY) LTD	2015/386359/07	Catering Transport Cleaning Construction
Ngethembe Construction	2006/064545/23	Construction Road Maintenance Catering Building
Ubuhle Bamaphikelela (PTY) LTD	2014/005289/07	Catering Construction Catering Building Installation
Zunger (PTY) LTD	2016/186464/07	General Supplying
Amampengesi Empire Trading (PTY) LTD	2016/013755/07	Catering Supplying
ABS CONSTRUCTION		Construction
Snakekelo catering PTY LTD	2014/179663/07	Catering Events coronation
Umphehmvemve (PTY) LTD		Project & Suppliers
SF Security Construction and Other Services	2012/03450/07	Security services Escort Duties
Siyathuthuka Catering & Multi- Purpose	2009/001113/24	Catering Multi-purpose suppliers
Ntshalantshala Trading (PTY) LTD	2012/001060/07	Construction Catering Plumbing
Jabula Contracting and Trading (PTY LTD)	2015/386359/09	Food Supplying Catering

Zwelananathi Trading CC	2006/031919/23	Grass Cutting Maintenance Fencing & Plumbing Supply
Eyakuda Trading PTY-LTD	2014/099354/07	Grass cutting Construction Timber felling Cleaning Services
Lubambhoh Dignified PTY- LTD	2017/35532/0/07	Funeral services
BM MDIMA TRADING	2018/275686/07	Construction Civil engineering Food Services
Ulundi Fruits & Vegetables and General Supply (PTY) LTD	2015/032937/07	Fruits & Vegetables & General Supplying

Broad Based Community Needs

Ward based plans have been developed for 13 wards, in consultation with the community and all affected stakeholders. These plans inform the municipalities budgeting and ensuring that the budget is highly influenced by the needs of the community. In preparation of the fourth generation IDP a series of ward meetings/engagements took place to confirm wards based community needs. The Public Participation Report based on the outcomes of these wards meetings/engagements is provided as annexure to the IDP. Summary of the report is provided below:

Table 46: Summary of Community Needs

WARD 1	Area	Potential Funder
Electricity Infiles	Whole ward	Department of Energy
Bridge	Manzamyama	Department of Transport
Jojo tanks	Nungwini	King Cetshwayo Municipality
Library and skill center	Yanguye	Department of arts and Culture
Satellite Police station	Yanguye	South African Police Services
Lightning conductors	Whole ward	Mthonjaneni LM
Crèche	Mahehe	Department of Social Development
Sewing project	Candolo	Mthonjaneni LM
Access road	Nungwini, Mahehe, Ncanyini	Mthonjaneni LM
Poultry project	Whole ward	Mthonjaneni LM
Garden project	Nungwini, Mahehe, Lumbi, Ncanyini	Mthonjaneni LM
Borehole	Candolo	King Cetshwayo Municipality

Renovation of poultry house	Sizanani	Mthonjaneni LM
Goats project	sizanani	Mthonjaneni LM & department of Agriculture
Transport for learners	sizanani	Department of Transport
WARD 2	Area	Potential funder
Street lights	R34, R68	Mthonjaneni LM
Renovation of swimming pool	Melmoth town	Mthonjaneni LM
Renovation of tennis court	Thubalethu	Mthonjaneni LM
Tar	Osborn road	Mthonjaneni LM
Community hall	High street	Mthonjaneni LM
High School	High street	Department of Education
Hospital	High street	Department of Health
Hotel	Golf street	Business sector
Rehabilitation of urban roads	Melmoth town	Mthonjaneni LM
Bulk access roads for the extension housing project	Thubalethu	Mthonjaneni LM
Industrial Park	Thubalethu	Mthonjaneni LM
Crèche	Thubalethu	Department of social Development
Electrification for the extension housing project	Thubalethu	Mthonjaneni LM
Renovation of ground 1 and 2	Thubalethu	Mthonjaneni LM
Jojo and water pump	Thubalethu	King Cetshwayo Municipality
Old Age home	Thubalethu	Department of Social Development /*
Library	Thubalethu	Department of Art and Culture
WARD 3	Area	Potential funder
Bridge	Fankomo, Soqiwu, Ndamukane and Ngobansizwa	Department of Transport
Market stalls	Oom Wessel	Mthonjaneni LM
Refuse skip	Melmoth town	Mthonjaneni LM
Rehabilitation of urban roads	Melmoth town	Mthonjaneni LM
Learner transport	Mayeni to Stheku	Department of Transport
Infls	Whole ward	Department of energy
Crèche	Gcongco	Department of Social Development
Lightning conductors	Whole ward	Mthonjaneni LM
WARD 4	Area	Potential funder
Housing	Whole ward	Department of Human Settlement
Crèche	Kataza, KwaMagwaza, Mfule Mission	Department of Social Development
Soccer and Netball poles and nets	Whole ward	Department of Sports and Recreation
Gravel road	Kataza and Mfule	Mthonjaneni LM
Electricity	Kataza, Bomvini	Department of Energy
LED Projects	KwaMagwaza	Mthonjaneni LM
Sports Field	Thengele, KwaMagwaza, Kataza, Bomvini	Mthonjaneni LM
Soccer kits	Whole ward	Department of Sports and Recreation

Poultry house	Mfule, Kataza and Bomvini	Mthonjaneni LM
Skills Centre	KwaMagwaza	Mthonjaneni LM
Gymnasium	KwaMagwaza	Mthonjaneni LM
Grazing camp	Thunzini, Mfule and KwaMagwaza	Department of Agriculture
Garden project	Kataza, Thengele and Bomvini	Mthonjaneni LM
Livestock farming project	KwaMagwaza, Thunzini and Mfule	Department of Agriculture
Water tanks	Thengele, Bomvini	King Cetshwayo Municipality
Container	Bomvini	Mthonjaneni LM
Electricity	Bomvini, Thunzini, Thengele	Department of Energy
School	Thunzini, Kataza	Department of education
Hall	Kataza	Mthonjaneni LM
WARD 5	Area	Potential funder
Housing	Whole ward	Department of Housing
Electrification Infiles	Whole ward	Department of Energy
Maintenance of gravel road	D550	Department of Transport
Jojo tanks	Ntondweni, Amazule, Mgabhi, Sogawu, Manzawayo, Ezimbube	
Maintenance of access roads	Whole ward	Mthonjaneni LM
Crèche	Langwe, Nkosana, Othini	Department of asocial Development
Network tower	Mgabhi	Network companies
Provision of water	Othini	King Cetshwayo municipality
Primary School	Mazule	Department of Education
Poultry Project	Langwe, Mazule	Mthonjaneni LM
Mgabhi Rural Road	Mgabhi to Mhlathuze	Mthonjaneni LM
Goats Project	Whole ward	Mthonjaneni LM and Department of Agriculture
Bakery Project	Manzawayo	Mthonjaneni LM
Lightning conductors	Whole ward	Mthonjaneni LM
WARD 6	Area	Potential funder
Poultry house	Dubeni, Ekuthuleni, Nogajuka	Mthonjaneni LM
Community hall	Ekuthuleni, Mehlamasha, Matshansundu, Nsengeni, Nogajuka	Mthonjaneni LM
Crèche	Ekuthuleni, Mehlamasha, Matshansundu	Department of Social Development
Bridge	Ekuthuleni	Department of Transport
Gravel road	Dloziyane to Spencer	Department of Transport, Mthonjaneni LM
Livestock dipping tank	Mashobeni, Mehlamasha, Nsengeni, Tshelensimbi, Nogajuka	Department of Agriculture
Grazing camp	Ekuthuleni, Tselensimbi, Matsansundu	Department of Agriculture
Borehole	Ekuthuleni & Nogajuka	King Cetshwayo Municipality
Mobile Police Station	Ntembeni	South African Police Services

Street lights	Ntembeni	Mthonjaneni LM/ Department of Energy
Gravel road	Mehlamasha	Department of Transport
Access roads	Nogajuka, Matshansundu, Nsengeni	Mthonjaneni LM
Sports field	Matshansundu, Ekuthuleni, Tshelensimbi	Mthonjaneni LM
Bus Stop Shelters	Whole ward	Department of Transport
Housing	Whole ward	Department of Housing
Electricity	Whole ward	Department of Energy
Access road	Nsengeni	Mthonjaneni LM
Dam	Tshelensimbi	King Cetshwayo Municipality
WARD 7	Area	Potential funder
Housing	Whole ward	Human settlement
Multi purpose sport facility	Ohawule	Department of Arts and Culture
Poultry Housing project	Whole ward	Mthonjaneni LM
Sports field	Ndabazensangu, Makhasaneni	Department of Sports and Recreation & Mthonjaneni LM
Grazing camp	Hlabathini, Ohawule, Nkwenkwe	Department of Agriculture
Dip tank	Hlabathini	Department of Agriculture
Bridge	Hlabathini	Department of Transport
Toilets	Whole ward	King Cetshwayo Municipality
Chickens and Goats Project	Whole ward	Department of Agriculture
Renovation of crèche	Ohawule	Department of Social Development & Mthonjaneni LM
New gravel road	Bedlana, Nkwenkwe, Hlabathini, Makhasaneni	Department of Transport
Fencing and irrigations of garden projects	Whole ward	Department of Agriculture
Library	Ndabazensangu	Department of Education
Skills Development Centre	Ohawule	Department of Arts & Culture
High School	Hlabathini	Department of Education
Primary Schools	Ohawule, Ndabazensangu	Department of Education
Halls	Whole ward	Mthonjaneni LM
Access road	Ehlabithini	MIG Grant
Crèche	Gcongco and Makhasaneni	Mthonjaneni LM
Lightning conductors	Whole ward	Mthonjaneni LM
WARD 8	Area	Potential funder
Gravelling of access road	Whole ward	Mthonjaneni LM
Provision of water	Nkisa, Ndundulu	King Cetshwayo Municipality
Crèche	Nkisa, Oshini	Department of Social Development
Bus Stop Shelters	Whole ward	Department of Transport
Community hall	Bedlana	Mthonjaneni LM
Electrification infils	Whole ward	Department of Energy
WARD 9	Area	Potential funder
Clinic	emkhwakhwini	Department of Health
Primary school	Emkhwakhwini	Department of Education
High school	Mpemu	Department of Education

Community hall	Mpevu	Mthonjaneni LM
Poultry house	Mkhwakhwini and Nkwenkwe	Mthonjaneni LM
Water tank	Whole ward	King Cetshwayo Municipality
Infills	Whole ward	Department of Energy and Mthonjaneni LM
WARD 10	Area	Potential funder
Housing	Qomintaba, Ncemane, Sivanande, Mabhensa, Gamu	Department of human settlement
Infills	Qomintaba, Noziphiva	Mthonjaneni LM and Eskom
Water	Mabhensa, Qomintaba, Dlomodlomo, Ncemane, Phumosizini	King Cetshwayo Municipality
Market stalls	Whole ward	Mthonjaneni LM
Bridge	Ndulinde	Department of Transport
Causeway	Ndulinde	Mthonjaneni LM
Water tank	Whole ward	King Cetshwayo Municipality
Water dams	Whole ward	King Cetshwayo Municipality
Community gardens	Whole ward	Department of Agriculture
Crèche	Siyethemba, Phumosizini	Department of Social Development
Hall	Dlomodlomo, Phumosizini, Qomintaba, Nqunqu	Mthonjaneni LM
Poultry house	Whole ward	Mthonjaneni LM
Gravel road	Phumosizini, Dlomodlomo, Noziphiva, Qomintaba	Department of Transport
Vodacom aerial	Whole ward	Network company
Access roads	Whole ward	Mthonjaneni LM
Clinic	Phumosizini	Department of Health
Course way	Siyethemba	Mthonjaneni LM
WARD 11	Area	Potential funder
Dams	Whole ward	King Cetshwayo Municipality
Community halls	Sisingeni, Gobihlahla, Folishini, Upper Nseleni, Mabhula, Mbiza	Mthonjaneni LM
Satellite Police station	Upper Nseleni	South African Police Service
Gravel road	Whole ward	Department of transport
Sports field	Upper Nseleni, Sdakeni, Gobihlahla, Mabhula	Mthonjaneni LM
Community gardens	Whole ward	Mthonjaneni LM and Department of Agriculture
Crèche	Sdakeni, Mgodlane, Gobihlahla, Upper Nseleni, Mbiza	Mthonjaneni LM
Sewing machines	Whole ward	Mthonjaneni LM
Petrol filling station	Hawai	Private sector
Poultry house	Whole ward	Mthonjaneni LM
Market stalls	Whole ward	Mthonjaneni LM
Infills	Whole ward	Mthonjaneni LM
Boreholes	Whole ward	King Cetshwayo Municipality and Mthonjaneni LM

Bridges	Nselenyane and Nseleni rivers	Department of transport
Fire fighter station	Upper Nseleni	Mthonjaneni LM
Vodacom and MTN aerial	Gobihlahla and Sghomaneni	Network companies
Access roads	Whole ward	Mthonjaneni LM
Gravel road	Mashoba, Sghomaneni	Department of Transport
Houses	Whole ward	Department of human settlement
WARD 12	Area	Potential funder
Poultry house	Whole ward	Mthonjaneni LM
Community gardens	Mawanda	Mthonjaneni LM and Department of Agriculture
Building blocks project	Ntombokazi	Mthonjaneni LM
Access roads	Whole ward	Mthonjaneni LM
Community hall	Ntombokazi	Mthonjaneni LM
Crèche	Keteza, Nkosithandile	Department of Social Development
Vodacom & MTN Aerial	Mawanda	Network companies
Mobile Police Station	Mawanda	South African Police Services
Provision water	Oviceni	King Cetshwayo Municipality
Jojo tanks	Mzini	King Cetshwayo Municipality
Clinic	Mawanda	Department of Health
Electricity infills	Whole ward	Department of Energy
Dipping tank	Ntombokazi, Maphukanqola	Department of Agriculture
WARD 13	Area	Potential funder
Sports fields	Sangoyana	Mthonjaneni LM
Clinic	Debe	Department of Health
Crèche	Sangoyana, Debe	Mthonjaneni LM
Housing	Whole ward	Department of human settlement
Boreholes	Whole ward	King Cetshwayo Municipality
Dam	Maduma	King Cetshwayo Municipality
Access road	Whole ward	Mthonjaneni LM
Gravel road	Sangoyana to Maduma	Department of Transport
Electricity	Whole ward	Department of Energy
Provision of water	Whole ward	King Cetshwayo Municipality
Electricity Infils	Whole ward	Department of Energy
Bridge	Manzamnyama	Department of Transport
Jojo tanks	Nungwini	King Cetshwayo Municipality
Library and skill center	Yanguye	Department of arts and Culture

8.8 Tourism

The LED plan notes that interest in northern KZN has been increasing particularly from overseas visitors. New identified markets include bird watching, cruise tourism, and educational tourism. It is noted that all these areas can increase tourism development in the region as a whole.

It is noted that the local municipalities in the King Cetshwayo DM have all identified the need for greater tourism support and coordination from the DM in aiding the development of tourism related SMME's and new tourism opportunities.

The LED plan notes that tourism opportunities exist in the following areas, namely:

Nature photography;

Bird watching;

Botanical studies;

Hiking; and

Fly-fishing at Phobana lake.

Further tourism opportunities also exist in the areas of mountain biking and quad biking.

Tourism Sites

Mthonjaneni municipality has amongst others the following key tourism areas:

- Phobane lake in ward 6
- The home to Queen Nandi family in ward 5
- Mthonjaneni cultural museum in ward 4

8.9 Economic growth

During the period 2016 to 2017, the Mthonjaneni economy grew at an average rate of 2.53% per annum which is below the KCDM average for the same period of 3.2% and the provincial average of 3.28%.

(a). DOMINANT SECTORS

The figures indicate that the agricultural (33.5%) sector dominates the economy of the municipality, followed by the community services (20.9%), the manufacturing (14%), and the finance sectors (10.9%).

(b) MANUFACTURING

Limited levels of manufacturing are practiced in the municipality and are largely focussed on agro-processing. Further agro-processing potential was identified in the municipality's LED plan in the following areas:

Deciduous berry and citrus fruit processing;

Large-scale production of vegetables;

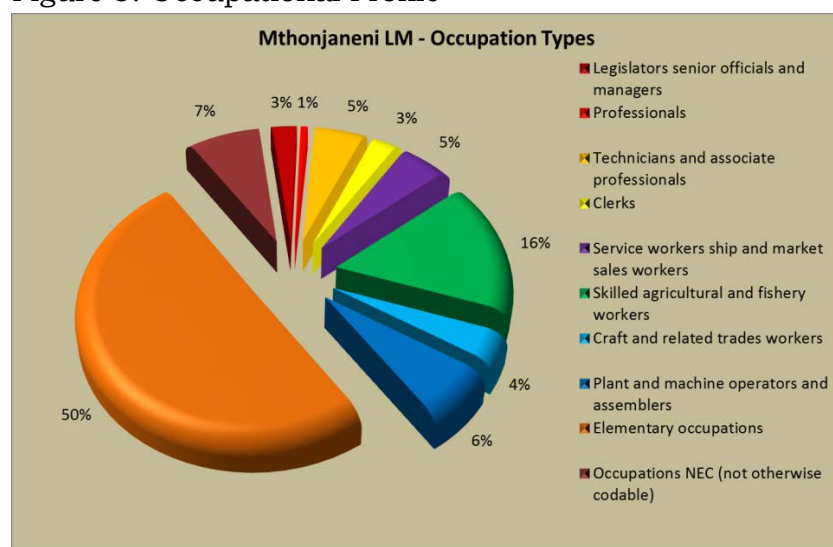
Poultry processing; and

Production of bio-fuels; and essential oil processing.

OCCUPATIONAL PROFILE

The majority of respondents in the Community Survey (STATSSA, 2007) indicated that they participated in Undetermined or unspecified categories of work. One can deduce that these people are largely involved in the informal sectors.

Figure 3: Occupational Profile



EMPLOYMENT PER SECTOR

The following sectors employ residents within the municipality, namely:

Table 51: Employment per Sector

SECTOR	PERCENTAGE
Farming	8.7
Mining	0.6
Manufacturing	1.2
Utilities	0.1
Construction	1.0
Trade	1.6
Transport	0.6
Financial	1.7
Social	3.8
Other and not adequately defined	1.3
Unspecified	2.9
Not applicable	74.7
Institution	1.6

(Source: STATSSA, 2011)

As can be seen from these statistics, the majority of residents (74.7%) indicated that they were employed in sectors not specified in the survey. This would indicate the majority of residents are employed in the informal sector.

- **POVERTY DATA**

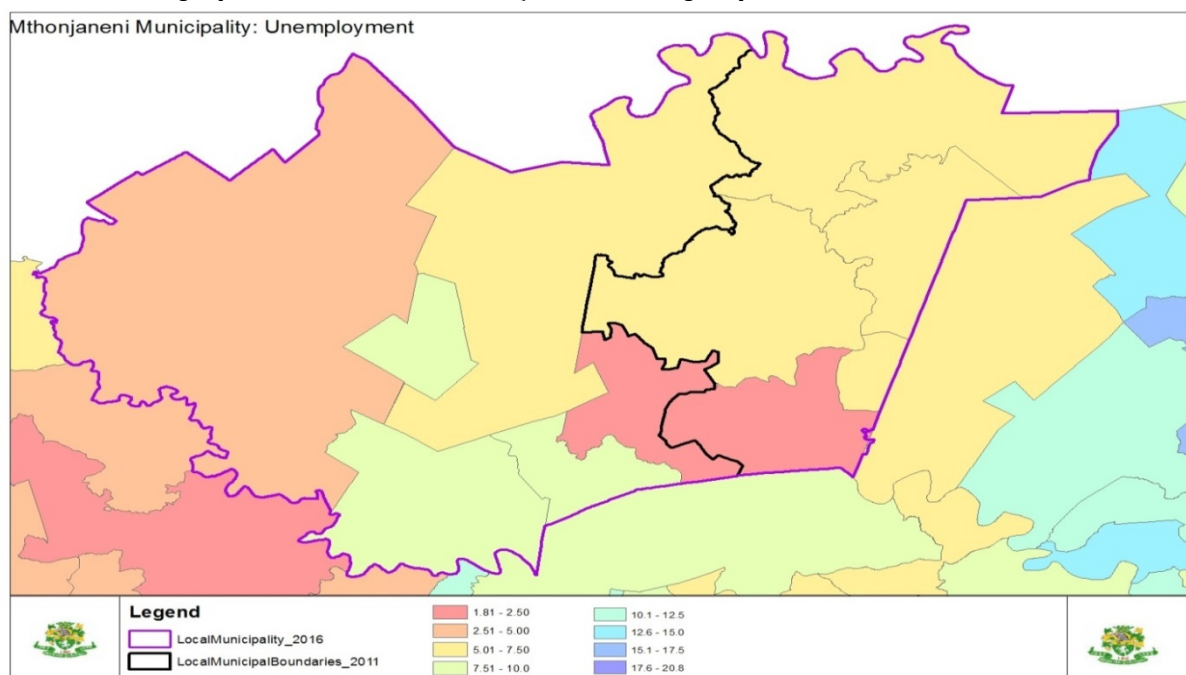
UNEMPLOYMENT

The levels of Unemployment in Mthonjaneni LM are very high and ranges between 20% in Ward 2 to 46% in ward 4. The rate of unemployment in Wards 7 and 8, in which Ndundulu is situated, is less than 25%. This high rate of unemployment indicates that there is a high need for social facilities and services to be provided in these wards.

Figure 6: Levels of Unemployment per Ward

	Employed	Unemployed	Discouraged work-seeker	Other not economically active	Not applicable	Total
Ward 1	370	574	477	2470	4032	7923
Ward 2	2227	715	260	1464	2196	6861
Ward 3	1968	268	203	1488	2385	6312
Ward 4	1995	204	266	1239	2067	5770
Ward 5	288	247	324	2381	2902	6142
Ward 6	225	644	299	2129	3095	6392
Ward 7	432	153	378	2982	3577	7522
Ward 8	290	400	185	1038	1660	3573
Ward 9	495	180	251	2782	3295	7003
Ward 10	534	296	698	2949	4032	8509
Ward 11	277	425	113	2015	2323	5152
Ward 12	291	370	604	2873	3708	7846
Ward 13	247	295	307	1502	2206	4558

MAP 29: Unemployment Rate within Mthonjaneni Municipality



8.10 Sport and recreation

Various Recreational events and programmes are hosted by the Sport and Recreation Section including the following:

- Indigenous Games
- Work and Play
- Fun Days
- Senior Citizens Golden Games
- Healthy Lifestyle Programs
- Municipal health Awareness day

Sport Development programs annually hosted by the Municipality include:

- Ward Elimination Games
- Mayoral Sport Day
- SALGA Games
- Capacity building workshops for Sport Administrators and Technical Officials

Sports facilities are continually being upgraded in all wards and provision of sport facilities to be upgraded is made in the municipal budget.

8.11 Youth programmes

Municipality in its budget for 2018/2019 has set aside budget for youth that focuses more on education and skills development. From the Mayoral Bursary Scheme which has assisted more than 300 youth which has seen a massive impact to the youth by giving them access to higher education. The Mayoral Drivers Licence was initiated to assist the youth with drivers licence hence almost all Job advertisement has a standard requirement of a drivers licence. More than 300 youth have benefited from this programmes since 2017 and some have received job opportunities through this intervention.

The municipality in 2018 adopted Youth Development Policy and its Programme of Action. This will see the municipality driving issues of youth development being championed in consultation with the youth of Mthonjaneni.

8.12 Arts and culture

The Department of Arts and Culture make provision of the study material in the library of the municipality. Public libraries are considered fundamental to the development and upliftment of communities. Access to libraries creates and sustains a reading culture. The value of libraries in terms of support of literacy, education, and the principle of lifelong learning forms an integral part of the modern democracy.

The municipality also ensure that the only library which is located in Melmoth town is fully functional and is accessible to all the community members

8.13 Social welfare (OOS)

Operation Sukuma Sakhe is a call for the people of KwaZulu-Natal to be determined to overcome the issues that have destroyed the communities such as poverty, unemployment, crime, substance abuse, HIV/AIDS and TB. Operation Sukuma Sakhe has a “whole of Government approach” as its philosophical basis. It spells out every initiative and how it links to initiatives being implemented by the different sector departments and the spheres of government. Therefore delivery of services is required through partnership with the community, stakeholders and government.

OSS Structures

The following structures starting from Districts to Wards have different responsibilities to discharge in relation to Operation Sukuma Sakhe and they have been established and functional.

1. King Cetshwayo Task Team
2. King Cetshwayo AIDS Council
3. Mthonjaneni Local Task Team (LTT)
4. Mthonjaneni Local AIDS Council
5. War Rooms
6. Ward AIDS Council

OSS-Mthonjaneni Local Task Team (LTT)

For Operation Sukuma Sakhe to operate it needs the existence of the following core group of stakeholders and Mthonjaneni LTT comprise of the following stakeholders:

- Business Sector
- Traditional Leadership Sector
- NGO Sector
- Religious Sector
- Sporting Fraternity
- Women
- Children
- Youth
- People with disability
- Senior Citizens

Some of the critical success factors to ensure the effective functioning of OSS in the Mthonjaneni Municipality are noted hereunder:

- Inclusion of community structures that include civil society, business and development partners and other key stakeholders.
- Institutional arrangement linkages and integrated development planning.

- Integrating Operational Plans with Governmental Department plans.
- Establishing of a permanent “War Room.”
- Allocating cadres to conduct Household Profiling to identify needs.
- Ensuring that different Departments sit in the LTT.
- Constantly building capacity of Managers through presentations on OSS reporting.
- Managers assisting war rooms in building capacity.

Benefits of OSS to Civil Society

- Networking and partnerships with Government Departments
- “One stop shop” approach at ward level
- Pooling of resources to maximize outputs
- Shared information gauge performance
- Joint reporting to the communities
- Coordinated approach for identifying and resolving issues
- Employment and Skills development opportunities through participation in task teams

8.14 Health HIV/AIDS

Prevalence of HIV/ AIDS is still very high in KwaZulu-Natal. Mthonjaneni Municipality has a big number of orphans and children made vulnerable by HIV/AIDS. The Municipality has been able to establish Local AIDS Council but emphasis is needed for ward based establishments.

The main purpose for the establishment of this structure is to assist the Municipality to establish, understand and accommodate the needs HIV/AIDS infected as well as the affected people and ensure that they benefit from development initiatives.

8.15 Special programmes

The mandate of the Special Programmes Unit is to promote, facilitate, coordinate and monitor the realization of the rights of youth, children senior citizens (older persons), people with disabilities, people with HIV/ AIDS, women and men.

8.16 Safety and security

Revived crime awareness campaigns through the community policy forums with cooperation of the SAPS are being undertaken. The Municipality is currently in the process of developing of a safety plan. The plan will be approved during the 2020/2021 financial year.

8.17 LED and Social Development: SWOT Analyses

Strengths

Good access to trial courts

Schools and crèches well distributed throughout municipal area

There are a number of housing projects which are currently underway that will provide housing for approximately 5000 households.

The increase in number of health facilities after the construction of the clinic around Ndundulu area.

Weakness

No FET college available within the municipal area.

Disability forum not functioning as it supposed to.

Some areas within the municipal area do not have access to community halls.

Opportunity

Land availability in rural areas for rural service centres.

A hospital

Threads

HIV and AIDS pandemics are reaching an alarming stage.

Poor land management in Traditional authority might result in developments that are not environmentally friendly.

Natural hazards compromise the standard of living.

School dropouts and high illiterate rate

9. Municipal financial viability and management analyses

9.1 Capacity of the Municipality to execute Capital Projects

Mthonjaneni Municipality has filled the post of the CFO and the Director technical. These are critical posts which have an impact on capital projects being completed in time.

A. Capital funding and expenditure to address service delivery

The municipality allocates some of the funds received from grants and other sources to the capital projects/ infrastructure. It must be noted that these funds can be regarded as the direct investment to the service delivery, i.e. individuals and households in the jurisdiction the municipality. Such investments together with the sources are summarised below:

i) Summary of Capital Financial Plan

2016/2017		2017/2018		2018/2019	
REVENUE					
SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT
MIG	28 899 000	MIG	24 278 000	MIG	21 749 000
INEP	8 500 000	INEP	8 000 000	INEP	15 000 000
OWN FUNDS	0.00	OWN FUNDS	9 456 955	OWN FUNDS	4 816 000
TOTAL	37 399 000	TOTAL	41 734 955	TOTAL	41 565 000
CAPITAL EXPENDITURE					
2016/2017		2017/2018		2018/2019	
SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT
MIG	28 899 000	MIG	24 278 000	MIG	21 749 000
INEP	8 500 000	INEP	8 000 000	INEP	15 000 000
OWN FUNDS	0.00	OWN FUNDS	9 456 955	OWN FUNDS	4 816 000
TOTAL	37 339 000	TOTAL	41 734 955	TOTAL	41 565 000
UNSPENT	0.00		0.00		0.00
VARIANCE	0.00		0.00		0.00

CAPITAL EXPENDITURE				
VOTE DESCRIPTION	BUDGET 2020-21	BUDGET 2021-22	BUDGET 2022-23	SOURCE OF FUNDING
Municipal Manager				
Computer Equipment	20 000.00	20 000.00	30 000.00	Own Funds
Furniture and Office Equipment:Acquisitions	10 000.00	15 000.00	20 000.00	Own Funds
	30 000.00	35 000.00	50 000.00	
Mayoral and Council				
Computer Equipment	10 000.00	20 000.00	30 000.00	Own Funds
Furniture and Office Equipment:Acquisitions	10 000.00	15 000.00	15 000.00	Own Funds
Administrative and Corporate Support				
Computer Equipment:Acquisitions / Server	400 000.00			Own Funds
Furniture and Office Equipment:Acquisitions	10 000.00	15 000.00	20 000.00	Own Funds
Machinery & Equipment - Multi Media Screen	100 000.00	-	-	Own Funds
Intangible Assets	100 000.00	200 000.00	250 000.00	Own Funds
	610 000.00	215 000.00	270 000.00	
Budget and Treasury Office				
Machinery and Equipment: Acquisitions	10 000.00	15 000.00	30 000.00	Own Funds
Computer Equipment:Acquisitions	25 000.00	30 000.00	45 000.00	Own Funds
Furniture and Office Equipment		30 000.00	45 000.00	Own Funds
	35 000.00	75 000.00	120 000.00	
Finance and administration	645 000.00	290 000.00	390 000.00	
Community Services				
Computer Equipment	25 000.00	20 000.00	35 000.00	Own Funds
Furniture and Office Equipment	10 000.00	15 000.00	30 000.00	Own Funds
Car Wash structure	200 000.00	-	-	
Libraries				
Furniture and Office Equipment: Acquisition	10 000.00	15 000.00	30 000.00	Own Funds
Computer Equipment:Acquisitions	10 000.00	10 000.00	25 000.00	Own Funds
	20 000.00	25 000.00	55 000.00	
Community and social services	255 000.00	60 000.00	120 000.00	
Electricity Services				
Infrastructure Assets				
Electrical Infrastructure: HV and LV Networks:Cost:Acquisitions	200 000.00			Own Funds
Electrical Infrastructure:Acquisitions (Street Lights)	100 000.00			Own Funds
Electrical Infrastructure:Future Use:Power Plants:Cost:Acquisitions - (INEP Project)		12 000 000.00	13 000 000.00	
Nqekwane Area-Ward 1	1 500 000.00			INEP/ New
Thubalethu Extension- Ward 2	9 000 000.00			INEP/ New
Ofankomo Area- Ward 3	500 000.00			INEP/ New
Kataza Area- Ward 4	1 000 000.00			INEP/ New
Umhlathuze Area- Ward 5	500 000.00			INEP/ New
Dubeni Area-Ward 6	500 000.00			INEP/ New
Inkisa Area-Ward 8	500 000.00			INEP/ New
Ntombokazi Area- Ward 12	1 000 000.00			INEP/ New
Sangoyane Area- Ward 13	500 000.00			INEP/ New
Machinery and Equipment:Acquisitions	-	100 000.00	100 000.00	Own Funds
Metering	150 000.00			Own Funds
Transformer housings	150 000.00			Own Funds
Airconditioning capital (offices and Library)	100 000.00			Own Funds
	15 700 000.00	12 100 000.00	13 100 000.00	
Roads				
Infrastructure Assets				
Mbiza Gravel Road-Ward 11	5 512 387.00			MIG/ New
Urban Roads Upgrade & Rehabilitation: Phase 5 - Thubalethu Township		-		
Mabhungu Gravel Road- Ward 8	4 326 613.00			MIG/ New
MIG Projects		19 152 000.00	20 040 000.00	MIG
	9 839 000.00	19 152 000.00	20 040 000.00	
Community Assets				178
Mehlamasha Community Hall		380 106.78	-	MIG/New
Sangoyane Sportsfield-Ward 13	5 600 000.00	3 958 369.92	-	Mig/New
Kataza Creche	2 500 000.00			MIG/New
	8 100 000.00	4 338 476.70	-	

ii) Investments

The municipality has a register of all investments with the legitimate registered banks as per the banks act. The accounts include three call deposits (one with Investec and two with FNB) as well as one fixed deposit with FNB.

BANKING INSTITUTION	DEPOSIT TYPE	ACCOUNT NUMBER	INTEREST RATE	AMOUNT INVESTED	SOURCE
Investec	Call Deposit	1100435097501	6.85	47 384	Spare account used to relieve a primary account
FNB	Call Deposit	62532053204	5.75	2 730	M.I.G
FNB	Call Deposit	62051262146	2.90	2 350	Electricity (INEP)
FNB	Fixed Deposit	71245040078	6.45	1 540 000	Surety held with Eskom for bulk electricity

9.1.2. Indigent Support (including Free Basic Services)

The Municipality has the indigent register where all individuals not affording to pay for basic services has gone through the application process and those who were found to earn little/ dependent on government grants has their applications successful. The Indigent register and Indigent Policy were reviewed and adopted during the 2018/2019 financial year strategic planning.

The municipality has an indigent policy that is used as a guide in terms of the indigent support to our needy community. The policy pronounces the other tools such as the indigent register where all the indigent households are registered. All the households with a joint gross income of R 3800 are regarded as indigent and are listed in the register for support from the municipality as per the policy. There are a number of households listed on the municipal indigent register updated yearly. There has not been a sizable increase in the households listed in the register since 2016. Currently there are 3 219 registered indigents on the indigent register.

The municipality allocates an amount of R 1 320 000 payable to Eskom per annum for free basic electricity. There has been a steady increase in indigent support of an average of 5 % per annum over the last three years.

The services offered to the indigent including the rebates are as follows:

- Refuse Removal - exempted
- Electricity – Free basic service of 50Kw per month
- Rates - exempted

The indigent policy is also accommodating pauper burial which will provide the grocery voucher, the coffin and transport. A burial pit will also be provided for the rate payers and Thubalethu residents who are in the indigent register.

Going forward it will be our priority to reduce the number of households on the indigent register through job creation and programs such as EPWP, ensuring that those that are hired are equipped with certain skills by the end of the program, for future employment.

Copy of the Indigent Policy is attached to the IDP as an annexures.

9.2 Revenue

The Mthonjaneni Municipality adopted its revenue enhancement strategy in June 2015. The Revenue strategy has been revised in March 2020 and will be tabled for council approval on or before 30 June 2020. The main objective of the strategy is to improve the current payment levels and to recover arrear debt. One of the revenue enhancement strategies that a municipality has introduced is to link the rates account with electricity accounts. This assisted in revenue collection as the people who have not paid their rates could not buy the electricity unless 50% of the debt has been paid. The enhancement strategy includes or is based on the following aspects amongst others:

- 1.1 Registration of Indigents:
- 1.2 Meter Reading and Billing System:
- 1.3 Debt Collection Strategy & Customer Care:
- 1.4 Consumer Database Management:
- 1.5 Minimise loss in distribution of electricity
- 1.6 Improvement of Revenue Generation:
- 1.7 Staff Training and Mentoring:
- 1.8 Revision of credit control policies

Three year outstanding debt per category:

Category	2016/17	2017/18	2018/19
Consumer Debtors - Rates	12 801 030	18 794 842	21 563 779
Electricity	3 560 441	5 160 783	5 470 779
Refuse	1 315 544	1 208 111	1 901 228
Property Rental	100 915	160 915	288 450
Total	17 777 930	25 324 651	29 224 236

The municipality has developed a revenue enhancement strategy in order to address the issue of low collection rate, implementation of policies and improvement in debt management.

A) Financial management

The municipality has a supply chain management (SCM) unit within the finance department. This unit is responsible for the implementation of Chapter 11 of the Municipal Finance Management Act. The unit has the following as part of the institutional arrangements:

B) Personnel/ Staff

As part of the organogram for finance department, there are four posts in the supply chain management (SCM) unit with different roles and responsibilities. They include SCM Manager, SCM Practitioner and two SCM clerks.

The municipality has fully functional bid committees that assist in the process of competitive bids from the specification until the adjudication committee that recommends to the accounting officer for appointment.

C) Policy Documents

There is a supply chain management policy that guides the unit in implementation of the legislation, i.e. Municipal Finance Management Act. The policy that has just been reviewed by the council is divided into three parts. These are

- I. **Part A** is the **Supply Chain Management Policy**, adopted in terms of section 111 of the Local Government: Municipal Finance Management Act, No. 56 of 2003 and the Municipal Supply Chain Management Regulations, Notice 868 of 30 May 2005;
- II. **Part B** is the **Preferential Procurement Policy**, adopted in terms of section 2 of the Preferential Procurement Policy Framework Act, No. 5 of 2000 and the Preferential Procurement Regulations, 2017.
- III. **Part C** is the **Model Policy for Infrastructure Management**, adopted in terms of section 168 of the Municipal Finance Management Act, No. 56 of 2003 in support of Regulation 3(2) of the MFMA Supply Chain Management Regulations.

D) Municipal Procurement Plan

The organisation has adopted the Municipal Procurement Plan that is in line with the service delivery and budget implementation plan (SDBIP) as required by MFMA Circular 62. This assists the SCM unit together with the departments to ensure that the procurement is made as planned and directly contribute to the service delivery. Since the procurement plan is in line with the SDBIP, it has also assisted in the determination of implementation timeframes of all the municipal projects and programmes.

E) Targeted Procurement

The municipality is using the preferential procurement pieces of legislation (PPPPFA and Preferential Procurement Regulations) to implement targeted procurement. Therefore, the following groups are targeted and directly benefit in the procurement of goods and services:

- (i) Local Businesses
- (ii) Women

- (iii) Youth
- (iv) Disabled

F) Municipal assets, repairs and infrastructure

The Municipality has put aside R15 Million for municipal infrastructure assets. This will assist the municipality in providing the electricity in more citizens. The maintenance of the assets is also budgeted at 3 millions. This will assist to maintain the existing assets so that they are always on a good working condition.

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2020/21 budget provides for in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the Municipality.

The following table lists the total anticipated cost for repairs and maintenance on infrastructure and assets for the next three years (2021 – 2023). It must be noted that the municipality has identified all the shortcomings associated with neglecting capital assets such as infrastructure thus the increased provision for repairing and maintenance of capital assets.

KZN285 Mthonjaneni - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2
Total Repairs and Maintenance Expenditure	9	6 822	–	–	3 050	3 468	3 468	–	2 906	3 080	3 290

The budgeted R & M is below the norm of 8%. The municipality is in the process of revising the repairs and maintenance infrastructure plan . The R &M budget will then gradually improve.

G) Financial viability/sustainability

Ratio Description	2016/17	2017/18	2018/19
a. Cost Coverage Ratio	7.2	2.1	3.1
b. Current Ratio (Current assets to current liabilities)	6.6	3	3.2
c. Capital expenditure to total expenditure	31%	24%	39 %
d. Debt to revenue	19.8	51.2	19.2
e. Collection Rate	92.5%	86.0%	79.2
f. Remuneration (Employee Councillors) to and total expenditure	25.6%	35.2%	38.7%

g. Distribution losses: Electricity	11.75%	12.82%	9.0%

H) Loans / borrowings and grant dependency

The municipality does not have any loans, i.e. short, medium or long term. It operates using own funds, however, most of the funds used to fund operations and capital projects come from government grants. There has not been a need to borrow funds for any of the municipal programmes. The municipality is financially sound, i.e. should there be a need to borrow funds, the municipality can be easily financed and repay such advance with ease. The municipality is largely grant dependent. According to latest audited AFS 2018/19 about 73.8% (R113 421 000/R153 619 890) of the municipal revenue comes from National and Provincial Government grants.

I) Auditor-General's opinion

Mthonjaneni Municipality's annual financial statements (AFS) for the ended 30 June 2019 have been audited by the Auditor General as required by the legislation. The audit was finalized towards the end of the calendar year, 2019.

Opinion

Summary of Audit Opinion for the past three years:

YEAR	2016/2017	2017/2018	2018/2019
AUDIT OPINION	Unqualified	Unqualified	Unqualified

II. Audit Improvement Plan

The municipality through its internal audit unit prepared the annual audit plan for the year 2018/2019. As part of the plan, the internal auditors make follow up on the responses given on the audit outcome of the Auditor General to ensure improvement. A copy of the annual internal audit plan is attached to the IDP as one of the annexures.

J) FINANCIAL PLAN

A financial plan has been prepared to give a picture of funding allocated to both operations and capital projects.

Table 47: funding for Operational & Capital Projects

SUMMARY		<u>Final Budget year 2020/21</u>	<u>Budget year 2021/22</u>	<u>Budget year 2022/23</u>	% Percentage
Revenue by Source					
Property Rates		(31 382 341.85)	(38 199 364.16)	(40 873 319.65)	16%
Service charges-electricity revenue		(32 642 496.35)	(34 601 046.13)	(37 023 119.36)	16%
Service charges-refuse revenue		(2 059 837.42)	(2 183 427.67)	(2 336 267.61)	1%
Rentals of facilities and equipment		(147 000.00)	(155 820.00)	(166 727.40)	0%
Interest earned-External investments		(900 000.00)	(954 000.00)	(1 020 780.00)	0%
Interest earned-Outstanding Debtors		(1 000 000.00)	(1 060 000.00)	(1 134 200.00)	0%
Fines		(3 600 000.00)	(3 816 000.00)	(4 083 120.00)	2%
Licences and permits		(1 923 977.99)	(2 039 416.66)	(2 182 175.83)	1%
Grant income-Operating		(90 560 000.00)	(92 949 000.00)	(97 172 000.00)	45%
Grant income-Capital		(32 939 000.00)	(31 152 000.00)	(33 040 000.00)	16%
Other Revenue		(3 003 804.02)	(3 184 032.26)	(3 406 914.52)	1%
Gains on Disposal of PPE		(1 000 000.00)	(1 060 000.00)	(1 134 200.00)	0%
		(201 158 457.63)	(211 354 106.89)	(223 572 824.37)	100%
Expenditure by Type					
Employee related costs		57 215 720.83	60 648 664.08	64 878 478.80	39%
Remuneration of councillors		9 256 007.86	9 811 368.33	10 498 164.11	6%
Debt impairment		3 900 000.00	4 134 000.00	4 423 380.00	3%
Depreciation and asset impairment		6 834 028.37	7 244 070.07	7 751 154.98	5%
Bulk Purchases		24 420 672.15	25 885 912.48	27 439 067.23	16%
Other materials		3 253 750.00	3 448 975.00	3 689 237.25	2%
Other expenditure		17 369 419.49	18 305 584.66	19 539 796.88	12%
Contracted Services		25 813 221.03	27 362 014.29	29 253 293.29	17%
		148 062 819.72	156 840 588.90	167 472 572.54	100%
(Surplus)/ Deficit		(53 095 637.90)	(54 513 517.98)	(56 100 251.83)	
Capital Expenditure		39 694 000.00	38 470 476.70	36 055 000.00	
NTAMBANANA CASH SPLIT		-	-	-	
Net (Surplus)/ Deficit		(13 401 637.90)	(16 043 041.28)	(20 045 251.83)	

KZN285 Mthonjaneni - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand												
To ensure that Council is striving towards its vision and mission	Encouraging community participation in service delivery			234 155	159 560	153 620	79 152	186 160	186 160	204 365	215 542	228 054

Total Revenue (excluding capital transfers and contributions)	1	234 155	159 560	153 620	178 010	186 160	186 160	204 365	215 542	228 054
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KZN285 Mthonjaneni - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand												
To ensure that Council is striving towards its vision and mission	Encouraging community participation in service delivery			154 930	143 573	153 971	110 870	144 369	144 369	153 682	162 797	173 838

Total Expenditure	1	154 930	143 573	153 971	141 702	144 369	144 369	153 682	162 797	173 838
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KZN285 Mthonjaneni - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand												
To reduce infrastructure backlogs		C					33 033	35 414	35 414	39 434	51 472	54 496

Total Capital Expenditure	1	-	-	-	36 138	35 414	35 414	39 434	51 472	54 496
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9.3 Expenditure

Overall increase in total expenditure of 11.68% was realised in 2020/2021 financial year as compared to an increase of 1.61% in 2019/2020.

Table 101: Operating expenditure over a period of three (3) years

Financial Year	2020-21	2019-20	2018-19
Amount	R153.7million	R 541 213 742	R 548 077 765

- **Employees and councillors related costs.** This is attributable to a combination of the salary increases year on year and the filling of vacancies during the financial year. This type of expenditure contributes 37% to the current total operating expenditure. An employees and councillors remuneration cost have decreased by 6% during the 2019/20 financial year and also is expected to decrease by 2% by 2020/21 financial year.
- **Contracted services costs.** Contracted services has been widened in terms of the mSCOA classification and includes amongst others the costs of, security services, catering services, contracted repairs and maintenance services, leased vehicles, event coordinators . As part of the compilation of the 2020/21 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced. This expenditure costs contribute 18% to the current total operating expenditure.

- **Bulk purchases costs.** The purchase of bulk electricity contributes 16% to the current total operating expenditure. A decrease of 1% was realised during the current financial year.

Spending of capital grants

The capital budget is committed largely on new infrastructure projects and the renewal of existing capital assets. The Council have estimated a capital budget of R39.4 million in 2020/21 and had approved capital budget of R35.2million in 2019/20 and R37.6 million in 2018/19. The municipality had spent all capital grants funding (100% spent) in 2018/19 financial year and expected to also to spend 100% in both 2019/20 and 2020/21 financial years.

Fruitless and wasteful expenditure

The municipality had incurred fruitless and wasteful expenditure over the years. This type of expenditure is resultant from penalties and interest charged accounts due to late payment of a particular invoice or statements. Major portion of this expenditure is from interest charged by Eskom on accounts that were paid after due dates as per their statements.

Table 9: Fruitless and wasteful expenditure incurred over the period of three years

Financial Year	2019-20	2018-20	2017-18
Amount	R 579 473	R 341 816	R 341 816

9.4 Supply Chain Management

Mthonjaneni Municipality has a fully functional Supply Chain Management Unit that is responsible for Demand and Acquisition. The SCM is also responsible for management of contracts and management of inventory as kept in the municipal stores. The unit is housed within the budget and treasury with a manager responsible as per the approved organogram. The unit operates in line with the relevant pieces of legislation and other policy documents including the Supply Chain Management Policy as amended and adopted on 29 May 2019.

The unit reports to the management committee, finance portfolio committee, executive committee and full council through the chief financial officer. There are functional bid committee members appointed by the accounting officer on yearly basis. The current bid committees are as follows:

9.4.1 Bid Specification Committee

The committee sits as per section 26 (1) (a) of the Supply Chain Management Policy. It has the following members:

- Mr NW Zikhali (Manager Technical Services) – Chairperson
- Mr D Thomson
- Mr BCX Dladla
- Mr NM Biyela – Secretariat

9.4.2 Bid Evaluation Committee

The committee is appointed by the Accounting Officer and sit in line with section 26 1 b of the Supply Chain Management Policy. It has the following members:

- Mr BD Mlondo (SCM Manager) – Chairperson
- Mr WB Dube
- Mr SK Madlopha
- Mr AK Shandu
- Ms NPN Ngcobo - Secretariat

9.4.3 Bid Adjudication Committee

The committee is appointed by the Accounting Officer and sit in line with section 26 1 c of the Supply Chain Management Policy. It has the following members:

- Mr NM Myeni – CFO -Chairperson
- Mr ZS Mthethwa – Director Corporate & Community Services
- Mrs SF Mchunu – Director Technical Services
- Mr NMP Nhleko – Manager Revenue
- Ms S Ntuli – SCM Practitioner
- Ms SG Hlophe – Secretariat

9.4.4 Contract Management

The SCM unit keeps and maintain the electronic contract register for all the municipal contracts. This is made in line with the provisions of the Municipal Finance Management Act, KZN Finance circulars and the municipal contract management policy. The register has 64 contracts including the expired contracts that are still there to for a five year term to lapse.

There are challenges with contract management, however, an action plan has been developed to address challenges. A report from Provincial Treasury recommended that an action plan be developed to address these challenges. The action to be taken and pronounced in the action plan include the following:

- a) SCM Manager to become the Champion
- b) Visit other neighbouring municipality to observe their processes
- c) Update contract register regularly with all contracts and payments made
- d) CMC to collect payments schedule from expenditure on 15th and month-end
- e) Issue single purchase orders for appointments with total amount
- f) Monitor payments & record service providers that have been paid in excess of R 200 000

9.4.5 Stores & Inventory

The municipality has stand-alone stores in the other building where all stores items/ inventory is kept. There two employees of the municipality being the stores

controller and stores assist who are responsible for day to day inventory management. This is in line with the municipal inventory policy and relevant accounting policies.

9.4.6 Cost containment measures

The Municipality has developed a Cost Containment policy in order to regulate spending and to implement cost containment measures and regulations at Mthonjaneni Local Municipality.

The objectives of this policy are to ensure that the resources of the municipality are used effectively, efficiently and economically;

9.5 Assets

The Municipality has put aside R15 Million for municipal infrastructure assets. This will assist the municipality in providing the electricity in more citizens. The maintenance of the assets is also budgeted at 3millions. This will assist to maintain the existing assets so that they are always on a good working condition.

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2020/21 budget provides for in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the Municipality.

9.7 Summary of Auditor General's report on 2018/2019 Financial Statements

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. Material amendments to the annual financial statements	<p>In terms of section 122(1) of the Municipal Finance Management Act of the Republic of South Africa, 2003 (Act No. 56 of 2003) (MFMA), "Every municipality and every municipal entity must for each financial year prepare annual financial statements which-</p> <p>(a) Fairly presents the state of affairs of the municipality or entity, its performance against budget, its management of revenue, expenditure, assets and liabilities, its business activities, its financial results, and its financial position as at the end of the financial year"</p> <p>During the audit of the annual financial statements the following material misstatements were identified in the disclosure items which were subsequently corrected. These material misstatements also constitute non-compliance with section 122(1) of the Municipal Finance Management Act (MFMA).</p> <p>Management did not ensure that the financial statements were adequately reviewed prior to being provided for audit as to ensure compliance with GRAP standards.</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>The major difference was caused by the late changes to the AFS affecting the cash flow that was not adjusted. AFS will be adequately reviewed before submission</p> <p><u>Responsible Official</u> CFO, NM Myeni</p> <p><u>Target Date</u> 31 August 2020</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>Currently busy with interim AFS to be finalized by 28 February 2020. They will be reviewed by internal auditors before submission to council committees.</p> <p><u>Responsible Official</u> CFO, NM Myeni</p> <p><u>Target Date</u> 31 August 2020</p>		

2. EXPENDITURE MANAGEMENT	<p>Irregular expenditure/fruitless and wasteful expenditure incurred in the prior year was not prevented from recurring in the current year</p> <p>Section 62(1)(d) of the MFMA states that, "The accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that unauthorized irregular or fruitless and wasteful expenditure and other losses are prevented;"</p> <p>During the audit of the disclosure notes, it was noted that management had incurred irregular and fruitless and wasteful expenditure for the 2018/2019 financial year, refer below for the analysis: -</p> <table><tr><th>Details</th><th>O/B</th><th>Incurred</th><th>W/O</th><th>C/B</th></tr><tr><td>F&W Note 42</td><td>56 504</td><td>341 816</td><td>0</td><td>398 320</td></tr><tr><td>Irregular note 43</td><td>110 555 332</td><td>23 546 083</td><td>- 46 178 497</td><td>81 481 462</td></tr></table> <p>irregular, fruitless and wasteful expenditure</p> <p>(a) occurred in the current and prior years</p> <p>(b) could have been avoided had reasonable care been taken.</p> <p>The majority of the irregular expenditure was as a result of competitive bids was adjudicated by a bid adjudication committee that was not composed in accordance with SCM regulation 29(2). Similar non-compliance was also reported in the prior year</p>	Details	O/B	Incurred	W/O	C/B	F&W Note 42	56 504	341 816	0	398 320	Irregular note 43	110 555 332	23 546 083	- 46 178 497	81 481 462	<p><u>ACTION TO BE TAKEN</u></p> <p>An application for exemption has been made to the National Treasury for the composition of the bid adjudication committee that is causing irregular expenditure. Follow up to be made on the request for exemption from the National Treasury on bid adjudication committee composition.</p> <p><u>Responsible Officials</u> SCM MANAGER , DB Mlondo CFO, NM Myeni</p> <p><u>Target Date</u></p> <p>31 March 2020</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>We still awaiting response from National Treasury in terms of exemption. A follow up letter will be drafted and sent to NT.</p> <p><u>Responsible Officials</u> SCM MANAGER , DB Mlondo CFO, NM Myeni</p> <p><u>Target Date</u></p> <p>31 March 2020</p>		
Details	O/B	Incurred	W/O	C/B																
F&W Note 42	56 504	341 816	0	398 320																
Irregular note 43	110 555 332	23 546 083	- 46 178 497	81 481 462																

<p>3. No investigations conducted in terms of prior and current year fruitless and wasteful expenditure as disclosed in the 2018/2019 annual financial statements</p>	<p>In terms of Section 32(4) of the Municipal Finance Management Act, Act No. 56 of 2003(MFMA), the accounting officer must promptly inform the mayor, the MEC for local government in the province and the Auditor-General, in writing, of—</p> <ul style="list-style-type: none"> (a) Any unauthorized, irregular or fruitless and wasteful expenditure incurred by the municipality (b) Whether any person is responsible or under investigation for such unauthorised, irregular or fruitless and wasteful expenditure; and (c) The steps that have been taken— <ul style="list-style-type: none"> (i) To recover or rectify such expenditure; and (ii) To prevent a recurrence of such expenditure. <p>During the audit of fruitless and wasteful expenditure, it was identified that the municipality had not conducted an investigation into the fruitless and wasteful expenditure that has been disclosed in note 42 of the financial statements, amounting to R341 816 (2018: R56 504), as required per the MFMA.</p> <p>This results in non-compliance with the provisions of the MFMA.</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>Submission was made to the MPAC in terms of UIFW expenditure for prior years. MPAC then recommended to the council to write off irregular expenditure due to noncompliance in terms of bid adjudication committee composition.</p> <p>We will Re-Submit a report to the MPAC with recommendations to investigate the other UIFW expenditure that was not written off.</p> <p><u>Responsible Official</u> SCM MANAGER , DB Mlondo ,MEFR, A Shandu, CFO, NM Myeni</p> <p><u>Target Date</u> 31 March 2020</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>UIFW report submitted to the Mpac sitting that took place on 30 January 2020 and will be done ongoing.</p> <p><u>Responsible Official</u> SCM MANAGER , DB Mlondo ,MEFR, A Shandu, CFO, NM Myeni</p> <p><u>Target Date</u> 31 March 2020</p>		
<p>4. Awards made to non-tax</p>	<p>In terms of MFMA section 112 (l)(iii), The supply chain management policy of a municipality must be fair,</p>	<p><u>ACTION TO BE TAKEN</u></p>	<p><u>ACTION TO BE TAKEN</u></p>		

<p>compliant suppliers</p>	<p>equitable, transparent, competitive and cost-effective and comply with a prescribed regulatory framework for municipal supply chain management, which must cover at least the following:</p> <p>(i)(iii) the barring of persons from participating in tendering or other bidding processes, including persons whose tax matters are not cleared by South African Revenue Service.</p> <p>In terms of Municipal Supply Chain Regulation 43 (1) The supply chain management policy of a municipality irrespective of the procurement process followed, state that the municipality may not award any award above R1 5000 to a person whose tax matters have not been declared by the South African Revenue Services to be in order.</p> <p>In terms of paragraph 43 (1 and 2) of the Municipality's SCM Policy, no award above R30 000 may be made in terms of this policy to a person whose tax matters have not been declared by the South African Revenue Service to be in order. Before making an award to a person the Bidder must first prove whether that person's tax matters are in order by the annual submission of an original tax clearance certificate as issued by SARS.</p> <p>In terms of MFMA Circular 90, designate officials, preferably from the supply chain management unit, whose function will be to verify the tax compliance status of a taxpayer and to manage the TCS system on the SARS</p>	<p>CSD or supplier tax pin will be verified on the tax status of each supplier prior to awarding even when it is a deviation transaction. This will be controlled through the checklists introduced for SCM and Expenditure.</p> <p>Responsible Official SCM MANAGER , DB Mlondo CFO, NM Myeni</p> <p>Target Date 31 January 2020</p>	<p>Checklist in place as a control measure in this regard.</p> <p>Responsible Official SCM MANAGER , DB Mlondo CFO, NM Myeni</p> <p>Target Date 31 January 2020</p>		
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	<p>website and have the functionality to verify the tax compliance status of a taxpayer on the SARS' e-Filing system.</p> <p>The CSD and tax compliance status PIN are the approved methods to be used to prove tax compliance as the SARS no longer issues Tax Clearance Certificates but has made provision online, via e-Filing, for bidders to print their own Tax Clearance Certificates which they can submit with their bids or price quotations.</p> <p>In terms of MFMA circular 90 Where the recommended bidder is not tax compliant, the bidder should be notified of their non-compliant status and the bidder must be requested to submit to the municipality or municipal entity, within 7 working days, written proof from SARS of their tax compliance status or proof from SARS that they have made an arrangement to meet their outstanding tax obligations. The proof of tax compliance status submitted by the bidder to the municipality or municipal entity must be verified via the CSD or e-Filing.</p> <p>The accounting officer should reject a bid submitted by the bidder if such a bidder fails to provide proof of tax compliance status within the timeframe stated above.</p> <p>As per the guidance on SARS, the (Tax Compliance Status) TCS PIN can be used instead of / in the place of a TCC by authorized third parties to verify your compliance status</p>				
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	<p>online via SARS</p> <p>Furthermore, suppliers were not requested to provide written proof from SARS of their tax compliance status or proof from SARS that they have made an arrangement to meet their outstanding tax obligations within 7 working days.</p> <p>This results in material non-compliance and should be disclosed as irregular expenditure in the AFS.</p>				
<p>5. Payments not made within 30 days</p>	<p>Section 65 (2) (e) of the Municipal Finance Management Act No. 56 of 2003, states inter-alia that, the accounting officer must for the purpose of subsection (1) take all reasonable steps to ensure that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure. During the audit of expenditure, it was noted that the invoices were not paid within 30 days from the date they were received as required by the above legislation.</p> <p>The above non-compliance may result in interest and penalties being charged which constitutes fruitless and wasteful expenditure.</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>The municipality will adequately monitor invoice register and will implement a weekly follow-up to ensure that payments are processed on time.</p> <p>The municipality will also implement a monthly report detailing reason why payments are not made on time and submit to the CFO's office for review</p> <p><u>Responsible Official</u></p> <p>MEFR: A Shandu CFO : N Myeni</p> <p><u>Target Date:</u></p>	<p><u>ACTION TO BE TAKEN</u></p> <p>Invoice register is used as a control measure to prevent and monitor payments not made within 30 days, the accountant expenditure submits the expenditure report detailing payment turnaround time to CFO on a monthly basis.</p> <p><u>Responsible Official</u></p> <p>MEFR: A Shandu CFO : N Myeni</p> <p><u>Target Date:</u> 31 January 2020</p>		

		31 January 2020			
6. Deviations	<p>Municipal Supply Chain Management Regulation 36 reads:</p> <p>(1) A supply chain management policy may allow the accounting officer-</p> <p>a) to dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only</p> <p>(i) in an emergency;</p> <p>(ii) if such goods or services are produced or available from a single provider only;</p> <p>(iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;</p> <p>(iv) acquisition of animals for zoos; or</p> <p>(v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and</p> <p>(b) to ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.</p> <p>(2) The accounting officer must record the reasons for any deviations in terms of sub regulation (1)(a) and (b) and report them to the next meeting of the council, and</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>Deviations to be checked in terms of the reasons cited in the form. We ensure that it meets the requirements of transactions made through deviations in terms of the legislation.</p> <p><u>Responsible Official</u> SCM Manager : D Mlondo CFO : N Myeni</p> <p><u>Target Date:</u> 31 January 2020</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>Deviations are checked as they are received to determine the validity of reasons cited.</p> <p><u>Responsible Official</u> SCM Manager : D Mlondo CFO : N Myeni</p> <p><u>Target Date:</u> 31 January 2020</p>		

include as a note to the annual financial statements.

National treasury instruction SCM instruction note 3 of 2016/17 paragraph 8.2 reads:

"An emergency procurement may occur when there is a serious and unexpected situation that poses an immediate risk to health, life, property or environment which calls an agency to action and there is insufficient time to invite competitive bids"

- a) The following deviations do not meet the requirements for an emergency procurement; the municipality did not sufficiently demonstrate how the deviations pose an immediate risk to health, life, property or environment. In addition, an emergency procurement may not be as a result of poor planning.

Supplier's Name	Description	Amount	Reason for deviation
Chico man Trading	Grass cutting in voting stations	93 897, 89	An emergency – major back

					log for gras s cutti ng urge nt atte ntio n to cut all 23 war ds and gras s cutti ng at Mth onja neni voti ng stati on					
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<p>7. Indigent discrepancies identified</p>	<p>Section 64 of the MFMA requires that the accounting officer of a municipality is responsible for the management of the revenue of the municipality. The accounting officer must for the purposes of subsection (1) take all reasonable steps to ensure that the municipality has effective revenue collection systems consistent with section 95 of the Municipal Systems Act and the municipality credit control and debt collection policy including having and maintaining a management, accounting and information system which</p> <ul style="list-style-type: none"> (i) recognizes revenue when it is earned; (ii) accounts for debtors; and (iii) accounts for receipts of revenue; <p>and that the municipality has and maintains a system of internal control in respect of debtors and revenue, as may be prescribed;</p> <p>The municipality received equitable share allocation of R76,67 million. Part of the equitable share is used to fund free basic services that are meant for the poor.</p> <p>Due to the possible invalid indigent status of debtors above, there is a possible material understatement of revenue and understatement of receivables to the municipality due to the invalid rebates granted to consumers. The municipality should determine the total of the rebates applied to invalid indigents and ensure that the appropriate remedy is instituted to recover lost monies.</p> <p>Accordingly, the annual financial statements need to be</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>We will analyse the indigent database to identify the discrepancies. Corrections to be made on discrepancies identified.</p> <p><u>Responsible Official</u> MR : N Nhleko CFO : N Myeni</p> <p><u>Target Date:</u> 31 March 2019</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>Service providers are being sourced for this service, We are in a process of procuring data cleansing services in order to vet indigent applicants before there are approved.</p> <p><u>Responsible Official</u> MR : N Nhleko CFO : N Myeni</p> <p><u>Target Date:</u> 31 March 2019</p>		
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	considered for adjustment for the correct revenue and receivable to be raised.														
8. Splitting of procurement of goods	<p>Municipal Supply Chain Management Regulation 12(3)(a) reads: (1) A supply chain management policy must state —</p> <p>"that goods or services may not be deliberately split into parts or Items of a lesser value to avoid complying with the requirement of the policy"</p> <p>The quotations appear to be split in order to avoid procurement through competitive bidding and the following factors were considered in assessing the splitting of the procurement of goods</p> <p>(a)The nature of items procured is similar or can be expected to be sourced from the same supplier</p> <p>(b)The value of the quotes is combined is above R 200 000 therefore would have forced procurement through competitive bidding</p> <p>(c)The timing of procurement of goods and the invitation for bid</p> <table><tr><th>Quote #</th><th>Supplier</th><th>Goods</th><th>Advert Date</th><th>Price</th></tr><tr><td>M0034</td><td>DSM Electrical</td><td>Poles – HV Lines</td><td>21/01/19</td><td>138 592</td></tr></table>	Quote #	Supplier	Goods	Advert Date	Price	M0034	DSM Electrical	Poles – HV Lines	21/01/19	138 592	<p><u>ACTION TO BE TAKEN</u></p> <p>Requisitions will be checked thoroughly to determine if they aren't splitting the goods/ services to meet certain procurement range</p> <p><u>Responsible Official</u></p> <p>SCM Manager: D Mlondo CFO : N Myeni</p> <p><u>Target Date:</u> 31 January 2020</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>Requisitions are checked on submission from the departments to avoid splitting of orders.</p> <p><u>Responsible Official</u></p> <p>SCM Manager: D Mlondo CFO : N Myeni</p> <p><u>Target Date:</u> 31 January 2020</p>		
Quote #	Supplier	Goods	Advert Date	Price											
M0034	DSM Electrical	Poles – HV Lines	21/01/19	138 592											

	M0035	DSM Electrical	Poles – HV Lines	21/01/19	184 612				
	Total				<u>323 205</u>				
	M0030	Laduma Sports	Tracksuits for Salga games	10/09/18	199 755				
	M0031	Thingo Projects	Councillor attire for Salga games	10/09/18	198 000				
	M0032	Thingo Projects	T-Shirt for Salga games	10/09/18	198 013				
	Total				<u>595 769</u>				
	M0036	Bay General Suppliers	Electrical Stock	26/10/19	131 836				
	M0037	Bay General Suppliers	LV Cable	26/10/19	105 340				
	Total				237 176				
9. Disaster Recovery Plan	A Disaster Recovery Plan (DRP) was in place; however, it had not been tested by the municipality to assess its					<u>ACTION TO BE TAKEN</u>	<u>ACTION TO BE TAKEN</u>		

<p>not tested</p>	<p>effectiveness in recovering critical IT resources in the event of a disaster.</p> <p>Furthermore, the DRP requires updating as the server rooms have been merged into a single room and the DRP needs to be reflective of that.</p> <p>Without testing the DRP, the municipality may not be aware of any shortcomings in the plan and will not be able to assess its effectiveness in an objective and quantifiable manner. If the DRP is not reflective of the current IT environment at the municipality it may not be an adequate reference to effectively to restore IT systems. The risk has however not materialized during the 2018-19 as there were no disruptions during the year that required the DRP to be invoked.</p> <p>This is a repeat finding from the prior years.</p>	<p>Testing of Disaster Recovery plan with be actioned by reviewing Disaster Recovery Plan and testing of the recovery system on quarterly basis</p> <p><u>Responsible Official</u></p> <p>DCCS: ZS Mthethwa</p> <p><u>Target Date:</u></p> <p><u>30/06/2020</u></p>	<p>IA noted that there is no progress at this stage.</p> <p><u>Responsible Official</u></p> <p>DCCS: ZS Mthethwa</p> <p><u>Target Date:</u></p> <p><u>30/06/2020</u></p>		
<p>10. Network diagram not documented</p>	<p>A network diagram that reflects the current IT infrastructure of the municipality had not been documented.</p> <p>In the absence of a complete, accurate and approved network diagram the municipality may not be able to effectively manage and assess the overall security of its network infrastructure.</p> <p>The municipality is busy upgrading and making changes to its network and only once this process is finalised can the network diagram be documented.</p> <p>This is a repeat finding from the prior years.</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>IT Infrastructure will be documented by not later than 30 /06/2020</p> <p>DCCS: ZS Mthethwa</p> <p><u>Target Date:</u></p> <p><u>30/06/2020</u></p>	<p><u>ACTION TO BE TAKEN</u></p> <p>IA noted that there is no progress at this stage.</p> <p><u>Responsible Official</u></p> <p>DCCS: ZS Mthethwa</p> <p><u>Target Date:</u></p> <p><u>30/06/2020</u></p>		

11. Impairment of an item of Property, Plant and Equipment	In terms of section 122(1) (a) MFMA, every municipality must for each financial year prepare annual financial statements which fairly presents the state of affairs of the municipality, its performance against its budget, its management of revenue, expenditure, assets and liabilities, its business activities, its financial results, and its financial position as at the end of the financial year.	<u>ACTION TO BE TAKEN</u>	<u>ACTION TO BE TAKEN</u>														
	In terms of GRAP21.20 - 23(c) an entity shall assess at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable service amount of the asset. In assessing whether there is any indication that an asset may be impaired, an entity shall consider if evidence is available of obsolescence or physical damage of an asset.	During verification of assets it was discovered that the assets will need to be repaired therefore there was no further need to do assessment. Repairs will be performed as planned during 2019/20 financial year.	Repairs will be done before the end of this financial year.														
	Our physical verification of a Community Asset at Ndundulu Sports field it was not that the following assets were not impaired:																
	<table><tr><th>Asset Code</th><th>Description</th><th>Carrying Amount</th></tr><tr><td>MTH00078</td><td>NDUNDULU SPORTFIELD-CHANGE ROOMS</td><td>95 073.29</td></tr><tr><td>MTH00095</td><td>NDUNDULU SPORTFIELD-WIRE FENCE</td><td>312 287.62</td></tr><tr><td>MTH00096</td><td>NDUNDULU SPORTFIELD-GATE</td><td>5 529</td></tr></table>	Asset Code	Description	Carrying Amount	MTH00078	NDUNDULU SPORTFIELD-CHANGE ROOMS	95 073.29	MTH00095	NDUNDULU SPORTFIELD-WIRE FENCE	312 287.62	MTH00096	NDUNDULU SPORTFIELD-GATE	5 529	<u>Responsible Official</u>	<u>Responsible Official</u>		
	Asset Code	Description	Carrying Amount														
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	Revenue Manager: N Nhleko CFO : N Myeni DTS : SF Mchunu	Revenue Manager: N Nhleko CFO : N Myeni DTS : SF Mchunu															
	<u>Target Date:</u> 30 June 2020	<u>Target Date:</u> 30 June 2020															

[illegible]

	Ngqekwane Access road	Gravel	Ngqekwane	<u>Target Date:</u> 30 June 2020	February by consultants to DTS , procuring and installation of signs will be done in-house before June 2020 after adoption of Maintenance plan and policy by Council. <u>Responsible Official</u> DTS: SF Mchunu <u>Target Date:</u> 30 June 2020		
	Upgrading of rural road ward 7(1)	Gravel	Makhasaneni				
	Khanyile access road	Gravel	Khanyile				
	Hawai access road 1	Gravel	Hawai				
	Hawai access road 1	Gravel	Hawai				
	Mazulu access road	Gravel	Mazulu				
	Mkantshana access road 2	Gravel	Mkantshana				
	Upgrading of rural road 7(2)	Gravel	Makhasaneni				
	Bovini access road	Gravel	Bovini				
	Thengela access road	Gravel	Thengela				
	Ngakwini access road	Gravel	Nqakavini				

	Sigubudu access road	Gravel	Sigubudu				
13. Property, plant and equipment — assets under-insured	<p>In terms of Section 62 of the Municipal Finance Management Act, Act 56 of 2003, the accounting officer of a municipality is responsible for managing the financial administration of the municipality and must for this purpose take reasonable steps to ensure:</p> <ul style="list-style-type: none"> (a) that the resources of the municipality are used effectively, efficient and economically. (b) that full and proper records of the financial affairs of the municipality are kept in accordance with any prescribed norms and standards. (c) that the municipality has and maintains effective, efficient and transparent systems <p>In terms of section 63(a) of the Municipal Finance Management Act, Act 56 of 2003, the accounting officer of a municipality is responsible for the management of the asset of the municipality, including the safeguarding and the maintenance of those assets.</p> <p>As per the table below it is observed that the assets of the municipality are under-insured by R35, 908 million. This</p>			<p><u>ACTION TO BE TAKEN</u></p> <p>We will review the municipal insurance policy for assets especially for other assets and make necessary adjustments.</p> <p><u>Responsible Official</u> MR : N. Nhleko CFO : N Myeni</p> <p><u>Target Date:</u> 30 June 2020</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>The Asset policy is being reviewed and will be tabled to council for approval by 31 March 2020</p> <p><u>Responsible Official</u> MR : N. Nhleko CFO : N Myeni</p> <p><u>Target Date:</u> 30 June 2020</p>		

	places the municipality at a risk should a disaster occur and assets may not be adequately replaced.						
	Category of assets	Book value as at June 19	Insured value as per contract	Difference			
	Machinery & Equipment	3 023 981	1 100 000	1 923 981			
	Furniture & office equipment	806 409	1 727 000	-920 591			
	Transport assets	5 674 897	1 000 000	4 674 897			
	Computer Equipment	388 088	1 643 087	-1 254 999			
	Community Asset	79 882 200	68 772 469	11 109 731			
	Other Asset	20 969 575	593 771	20 375 804			
	Total			35 908 823			
14. Procurement and contract management — awards to persons in service of state	<p>In terms of MFMA SCM reg. 13(c)(1) -</p> <p>A supply chain management policy must state that the municipality may not consider a written quotation or bid unless the provider who submitted the quotation or bid —</p> <p>(c) has indicated —</p> <p>(i) whether he or she is in the service of the state, or has been in the service of the</p>			<p><u>ACTION TO BE TAKEN</u></p> <p>The cases indicated will be investigated. A declaration of interest and CSD report will be part of the documents consumed before a purchase order is issued.</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>The cases below were resolved:</p> <ol style="list-style-type: none"> 1. Judy Magwaza Trading Enterprise 2. Emphethweni Medical Centre, and 		

	<div><div><div><div><div><div></div><div>(ii)</div></div><div>state in the previous twelve months; .if the provider is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; or</div></div><div><div><div></div><div>(iii)</div></div><div>whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in subparagraph (ii) is in the service of the state, or has been in the service of the state in the previous twelve months.</div></div></div></div></div>	<div><div><div><div><div></div><div>Responsible Official</div></div><div>SCM Manager : D Mlondo CFO : N Myeni</div></div><div><div><div></div><div>Target Date:</div></div><div>31 March 2020</div></div></div></div>	<div><div><div><div><div></div><div>3. PriceWaterhous eCoopers</div></div><div>The other remaining cases are still investigated. However, CSD reports and Declarations are still used as a control measure.</div></div><div><div><div></div><div>Responsible Official</div></div><div>SCM Manager : D Mlondo CFO : N Myeni</div></div><div><div><div></div><div>Target Date:</div></div><div>31 March 2020</div></div></div></div>		
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The results of our CAATS testing revealed the following exceptions:							
a) The following findings were found to have submitted false declarations as their members were found to be in employed in other state institutions:							
<table><tr><td>CIPC_ENT_NAME</td></tr><tr><td>JUDY MAGWAZA TRADING ENTERPRISE</td></tr><tr><td>MTHONJANENI TRANSPORT SERVICES CO-OPERATIVE LIMITED</td></tr><tr><td>MPEMBE PRODUCTION</td></tr><tr><td>EMPHETHWENI MEDICAL CENTER</td></tr><tr><td>EMPHETHWENI MEDICAL CENTRE</td></tr><tr><td>EMINENT EVENTS</td></tr></table>	CIPC_ENT_NAME	JUDY MAGWAZA TRADING ENTERPRISE	MTHONJANENI TRANSPORT SERVICES CO-OPERATIVE LIMITED	MPEMBE PRODUCTION	EMPHETHWENI MEDICAL CENTER	EMPHETHWENI MEDICAL CENTRE	EMINENT EVENTS
CIPC_ENT_NAME							
JUDY MAGWAZA TRADING ENTERPRISE							
MTHONJANENI TRANSPORT SERVICES CO-OPERATIVE LIMITED							
MPEMBE PRODUCTION							
EMPHETHWENI MEDICAL CENTER							
EMPHETHWENI MEDICAL CENTRE							
EMINENT EVENTS							

	AKHONASIKHONA	THEMBEKA BENEDICTA	MPUNGOSE		
	SHINING STARS SPORTING AGENCY	ZIBUSE MICHAEL	MLABA		
	SHINING STARS SPORTING AGENCY	BUSANI JEFFREY	KHOMO		
	FIRSTRAND BANK	LOUIS LEON	VON ZEUNER		
	FIRSTRAND BANK	MARY	VILAKAZI		
	CONLOG	JUDY VALERIE	NWOKEDI		
	MOBILE TELEPHONE NETWORKS	THOBEKA PATIENCE	SISHUBA		
	PRICEWATERHOUSECOOPERS	PHILANI JETRO	MAPHANGA		
15. Lack of formal policy for the management of road infrastructure	<p>The Municipal Systems Act, Act 32 of 2000, section 11 (3) (a) states that "A municipality exercises its legislative or executive authority by—</p> <p>Developing and adopting policies, plans, strategies and programmes, including setting targets for delivery.</p> <p>During the audit of road infrastructure at the Mthonjaneni Municipality it was noted that the municipality did not have an approved policy on roads clearly indicating the following:</p> <ul style="list-style-type: none"> • Strategic planning • Proactive and routine maintenance planning • Funding of new road infrastructure and maintenance of existing road infrastructure • Management information system • Addressing backlogs <p>The absence of an approved Roles and responsibilities of the staff members and procedures to manage road infrastructure, could result in the following:</p> <ul style="list-style-type: none"> • Staff not aware of their roles and responsibilities • Each division unaware of their roles and functions 	<p><u>ACTION TO BE TAKEN</u></p> <p>The municipality has appointed B.I Infrastructure to develop road maintenance plan and policy. The service provider will complete to develop the maintenance plan and policy in the fourth quarter.</p> <p><u>Responsible Official</u></p> <p>DTS : S Mchunu</p> <p><u>Target Date:</u> 30 June 2020</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>Draft maintenance policy and maintenance plan which covers management of road infrastructure- will be submitted by the appointed Consultant from BI Infrastructure. This will be adopted by Council on or before June 2020.</p> <p><u>Responsible Official</u></p> <p>DTS : S Mchunu</p> <p><u>Target Date:</u> 30 June 2020</p>		

	<ul style="list-style-type: none"> Road infrastructure backlogs not being addressed <p>This matter was raised in the three preceding financial years and management committed in each action plan for the 2105-16, 2016-17 and 2017-18 financial years to develop and implement a policy. The action plan to address prior years' management report findings stated that a process is in progress to appoint a service provider to develop this policy. However, the process has not been finalised at time of this audit.</p>				
<p>16. No approved road maintenance strategy in place and maintenance plan lacks critical information</p>	<p>The Local Government Capital Asset Management Guideline states:</p> <p>"Once the asset policy has been formulated, operation and maintenance plans should be developed to give effect to the policy.</p> <p>Operation and maintenance plans define the approaches to be used, and what needs to be done, to optimise performance and asset life. The objective of operation and maintenance plans is to ensure that:</p> <ul style="list-style-type: none"> Assets remain appropriate to programme requirements. Assets are efficiently utilised; And assets are maintained in the condition necessary to support programme delivery at the lowest possible long-term cost". <p>It was noted that the municipality did not have an approved maintenance strategy. A maintenance strategy is a comprehensive plan that:</p> <ul style="list-style-type: none"> defines the asset, the performance required of it, 	<p><u>ACTION TO BE TAKEN</u></p> <p>The maintenance plan and policy which the service provider is developing will contain the maintenance strategy and will cover all wards which are within Mthonjaneni municipality</p> <p><u>Responsible Official</u></p> <p>DTS : S Mchunu</p> <p><u>Target Date:</u> 30 June 2020</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>Draft maintenance policy and maintenance plan which covers maintenance of road infrastructure- will be submitted by the appointed Consultant from BI Infrastructure. This will be adopted by Council on or before June 2020.</p> <p><u>Responsible Official</u></p> <p>DTS : S Mchunu</p> <p><u>Target Date:</u> 30 June 2020</p>		

	<p>and the level to which it is to be maintained;</p> <ul style="list-style-type: none"> • identifies the risks associated with the chosen strategy in terms of service delivery in the event of asset failure; • describes the systems (not specifically IT) and procedures to be used to plan and manage the maintenance work; • specifies the types of maintenance to be carried out (i.e. in-house or outsourced), and why; • nominates the means of resourcing and implementing maintenance; • indicates any requirements for in-house spare parts and any specialist equipment needed to maintain certain assets; and • outlines the projected costs of routine (and corrective/preventive) maintenance and forecasts major replacements for the next 5—10 years, depending on the type of asset <p>The maintenance plan provided by the municipality is outdate as it does not include the wards inherited through the merger of the former Ntambanana Municipality. A comprehensive maintenance plan should at least include critical aspects, as per the abovementioned guidelines, which are necessary for the efficient management of the assets. In terms of the above mentioned guideline, maintenance plan should include but are not limited to the following:</p> <ul style="list-style-type: none"> • definition of maintenance standards; • allowance for the rectification of existing defects; • description of the work to be carried out; and • forecast of the necessary maintenance, major repairs and preventative maintenance expenditure 				
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	<p>for the planning period.</p> <ul style="list-style-type: none"> the entire road network and the condition of the road network including the visual condition index (VCI) <p>Consequently, the lack of a comprehensive strategy and plan impacts negatively on the efficient management of the asset and its continued value in providing effective and quality service delivery. It will further impair proper decision making on the deterioration of the road infrastructure (ie. Priority listing which includes renewals, rehabilitation, potholes, cracks etc.) cannot be made. Furthermore, a lack of an approved maintenance plan can affect accurate budgeting and sound decision making.</p>				
17. Road Asset Management System	<p>Paragraph 4.2.1 of the road infrastructure strategic framework of South Africa (RISFSA) defines a road asset management system (RAMS) as follows:</p> <p>"it is a structured procedure, to facilitate coordination and project management of all road networks aimed at ensuring the desired service delivery. RAMS comprises of various systems such as:</p> <ul style="list-style-type: none"> Construction management system Pavement management system Maintenance management system Bridge management system <p>Road network information is a basic requirement for planning and budgeting purposes. If accurate information is kept it will ensure that the priorities outlined in the IDP are met and aligned with the community's needs.</p> <p>This finding has been reported in the previous year audit.</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>The maintenance plan and policy which the service provider is developing will contain Road asset management system</p> <p><u>Responsible Official</u></p> <p>DTS : S Mchunu</p> <p><u>Target Date:</u> 30 June 2020</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>Draft maintenance policy and maintenance plan which covers road asset management system- will be submitted by the appointed Consultant from BI Infrastructure. This will be adopted by Council on or before June 2020. Further more-King Cetshwayo Municipality is busy collecting data for conditions of municipal roads and road network system and this information will be submitted to us by the before June 2020.</p>		

	<p>Management indicated in the audit action plan that a consultant will be appointed from a panel of service providers from MIG Projects. Since these consultants provide professional engineering skills in procuring and implementation of the municipal road infrastructure maintenance/ policies. However, during the current audit, this process has not been completed.</p> <p>Consequently, management is not in a position to make informed decisions to manage its road network and to adequately plan for necessary intervention. Failure to appropriately manage road network would lead to unsustainable increase in costs which according to RISFSA is estimated between 6 to 18 times more.</p>		<p><u>Responsible Official</u></p> <p>DTS : S Mchunu</p> <p><u>Target Date:</u> 30 June 2020</p>		
<p>18. The requirements of SIPDM into the SCM policy were not approved and implemented</p>	<p>In November 2015 National Treasury issue the Standard for Infrastructure Procurement and Delivery Management (SIPDM) in order to improve project outcomes. The effective implementation date by organs of state subject to MFMA was 1 July 2016. The full implementation of the SIPDM, which is expected to deliver better value for money within an auditable system, requires that a number of actions be undertaken, and one of the actions is to establish a suitable SCM policy for Infrastructure Procurement and Delivery Management.</p> <p>This policy should be approved by the head of Department and incorporate the following:</p> <ul style="list-style-type: none"> assign responsibilities for approving or accepting deliverables associated with a gate in the control framework or authorising a procurement process or procedure; 	<p><u>ACTION TO BE TAKEN</u></p> <p>The policy has been developed and approved by Council during 2019/20 financial year and it will be implemented accordingly</p> <p><u>Responsible Official</u></p> <p>SCM : BD Mlondo CFO : NM Myeni</p> <p><u>Target Date:</u> 31 March 2020</p>	<p><u>ACTION TO BE TAKEN</u></p> <p>The policy has been developed and approved by Council during 2019/20 financial year and it will be implemented accordingly</p> <p><u>Responsible Official</u></p> <p>SCM : BD Mlondo CFO : NM Myeni</p> <p><u>Target Date:</u> 31 March 2020</p>		

	<ul style="list-style-type: none"> • establish committees which are required by law, or equivalent quality management and governance arrangements; • establish delegations for the awarding of a contract or the issuing of an order; and • establish ethical standards for those involved in the procurement and delivery of infrastructure. <p>According to the instruction by National Treasury the SCM policy should have been completed by 1 April 2017 but this has not been done to date.</p> <p>The SIPDM provides a control framework for the planning, design and execution of infrastructure projects which are required to provide better quality of life for the citizen of the country. Therefore, any delay in implementing the requirements of the SIPDM will affect the timely delivery of all infrastructure projects prolonging better service delivery and value for money.</p> <p>This finding was raised in the previous years' audit. However, the approval and implementation of this policy did not take effect during this financial year.</p>				
19. Road infrastructure	<p>Road Infrastructure- Background</p> <p>During the roads infrastructure audit of the Mthonjaneni Municipality, a site inspection was conducted on the 17th of October 2019 for the under-mentioned projects in order to determine whether the construction and rehabilitated roads have successfully achieved the deliverables as per the scope of work, timelines set, budgeted cost and the quality requirements. In order to assess if each project meets the expected quality requirements; the</p>	<p><u>ACTION TO BE TAKEN</u></p> <p><i>Action to be taken on construction of Manzawayo</i></p> <p>The project is still under construction and due for completion as the</p>	<p><u>ACTION TO BE TAKEN</u></p> <p><i>Road Infrastructure- Manzawayo:</i></p> <p>The Consultants from BI Infrastructure have been advised to take actions regarding the progress of this project and the</p>		

	<p>completeness of the project was measured against whether the recorded width measurements match what's on the ground etc.</p> <p>Finding A- Delay in Construction of Manzawayo Gravel Road</p> <p>The construction of the Manzawayo gravel road commenced on the 22 October 2018. The project was originally scheduled to be completed by 22 May 2019. An extension of time(EOT) of 121 days was approved as the municipality waited for the Municipal Infrastructure Grant (MIG) allocation, since there were no funds available to pay the contractor. This resulted in a revision of the contract completion date to 20 September 2019,</p> <p>During the site visit, it was observed that the project is still in progress. No further EOT's were approved to allow the project to continue after the 20th September 2019. This has resulted in a project delay.</p> <p>Finding B- Construction of Urban Roads Upgrade and Rehabilitation of Phase 5</p> <ol style="list-style-type: none"> 1. The construction of the project commenced on the 13 July 2018. The project was originally scheduled to be completed by 31 May 2019. An extension of time (EOT) of 120 days was approved as the municipality waited for the Municipal Infrastructure Grant (MIG) allocation, since there were no funds available to pay the contractor and extra work described by the contractor in their submission. This resulted in a revision of the contract 	<p>contractor is busy with finishes but the contractor is on penalties as there will be no further extension of time granted due to technical reasons (guided by general conditions of contracts) to this contractor.</p> <p>Action to be taken on construction of Urban Roads Upgrade and Rehabilitation of Phase 5</p> <p>This project was further extended to 29 October 2019 but there will be no further extension due to technical reasons (guided by general conditions of contracts) and the contractor is currently on penalties. The blacktop surfacing on the road is completed on all roads and the</p>	<p>response is expected no later than Thursday the 20th February 2020.</p> <p>Urban Roads Upgrade and Rehabilitation of Phase 5</p> <p>The Consultants from BI Infrastructure have been advised to take actions regarding the progress of this project and the response is expected no later than Thursday the 20th February 2020.</p> <p>Responsible Official</p> <p>DTS : S Mchunu</p> <p>Target Date:</p> <p>30 June 2020</p>		
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	completion date to 30 September 2019	contractor is busy with finishes <u>Responsible Official</u> DTS : S Mchunu <u>Target Date:</u> 30 June 2020			
20. Material Impairments	As disclosed in notes 10 to the financial statements ,receivable from no-exchange transactions were impaired by R74,58 million (2018 : R 72,79 million) as a results of the annual review of the recoverable od debs	<u>ACTION TO BE TAKEN</u> This is due to traffic fines issued. Recoverability is very low. The municipality makes provision of 80% for impairment as a result. The municipality will continue to implement means such as road blocks and settlement discounts to encourage payment of traffic fines. <u>Responsible Official</u>	<u>ACTION TO BE TAKEN</u> The municipality is in the process to appoint service provider who will assist with traffic management system which will include traffic fines collection and therefore increase a recoverability of traffic fines issued. <u>Responsible Official</u> DCCS : ZS Mthethwa CFO: NM Myeni <u>Target Date:</u> 31 March 2020		

		DCCS : ZS Mthethwa CFO: NM Myeni <u>Target Date:</u> 31 March 2020			
21. Material Losses – electricity	As disclosed in note 48 to the financial statement, the municipality incurred material electricity losses of 1 631 275 kilowatts (2017-18 2 240 730 kilowatts) which resulted in revenue loss of R2, 03 million (2017-18 R2, 97 million). The losses were mainly attributed to aging electrical infrastructure and illegal electricity connections	<u>ACTION TO BE TAKEN</u> The municipality will conduct meter audit to minimise electricity losses due to illegal connections. Will ensure ongoing maintenance of electricity infrastructure and enforce credit policy by instituting disconnections on customers with arrear accounts. The municipality is in a process of converting all domestic metres from conventional to prepaid metres. <u>Responsible Official</u> CFO : N Myeni DTS : SF Mchunu	<u>ACTION TO BE TAKEN</u> In progress, monthly electricity losses meetings are being held. Electricity losses are being reported on and monitored monthly. <u>Responsible Official</u> CFO : N Myeni DTS : SF Mchunu <u>Target Date:</u> 31 March 2020		

		<u>Target Date:</u> 31 March 2020			
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9.7 Financial Viability and Management SWOT Analyses

Table 48: Financial Viability & Management: SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> ▪ Municipality has a cash backed reserves ▪ Reviewed indigent Policy. ▪ Fully functional Supply chain unit. ▪ The municipality does not have any borrowings. 	<ul style="list-style-type: none"> ▪ Poor spending on the condition grants. ▪ Low rates base. ▪ Limited staff in the financial department.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> ▪ Decrease its spending to generate more cash backed reserves. ▪ Clean audit opinion. ▪ Increase rate base by facilitating local economic development projects. 	<ul style="list-style-type: none"> ▪ The financial viability of municipality.

10. Good governance and public participation analyses

10.1 Provincial Programmes/ Priorities rolled-out at Municipal level

Operation Sukuma Sakhe

Mthonjaneni Municipality, under the leadership of its Municipal Political Champion, His Worship the Mayor, Councillor SBK Biyela has launched the Operation Sukuma Sakhe, with the aim of changing the lives of the citizens of this municipality for the better.

The initiative is part of the provincial government Flagship Program known as Sukuma Sakhe aimed at integrating all departments to focus on solving community problems on the ground, starting with areas of abject poverty and making a difference by partnering with the communities.

Outcomes with regard to Operation Sukuma Sakhe functioning in Mthonjaneni Municipality:

Local Task Teams (LTT) have been established

War rooms in all thirteen wards have been established and are functional

Training by the Office of the Premier was conducted to all LTT Members.

Ward Aids Committees has been established

Cases from war rooms are brought into the attention of the relevant sector departments for their intervention, through the LTT.

All thirteen wards have been profiled by Community Development Workers.

Administrative management members of the municipality have been allocated as coordinators of war rooms in all the thirteen wards.

Challenges

Minutes, Reports and Yearly plans are not submitted timeously by war room champions.

Some representatives from sector departments do not attend war room and LTT meetings.

Batho –Pele Principles

Batho Pele principles are a Government's initiative to improve the delivery of public services. Batho Pele means people first and the name was chosen specifically to emphasize that it is the foremost duty of those in the Public Service to serve all citizens of South Africa.

Mthonjaneni Municipality has appointed a designated Batho Pele Coordinator who will be ensuring that the implementation of BP principles is reflected in organisational strategic, operational, budgetary and Service delivery improvement

plans. The Coordinator also ensures that regular monitoring and evaluation of progress with regards to all BP initiatives through regular reporting is achieved.

The municipality aspires to always uphold and implement the principles of Batho Pele and ensure the following:-

- a) Service Standards: To inform the communities within Mthonjaneni about the level and quality of services they will receive hence creating awareness of what is to be expected.
- b) Access: to ensure all Mthonjaneni citizens have equal access to services in a fair and just manner.
- c) Courtesy: To treat residents as number one customers.
- d) Information: To always publicise relevant information about our municipal programmes and services.
- e) Openness: To inform the people of Mthonjaneni about the operations of the municipality.
- f) Transparency: To be transparent and honest about what our municipality is able to deliver.
- g) Redress: To attend to backlogs which causes unsatisfactory to the people of our municipality based on ineffective service delivery.

Service Delivery Improvement Plan

The following are top ten services that Mthonjaneni Municipality has identified for improvement. These services were identified during the IDP consultative meetings with the community.

Table 49: Service delivery Improvement Plan

No	Service Identified	Intervention

10.2 Public Participation Analyses

IDP, LED, Budget, Disaster Road shows:

The purpose of these road shows was to seek input from communities in terms of their needs in areas including LED, Social Development, Basic Service Infrastructure, The purpose was also to review war room structures in all wards. These events are also utilised in order to promote and identify small businesses and co-operatives within the municipality via the Local Economic Development Programme.

10.3 Communication and customer satisfaction

The Mthonjaneni Communication strategy was last reviewed during the 2018/2019 financial year and is being implemented. Participatory mechanisms identified in the communication strategy take place throughout the IDP process help the project to ensure that the process, plans, goals, and implementation of the planned intervention is inclusive, and importantly address the needs of marginalized groups and minorities to ensure non-discrimination and equality. Participation has built up ownership and partnerships which have made the projects that have been implemented within the community more sustainable.

During the IDP process, participation is implemented during the assessment and planning phase to help gather relevant data to define development challenges and to identify vulnerable groups, map out root causes, and set priorities.

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

The objective of the IDP process is to facilitate deliberations resulting in decisions being made on the strategic development direction of the municipality and includes issues such as municipal budgets, land management, promotion of local economic development and institutional transformation in a consultative, systematic and strategic manner. The IDP, however, will not only inform municipal management; it is intended to guide the activities of any agency from other spheres of government, corporate service providers, NGOs and the private sector within King Cetshwayo district.

10.4 Internal audit

The Internal Audit selects key performance area to be assessed. Portfolio of Evidence is then collected from HOD's which reflects the work done in a specific term or year. For purposes of completeness, the process which is typically followed when a specific area is selected for audit is as follows:

- A pre-scoping meeting is held with the HOD and other senior officials of the relevant department in which the audit objectives and outcomes are discussed;
- A scoping document is then prepared which is approved by the relevant HOD;
- Fieldwork commences. During this process regular interaction with relevant officials takes place;
-

After completion of the fieldwork a draft report is prepared for discussion with the HOD and senior officials. The purpose of this discussion is to iron out any errors or

differences of opinion and to obtain managements' comments and implementation commitments;

These reports are collated on a quarterly basis and presented to the Municipal Manager and other senior officials for discussion and final approval;

These approved reports are then tabled at the next Audit Committee meeting for discussion.

10.5 Audit committee

An Audit Committee has been established and is currently operational. The municipality has also appointed the Internal Audit Manager who ensures that the function of the Audit committee is effective and the findings and remedial actions are communicated with all relevant structures and also reports to the Council. The Audit committee also comprises of three external members.

Audit of performance of all departments within the municipality is also done on quarterly basis and reported to all Council committees.

10.6 Risk management

Risk management, a Corporate Governance imperative, is one of Management's core responsibilities in terms of Section 62 of the Municipal Finance Management Act (MFMA) and is an integral part of the internal processes of the Municipality. It is a systematic process to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on the service delivery capacity of the Municipality. It also focuses on reducing materialized risks to acceptable levels, as well as maximizing opportunities available to the organisation. When properly executed, risk management provides reasonable assurance that the institution will be successful in achieving its goals and objectives.

In order to enhance risk management processes to ensure a truly integrated and enterprise-wide approach, the City has approved and is annually reviewing its Enterprise Risk Management Policy and Strategy, which when applied, will ensure:

- more sustainable and reliable delivery of services;
- informed decisions underpinned by appropriate rigour and analysis;
- innovation;
- reduced waste;
- prevention of fraud and corruption;
- better value for money through more efficient use of resources;
- better outputs and outcomes through improved project and programme management;
- aligning risk tolerance and strategy;
- pursuing institutional objectives through transparent identification and management of acceptable risk;
- providing an opportunity to prioritise the risk management activity;
- enhancing risk response decisions;
- reducing operational surprises and losses;

- identifying and managing multiple and cross-enterprise risks;
- seizing opportunities; and
- increasing the probability of achieving objectives.

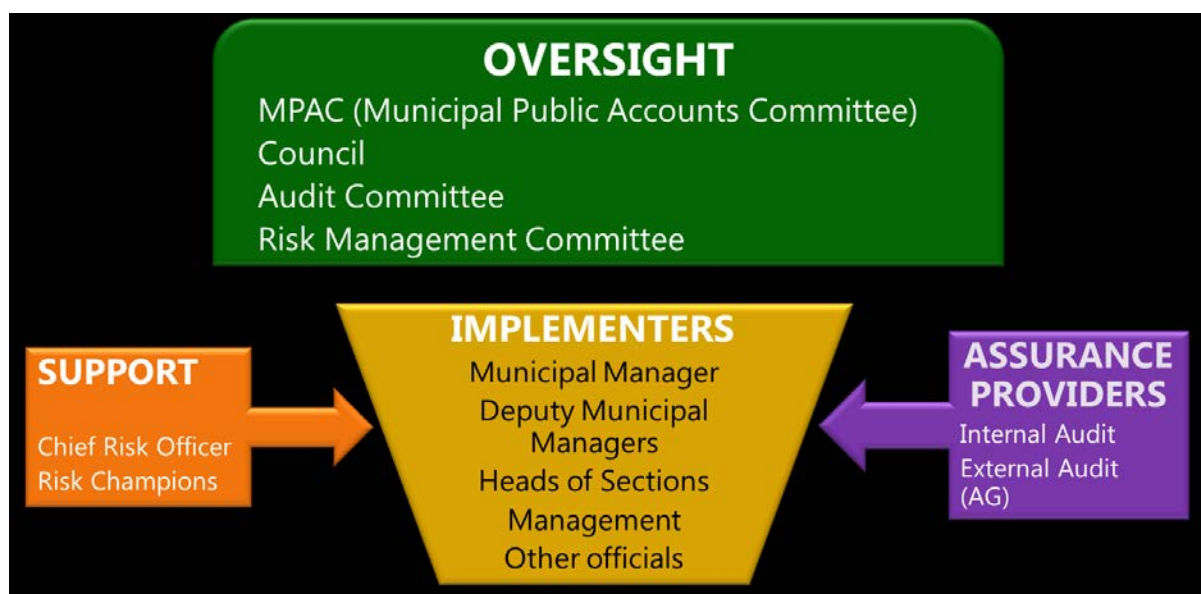
Enterprise Risk Management involves:

- Objective setting;
- Risk Identification;
- Risk Assessment;
- Risk Response;
- Communication and reporting; and
- Monitoring and review

The functional key performance areas of the Enterprise Risk Management unit include:

- Enterprise Risk Management;
- Project Risk Management;
- Fraud Risk Management;
- Business Continuity Management; and
- Legal Compliance Risk Management

The municipality has in place an Enterprise Risk Management Committee reporting to the Audit Committee, Council and the Municipal Public Accounts Committee (MPAC) as oversight. The Chief Risk Officer co-ordinates activities and is in the process of setting up a fully functional Enterprise Risk Management Unit. Risk Champions in each department report to Management on risk management matters and co-ordinate risk management activities in their respective business units. Continuous training and awareness is an important part of the process, effected to ensure that risk management is understood, embraced and integrated into the organizational culture- filtering from Top Management to all levels of staff. Risk Assessments are conducted, reviewed and updated annually and on a continuous basis- and are carried out on both a strategic and operational level to ensure a thorough approach. The Municipal Manager is the ultimate Chief Risk Officer and is responsible for championing risk management and ensuring that its activities are monitored through performance management throughout the organization.



10.7 Integrated Development Planning

Mthonjaneni Municipality has an established IDP Steering committee which is functional. This committee consisting of senior managers representing each municipal department has a huge role in ensuring that the IDP process is adhered to. They serve as a technical team responsible for various functions including but not limited to the following:

- The development and implementation of IDP process plan
- Planning of IDP road shows
- Coordinate the development review of Sector Plans
- Ensure credibility of reports/plans in the integrated development plan
- Attend to MEC comments on the IDP
- Ensuring alignment between the IDP and Budget
- Proofreading the document before submission to other committees

The Senior Manager Planning of the Municipality chairs the meeting and monitors its performance; the following are members of the IDP Steering Committee, which seats on a monthly basis: the following are members of the IDP Steering Committee, which seats on a monthly basis:

Table: IDP Steering Committee

Name	Designation	Department
Mr M.Z. Kunene	Senior Manager Planning	Technical & Planning Services
Mr Z.S. Mthethwa	Head of Department	Community & Corporate Services
Mrs S.F. Mchunu	Head of Department	Technical & Planning Services
Mr M.N. Myeni	Chief Financial Offocer	Financial Services
Mr W.B. Dube	IDP/PMS Manager	Technical & Planning Services
Mr N. Biyela	Senior IDP/PMS Officer	Technical & Planning Services

10.8 Performance Management

Performance management is a strategic management approach that equips the Mayor, Municipal Manager, Heads of Departments, employees and stakeholders with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review the performance of the institution against indicators and targets for efficiency, effectiveness and impact. The PMS entail a framework that describes and represent how the municipality's cycle and processes of performance planning, monitoring, measurements, review, reporting and improvement will be conducted, organised and managed.

The core elements of the system are:

- Organizational PMS;
- Section 57 Performance contracts;
- Employee Performance Appraisal System
- IT System;
- Performance Audit Committee;
- Annual Report;
- Quarterly Reports
- Public Participation and internal and external communication mechanisms
- Performance scorecards at departmental levels for further development of departmental service delivery and budget implementation plans;
- Conducting PMS information session for general staff
- Linking the organizational and individual PMS

The Performance Management Framework has been developed and the PMS policy is in place. The Municipal Manager and Managers directly reporting to the Municipal Manager are required to sign Performance Agreements on annual basis.

Section 41(1)(a) and (b) of the Municipal Systems Act, requires a Municipality to (a) set appropriate key performance indicators as a yardstick for measuring performance including outcomes and impact of its development priorities and objectives.

(b) set measurable performance targets with regard to those development priorities and objectives.

Section 26(i) of the Municipal Systems Act requires that the Councils IDP reflects the key performance indicators and performance targets as determined in terms of Section 41 of the Act.

PERFORMANCE MANAGEMENT FRAMEWORK & PMS POLICY

Both the Performance Management Framework and Policy outlined the objectives and principles of Mthonjaneni Municipality PMS.

The **objectives** of the Mthonjaneni PMS are as follows:

- Facilitate increased accountability among the citizens, political and administrative components of the municipality,
- Facilitate learning and improvement through enabling the municipality to employ the best approaches for desired impact and improve service delivery.
- Provide early warning signals in case of a risk against implementation of the IDP and ensuring that the system itself makes provision for Council to be timeously informed of risks for facilitation and intervention.
- Facilitate decision-making through an appropriate information management mechanism enhancing efficient, effective and informed decision making, especially in allocation of resources.

The performance management system is guided by the following principles:

Simplicity

The system will need to be kept as simple as possible to ensure that the municipality can develop, implement, manage and review the system without placing an unnecessary great burden on the existing capacity of the municipality.

Politically acceptable and administratively managed

The system must be acceptable to political role players on all levels. It must also be flexible enough to be accepted by the municipal council and to enjoy buy-in across political differences. The process will involve both Councillors and officials but the day-to-day management of the process will be managed administratively with regular report back on progress to the political level.

Implementable

Considering the resource framework of the municipality, the PMS should be implementable with these resources, which will include time, institutional, financial, and technical resources.

Transparency and accountability

The development and implementation of a PMS should be inclusive, transparent and open. The general public should, through the system, be made aware of how the operations of the municipality are being administered, how the public resources are being spent and who certain responsibilities belong to.

Efficient and sustainable

The PMS should, like other services within the municipality, be cost effective and should be professionally administered, and needs to happen in a sustainable manner.

Public participation

The constituency of the municipality should be granted their legal rights, in terms of the Constitution and the MSA, through encouragement of public participation by the municipality during the development and implementation of a PMS.

Integration

The PMS should be developed and implemented in such a manner that it will be integrated with the integrated development process of the municipality and its employee performance management.

Objectivity

The PMS to be developed and implemented must be developed on a sound value system with the management of the system and the information it is based upon being objective and credible.

Reliability

The PMS should provide reliable information on the progress made by the municipality in achieving the objectives as set out in its IDP.

PERFORMANCE AND AUDIT COMMITTEE

The Mthonjaneni Municipality has the Audit committee in place to audit performance measures. It consists of 10 members and meets quarterly.

ANNUAL REPORT

The Annual Report for the 2018/2019 financial year has been prepared by the municipality using the guidelines from the National Treasury. The legislated process for preparing of the annual was followed. The action plan in response to the AG comments have been developed.

9.9 Back to basics

The Inter-Ministerial Committee on Information and Publicity, former Cooperative Governance and Traditional Affairs Minister Pravin Gordhan said local government needs to go “back to basics” to improve on service delivery to South Africans.

The back to basics program is expected to focus municipalities on getting small things right such as fixing street lights, leaking taps and collecting refuse. It appears to be an attempt at breathing new life into municipalities after the failure of "operation clean audit", introduced in 2009.

The table below reflects a summary of the Mthonjaneni Municipal quarterly progress on back to basics indicators.

Table 50: Back to basics

	5 PILLARS OF BACK TO BASICS	MTHONJANENI MUNICIPAL OBJECTIVE
1	PUTTING PEOPLE FIRST	Objective13. To ensure that public participation structures are in place. Objective 11. To provide sound external and internal communication.
2	SERVICE DELIVERY	Objective 3. To ensure the provision and maintenance of roads in rural and urban

		roads.
3	GOOD GOVERNANCE	Objective 10. To ensure that the Council is striving towards its vision and mission.
4	SOUND FINANCIAL MANAGEMENT	Objective 9. To be financially viable by increasing revenue and reducing debts
5	BUILDING CAPABLE LOCAL GOVERNMENT INSTITUTIONS	Objective 7. To create a viable and sustainable work environment

10.10 Batho Pele

BATHO PELE is a concept which was officially pronounced by Government in 1997. It is an initiative to get public servants to be service oriented or customer focused, to strive for excellence in service delivery and to commit to continuous service delivery improvement.

BATHO PELE was designed as a transparent mechanism to allow customers to hold public servants/ officials accountable for the type of services they deliver.

The White Paper on Transforming Public Service Delivery (1997) provides direction on how services should be rendered informed and guided by the eight principles (linked to the 8 transformation priorities of this government).

MTHONJANENI Municipality has appointed a designated Batho Pele Coordinator who will be ensuring that the implementation of BP principles is reflected in organisational strategic, operational, budgetary and Service Delivery Improvement Plans. The Coordinator also ensures that regular monitoring and evaluation of progress with regards to all BP initiatives through regular reporting is achieved.

The municipality aspires to always uphold and implement the principles of Batho Pele and ensure the following:-

- a) Service Standards: To inform the communities within Mthonjaneni about the level and quality of services they will receive hence creating awareness of what is to be expected.
- b) Access: to ensure all Mthonjaneni citizens have equal access to services in a fair and just manner.
- c) Courtesy: To treat residents as number one customers.

- d) Information: To always publicise relevant information about our municipal programmes and services.
- e) Openness: To inform the people of Mthonjaneni about the operations of the municipality.
- f) Transparency: To be transparent and honest about what our municipality is able to deliver.
- g) Redress: To attend to backlogs which causes unsatisfactory to the people of our municipality based on ineffective service delivery.

10.11 IGR

King Cetshwayo IGR structures

In terms of the Intergovernmental RELATIONS framework Act (no 13 of 2005) all municipalities must establish “intergovernmental forum” to promote and facilitate intergovernmental relations between the municipality and local municipalities in the district. The legislation further indicates that the role of the forum is to serve as a consultative forum for the and locals in the to discuss and consult each other on matters of mutual interest. Mthonjaneni Municipality participates in the various structures established by King Cetshwayo Municipality namely:-

GIS Forum
 Sports Forum
 Mayors Forum
 IDP Forum
 Disaster Management Forum
 CFO Forum
 Technical Committee
 Communication forum

Provincial IGR structures

The municipality also participates in the following provincial IGR structures

- MUNIMEC
- PREMIER COORDINATING FORUM

10.12 WARD COMMITTEES

The Municipal Ward Committees were established between October and December 2016, just after the inauguration of the Councillors that that were elected during the 2016 local government elections. This was done in order to ensure good governance and effective community participation. The Ward Committees also underwent training in February 2017 in order to ensure capacitation and that participation is attained in Mthonjaneni, the Ward committees are operational.

Ward committees report regularly on monthly basis on their functionality. These reports are monitored and filed by the municipal public participation unit. There is also an ongoing monthly joint ward committee meeting that sits on the first week of each month.

10.13 Good Governance and Public Participation: SWOT Analyses

Strengths

Approved policies and procedures
All section 89 and 80 committees in place
Relationship with traditional authority
Corruption free administration

Weakness

Public participation mechanisms not effective
Poor Intergovernmental relations
Youth Policy not in place
Poor sector involvement

Opportunity

New Councillors bringing fresh thinking / insight
Better working relationships between the Council and Management
The establishment of the Mayors protocol will improve the IGR in the municipality

Threads

Lack of capacity to enforce bylaws
Risks pertaining to corruption, solvency, profitability and liquidity.

11. Cross Cutting (Spatial, Environment and Disaster Management)

11.1 Town Planning

Mthonjaneni municipality had appointed a Senior Town planner. Planner is responsible for spatial developments, planning development with have the sub section such as Geographic Information System GIS, Building inspectorate, Performance Management System and Integrated Development Plan.

11.2 Geographical Information system

Mthonjaneni municipality does not have a GIS unit. This function is shared with the KCDM.

11.3 Building Inspectorate

Mthonjaneni municipality have the responsibility to inspect all development within the municipality .The building plans for the developments should be submitted to the municipality ,inspection should be done and occupancy certificates to be issued as per the National Building Regulations and standard act 103 of 1977.

11.4 Fire and Disaster Management

The fire and disaster management policy is attached as annexure

11.5 Environmental health

The municipality does not have the health inspectorate but this is a shared service with KCDM. Currently there is a Youth Environmental Coordinator that is appointed by the department of environmental affairs to assist the municipality with environmental and waste matters. She is under a three year contract under a Youth Community Outreach Programme, the environmental coordinator focuses on the illegal dumps/hotspots within the Mthonjaneni area, she is also doing education and awareness in schools and community.

11.6 Cross Cutting: SWOT analyses

Strengths <ul style="list-style-type: none">• Political stability• Community participation	Weaknesses <ul style="list-style-type: none">• Illiteracy• LED & Tourism
Opportunities <ul style="list-style-type: none">• Capital projects• Financial management	Threats <ul style="list-style-type: none">• Water & sanitation• Unemployment• Job opportunities

CHAPTER E – Implementation Plan

12. Financial Plan

12.1 Budget Summary

KZN285 Mthonjaneni - Table A1 Budget Summary

Description	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Financial Performance										
Property rates	9 789	11 431	13 453	19 981	19 981	19 981	-	31 382	38 199	40 873
Service charges	20 935	21 985	22 284	32 998	33 080	33 080	-	34 702	36 784	39 359
Investment revenue	2 176	1 367	699	750	750	750	-	900	954	1 021
Transfers recognised - operational	71 384	79 370	78 872	85 379	85 379	85 379	-	89 815	92 949	97 172
Other own revenue	37 751	13 129	3 785	5 800	13 987	13 987	-	14 025	15 503	16 589
Total Revenue (excluding capital transfers and contributions)	142 035	127 282	116 971	144 977	153 127	153 127	-	171 423	184 390	195 014
Employee costs	33 195	42 913	51 214	53 418	53 168	53 168	-	57 218	60 549	64 878
Remuneration of councillors	6 441	7 637	8 350	9 299	9 299	9 299	-	9 299	9 811	10 498
Depreciation & asset impairment	14 437	15 245	17 489	10 145	10 145	10 145	-	10 440	11 076	11 652
Finance charges	-	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	20 223	21 541	22 303	28 932	28 610	28 610	-	27 997	29 677	31 494
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	80 035	58 237	54 015	39 909	45 147	45 147	-	48 764	51 584	55 115
Total Expenditure	154 930	143 573	153 971	141 702	144 369	144 369	-	153 682	162 707	173 638
Surplus/(Deficit)	(12 895)	(16 291)	(37 100)	3 275	8 758	8 758	-	17 741	21 683	21 376
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	37 399	32 278	36 749	33 033	33 033	33 033	-	32 939	31 152	33 040
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	54 721	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	79 225	15 987	(3 351)	36 308	41 791	41 791	-	50 683	52 745	54 217
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	79 225	15 987	(3 351)	36 308	41 791	41 791	-	50 683	52 745	54 217
Capital expenditure & funds sources										
Capital expenditure	84 242	-	-	36 158	35 164	35 164	-	39 434	51 472	54 498
Transfers recognised - capital	84 242	-	-	33 033	33 033	33 033	-	32 939	31 152	33 040
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	3 125	2 131	2 131	-	6 465	20 320	21 456
Total sources of capital funds	84 242	-	-	36 158	35 164	35 164	-	39 434	51 472	54 498
Financial position										
Total current assets	87 682	49 107	47 792	50 513	59 080	59 080	-	-	-	-
Total non-current assets	186 468	363 020	371 772	415 373	416 022	416 022	-	-	-	-
Total current liabilities	26 848	17 101	31 319	17 101	17 480	17 480	-	-	-	-
Total non-current liabilities	2 748	7 868	9 324	7 868	5 582	5 582	-	-	-	-
Community wealth Equity	284 600	377 158	378 924	441 017	452 380	452 380	-	-	-	-
Cash flows										
Net cash from (used) operating	27 424	25 133	34 001	45 055	43 027	43 027	-	55 121	52 516	(10 219)
Net cash from (used) investing	(84 242)	(41 735)	(34 987)	-	(14 171)	(14 171)	-	(52 019)	(30 177)	(32 936)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	36 662	3 680	2 694	45 055	30 934	30 934	-	23 102	45 441	(6 714)
Cash bookings or plus reconciliation										
Cash and investments available	80 000	1 529	2 694	7 961	26 122	26 122	-	-	-	-
Application of cash and investments	(88 110)	(23 502)	(18 110)	(26 063)	(14 637)	(14 637)	-	-	-	-
Balance - surplus/ (shortfall)	88 110	25 031	20 810	34 014	40 959	40 959	-	-	-	-
Asset management										
Asset registers summary (WCV)	222 292	-	-	36 158	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-
Renewal and Upgrading of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-	-	-	-	-
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
Households below minimum service level	-	-	-	-	-	-	-	-	-	-
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewage:	-	-	-	-	-	-	-	-	-	-
Energy:	0	0	0	0	0	0	0	0	0	0
Refuse:	13	13	13	13	13	13	13	13	13	13

13. Capital Budget Summary

13.1 Capital Expenditure

KZN285 Mthonjaneni - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Revenue - Functional										
Governance and administration		140 046	79 475	81 331	103 524	106 622	106 622	121 554	133 597	140 684
Executive and council		6 315	-	-	-	-	-	-	-	-
Finance and administration		133 731	79 475	81 331	103 524	106 622	106 622	121 554	133 597	140 684
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		3 280	24 902	1 626	5 673	7 173	7 173	10 386	11 007	11 760
Community and social services		3 280	810	1 035	1 119	1 119	1 119	1 180	1 248	1 316
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	24 093	391	4 554	6 054	6 054	9 207	9 759	10 442
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		62 440	23 167	23 614	20 813	24 313	24 313	22 720	22 152	23 250
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		62 440	23 167	23 614	20 813	24 313	24 313	22 720	22 152	23 250
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		28 390	32 015	47 049	48 000	48 051	48 051	49 704	48 786	52 361
Energy sources		28 972	30 651	45 257	46 066	46 066	46 066	47 642	46 601	50 023
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		1 418	1 154	1 782	1 912	1 953	1 953	2 061	2 185	2 338
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	234 155	159 560	153 620	178 010	186 160	186 160	204 365	215 542	228 054
Expenditure - Functional										
Governance and administration		78 783	56 769	74 247	63 671	66 439	66 439	66 820	70 723	75 617
Executive and council		21 051	19 377	22 120	18 542	19 371	19 371	17 063	18 087	19 353
Finance and administration		57 732	36 866	49 634	42 961	44 792	44 792	47 361	50 097	53 647
Internal audit		-	527	2 494	2 178	2 276	2 276	2 395	2 539	2 717
Community and public safety		37 538	23 307	24 030	24 256	23 723	23 723	27 093	28 719	30 729
Community and social services		34 580	11 938	12 108	10 503	9 496	9 496	11 987	12 706	13 596
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		2 978	11 389	11 922	13 753	14 228	14 228	15 106	16 013	17 133
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		11 945	34 980	23 973	22 374	25 731	25 731	29 330	31 090	33 266
Planning and development		-	1 231	2 186	4 303	4 876	4 876	7 064	7 488	8 012
Road transport		11 945	33 749	21 787	19 071	20 855	20 855	22 256	23 632	25 254
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		26 664	28 517	31 721	31 401	28 475	28 475	30 439	32 255	34 225
Energy sources		24 907	26 691	29 535	29 042	26 110	26 110	27 367	29 009	30 774
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		1 757	1 825	2 186	2 358	2 365	2 365	3 072	3 255	3 451
Other	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	154 930	143 573	153 921	140 702	144 368	144 368	153 682	162 792	173 836
Sum/(Deficit) for the year		79 225	15 987	(36 1)	36 308	41 792	41 792	50 683	52 749	54 218

14. Operational Budget Summary

14.1 Operating Revenue Framework

Mthonjaneni Local Municipality to continue improving the quality of service provided to its citizens it needs to generate the required revenue. In these tough times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceeds available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditure against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy
- Effective revenue management
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 Of 2004) (MPRA)

KZN285 Mthonjaneni - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source											
Property rates	2	9 789	11 431	13 453	19 981	19 981	19 981	-	31 382	38 199	40 873
Service charges - electricity revenue	2	19 890	19 976	20 502	31 088	31 088	31 088	-	32 542	34 801	37 023
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	1 048	2 008	1 782	1 910	1 982	1 982	-	2 080	2 183	2 336
Rental of facilities and equipment		229	227	282	181	181	181	-	195	207	221
Interest earned - external investments		2 176	1 387	698	750	750	750	-	900	954	1 021
Interest earned - outstanding debts		-	-	-	-	750	750	-	1 000	1 080	1 134
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		31 618	10 185	427	1 500	3 000	3 000	-	6 000	6 500	6 805
Licences and permits		1 923	1 672	1 544	3 054	3 054	3 054	-	3 207	3 399	3 637
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		71 384	79 370	76 672	85 379	85 379	85 379	-	89 815	92 949	97 172
Other revenue	2	3 374	1 006	1 534	1 134	4 634	4 634	-	3 224	3 418	3 657
Gains		608	-	-	-	2 348	2 348	-	1 000	1 080	1 134
Total Revenue (excluding capital transfers and contributions)		142 088	127 282	116 871	144 877	163 127	163 127	-	171 428	184 580	186 014
Expenditure By Type											
Employee related costs	2	33 195	42 913	51 214	53 418	53 188	53 188	-	57 218	60 549	64 878
Remuneration of councillors		6 441	7 637	8 350	9 299	9 299	9 299	-	9 255	9 811	10 498
Depreciation	3	-	-	-	3 900	3 900	3 900	-	3 900	4 134	4 423
Depreciation & asset impairment	2	14 437	15 245	17 489	10 145	10 145	10 145	-	10 449	11 076	11 852
Finance charges		-	-	-	-	-	-	-	-	-	-
Bulk purchases	2	20 223	21 541	22 303	26 705	23 258	23 258	-	24 421	25 889	27 439
Other materials	8	-	-	-	2 227	3 352	3 352	-	3 576	3 791	4 054
Contracted services		3 231	5 788	7 540	17 987	24 950	24 950	-	27 908	29 580	31 630
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Other expenditure	4,5	77 404	50 449	48 975	18 042	18 296	18 296	-	18 958	17 870	19 062
Losses		-	-	-	-	-	-	-	-	-	-
Total Expenditure		164 800	145 673	163 671	141 702	144 588	144 588	-	163 882	162 797	173 838
Surplus/(Deficit)		(12 896)	(18 291)	(87 100)	3 275	8 768	8 768	-	17 744	21 690	21 177
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		37 399	32 278	36 749	33 033	33 033	33 033	-	32 439	31 152	33 040
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		54 721	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		79 226	16 987	(50 351)	36 308	41 791	41 791	-	60 883	62 746	64 217
Taxation		79 226	16 987	(50 351)	36 308	41 791	41 791	-	60 883	62 746	64 217
Surplus/(Deficit) attributable to municipality		79 226	16 987	(50 351)	36 308	41 791	41 791	-	60 883	62 746	64 217
Share of surplus/(deficit) of fees payable	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		79 226	16 987	(50 351)	36 308	41 791	41 791	-	60 883	62 746	64 217

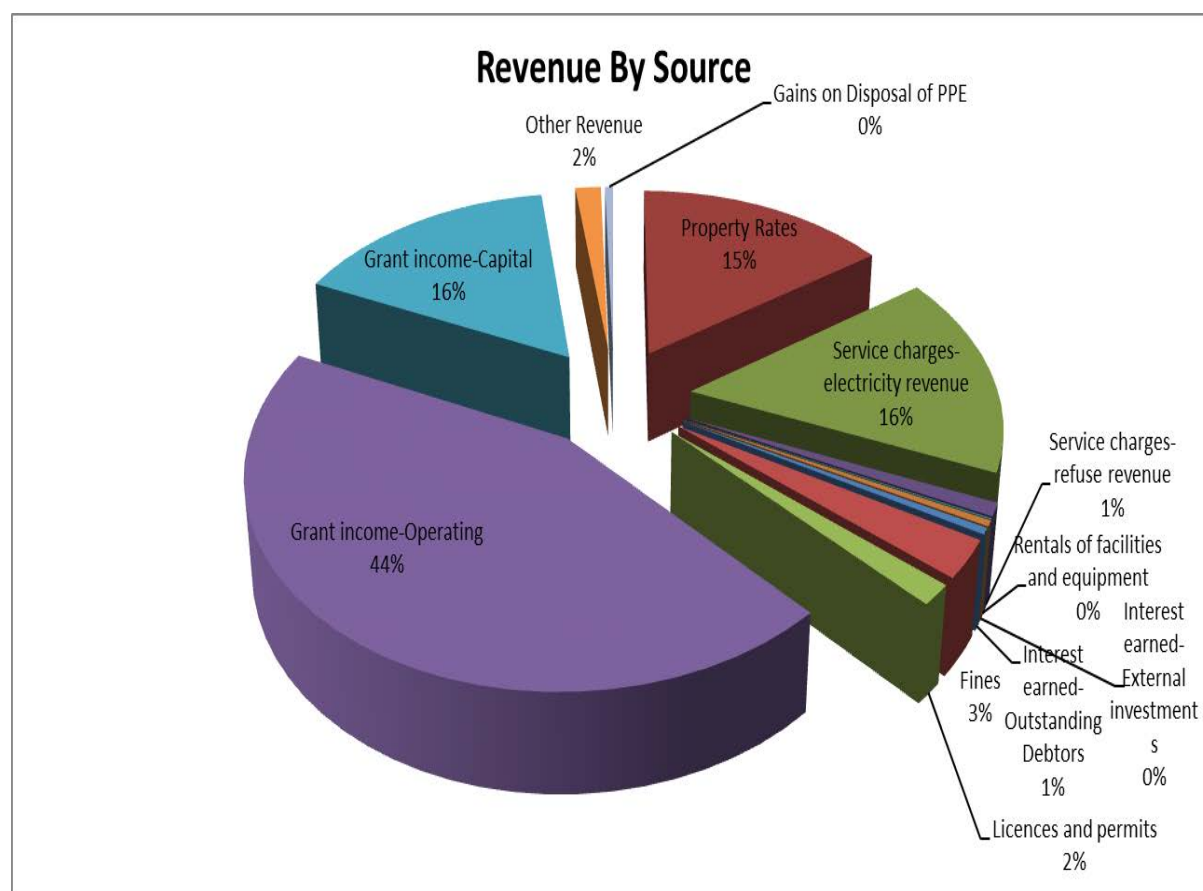
Grants for Mthonjaneni Municipality

The table below shows the operating transfers and grants for Mthonjaneni Local Municipality as 2019 shown in the Division of Revenue Act and Provincial Gazette of transfers and of funds to municipalities. The municipality must ensure that it only budget for the transfers that are gazette.

KZN285 Mthonjaneni - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		75 022	78 599	75 537	84 288	84 288	84 288	88 665	91 732	96 838
Local Government Equitable Share		63 837	67 317	70 979	79 412	79 412	79 412	83 914	88 932	92 888
Finance Management		2 738	2 650	2 650	2 650	2 650	2 650	2 600	2 800	3 000
EPWP Incentive		2 161	2 222	1 808	2 025	2 025	2 025	1 951	-	-
Demarcation Grant		7 286	6 210	-	-	-	-	-	-	-
Provincial Government:		738	771	1 035	1 091	1 091	1 091	1 150	1 217	1 284
Library Grant		738	771	1 035	1 091	1 091	1 091	1 150	1 217	1 284
District Municipality: [Insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: [Insert description]		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	76 760	79 370	76 672	85 379	85 379	85 379	89 815	92 949	97 172
Capital Transfers and Grants										
National Government:		26 899	32 278	26 749	33 033	33 033	33 033	32 939	31 152	33 040
Municipal Infrastructure Grant (MIG)		18 899	24 278	21 749	18 033	18 033	18 033	17 939	19 152	20 040
Integrated Electrification Programme Grant		8 000	8 000	15 000	15 000	15 000	15 000	15 000	12 000	13 000
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [Insert description]		-	-	-	-	-	-	-	-	-
District Municipality: [Insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: [Insert description]		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	26 899	32 278	26 749	33 033	33 033	33 033	32 939	31 152	33 040
TOTAL RECEIPTS OF TRANSFERS & GRANTS		103 659	111 648	113 421	118 412	118 412	118 412	122 754	124 101	130 212

The diagram below shows the revenue by source through pie chart in terms of how much percentages does each revenue source contribute to total operating revenue of Mthonjaneni Local Municipality for 2018/19 MTREF.



15. Summary of Budget Policies

15.1 Review of Credit control and Debt collection Procedures/ Policy

The policy should set out ways in which the municipality intends to control and manage the recovery of outstanding debt due to council. This policy should be in place subjects to regular updates. The policy lays down the basis for distribution of accounts, collection procedures, interest and penalties to be charged in the event of non-payment, with strong focus on management reporting requirements pursuant of key legislative requirements and performance management.

15.2 Asset Management, Infrastructure Investment and funding Policy

This policy is deemed necessary in order to facilitate the effective management, control and maintenance of the assets. The policy is in place and is subject to regular review. The prime objectives of the policy are to ensure that the assets of Mthonjaneni Municipality are properly managed and accounted for by:

- Ensuring the accurate recording of asset information.
- The accurate recording of asset movement.
- Exercising strict control over all assets.
- Providing correct and meaningful management information.
- Compliance with Council's Insurance Policy and Payment Procedure.
- Effecting adequate insurance of all assets.
- Maintenance of Council's Asset.

15.3 Budget Adjustment Policy

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the City continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

15.4 Supply Chain Management Policy

The Reviewed Supply Chain Management Policy was adopted by Council on the 29th of May 2019. This was an annual review submitted to council as one of the budget related policies. The amendments had to incorporate continuous updates on the MFMA and related regulations. Areas such as Local Production and Content, Tax Matters and more were updated in line with the MFMA Circulars from National Treasury. The policy included other two parts being Preferential Procurement Policy and Code of Conduct for Supply Chain Management Practitioners and other Role Players.

15.5 Virement Policy

The Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the municipality's system of delegations. The Virement Policy was approved by Council and was amended during the 2018/2019 financial year to ensure compliance with mSCOA regulations.

There are a number of challenges which the Virement Policy brings about. It allows room for funds from very important Repairs and Maintenance projects to be moved around, simply because of no proper maintenance plans informing the very generous allocation of resources to this activity in the first instance. It generally allows the too liberal movement of funds from one project to another where there is no proper mandate/planning but emergency/ad hoc perceived needs/wants arise.

15.6 Investment, Working capital and Capital replacement Reserves Policy

The Mthonjaneni municipal Investment, Working Capital and Capital Replacement Reserves Policy was approved by Council during the 2016/17 financial year. The aim of the policy is to ensure that the City's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduce time frames to achieve certain benchmarks.

15.7 Tariff of Charges Policy

The municipality's tariff policy provides a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policy is amended and approved annually with the MTREF.

All the above policies are available on the municipal website, as well as the following budget related policies:

- Property Rates Policy;
- Trade Effluent Management Policy and
- Fraud Prevention policy.

16. Alignment of IDP with budget

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore,

integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the municipality, issues of national and provincial importance are reflected in the IDP for Mthonjaneni municipality. The municipality has a clear understanding of such intent, and is therefore consistently ensuring that strategically it complies with the key national and provincial priorities.

The IDP drives the strategic development of the Municipality. The Municipality's budget is fully influenced by the strategic objectives identified in the IDP. The service delivery budget implementation plan (SDBIP) ensures that the Municipality implements programmes and projects based on the IDP targets and associated budgets. The performance of the Municipality is tabled in its Annual report.

The 2017/2022 Fourth Generation IDP is a five year IDP for the term of office which is reviewed on an annual basis. Council is in a process of drafting the first review of the 2017/2022 which is 2020/21 IDP Review. Like the third generation IDP, the Fourth Generation is outcome based and built on the foundations of Government Priorities which includes National Development Plan, Provincial Development Plan, State of the Nation Address, State of the Province Address and other important government imperatives.

Through the IDP, Government priorities are translated in our strategic framework and escalated to Strategic Goals, Strategic Objectives, Strategies, Key Performance indicators, which are then further developed into programs and projects. This directly informs the municipal Service Delivery and Budget Implementation Plan. This fair alignment between IDP and Government priorities is confirmed through our budgeting, which takes into serious consideration the strategic objectives when budgeting.

The fourth generation IDP was developed with special consideration to the following aspects:

- Development of new council strategic agenda for long term aligned to NDP and PGDS;
- Development and review of IDP core sector plans;
- Implementation of the Economic Transformation Roadmap for uMhlathuze Municipality;
- Alignment with Government Priorities e.g. State of the Nation Address, KZN State of the Province Address, NDP, PGDP, DGDP, IUUDF etc.;
- Community inputs received during the community outreach programs (IDP Road shows);
- MEC Letter with assessment comments on the Final IDP Review 2019/20;
- Self-Assessment;
- Different stakeholder comments and requirements; and

- Legislative compliance in terms of chapter, 4, 5 and 6 of MSA Act No 32 of 2000.

Council engaged with all relevant stakeholders to solicit views and inputs for the Mthonjaneni Fourth Generation IDP (2017/2022).

The IDP has been taken into a business and financial planning process leading up to the 2020/21 MTREF, based on the approved 2017/2022 MTREF, Mid-year Review and adjusted budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

The 2020/21 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 51: Reconciliation between the IDP strategic objectives and budgeted revenue

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17. Funded Projects

17.1 List of Major Municipal capital Projects for 2020/2021

Table 52: 2019/2020 PROJECTS CURRENTLY UNDER CONSTRUCTION

WARD NUMBER	PROJECT	BUDGET
1	Nungwini gravel road	R8,6 million
2	Thubalethu extension housing project – 1120 houses	
3 & 7	Soqiwa/Makhasaneni electrification project phase 1 and phase 2	
4	Mfule gravel road	R4,3 million
5	Manzawayo gravel road	R5,9 million
3	Urban roads upgrade & Rehabilitation phase 5	R15,8 million
9	Mpevu community hall	R3,2 million
11	Gobihlahla creche	R2,5 million
12	Ntombokazi community hall	R2,8 million

2020/2021 Planned INEP Projects

Ward	Project Name	Planned connections	Budget
1	Ngekwane area	75	R1 500 000
2	Thubalethu Extension	608	R9 000 000
3	Ofankomo area	25	R500 000
4	Kataza area	50	R1 000 000
5	Umhlathuze area	25	R500 000
6	Dubeni area	25	R500 000
8	Inkisa area	25	R500 000
12	Ntombokazi area	50	R1 000 000
13	Sangoyana area	25	R500 00

17.2 Department of public works

Project Name	Client Department	Nature Of Investment	Ward	Area

17.3 Department of Education

Project Name	Ward	Programme Implementer	Nature of Investment	Total Project Cost

17.4 Department of Social Development

Project Name	Ward	Programme Implementer	Nature of Investment	Total Project Cost

17.5 ESKOM Projects

Project Name	Ward	Programme Implementer	Nature of Investment	Total Project Cost

17.6 KZN Department of sports and Recreation

Project Name	Ward	Programme Implementer	Nature of Investment	Total Project Cost

17.7 Private Investment Projects

Project Name	Ward	Programme Implementer	Nature of Investment	Total Project Cost

The Departmental Scorecards are attached as annexure

18. Annual Performance Report

18.1 Organisational Performance Management System

Introduction and background

Performance management is a strategic management approach that equips the Mayor, Municipal Manager, Heads of Departments, employees and stakeholders with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review the performance of the institution against indicators and targets for efficiency, effectiveness and impact. The PMS entail a framework that describes and represent how the municipality's cycle and processes of performance planning, monitoring, measurements, review, reporting and improvement will be conducted, organised and managed.

The core elements of the system are:

Organizational PMS;

- Section 57 Performance contracts;
- Employee Performance Appraisal System
- IT System;
- Performance Audit Committee;
- Annual Report;
- Quarterly Reports
- Public Participation and internal and external communication mechanisms
- Performance scorecards at departmental levels for further development of departmental service delivery and budget implementation plans;
- Conducting PMS information session for general staff
- Linking the organizational and individual PMS

The Performance Management Framework has been developed and the PMS policy is in place. The Municipal Manager and Managers directly reporting to the Municipal Manager are required to sign Performance Agreements on annual basis.

Section 41(1)(a) and (b) of the Municipal Systems Act, requires a Municipality to (a) set appropriate key performance indicators as a yardstick for measuring performance including outcomes and impact of its development priorities and objectives.

(b) Set measurable performance targets with regard to those development priorities and objectives.

Section 26(i) of the Municipal Systems Act requires that the Councils IDP reflects the key performance indicators and performance targets as determined in terms of Section 41 of the Act.

Performance Management Framework & PMS Policy

Both the Performance Management Framework and Policy outlined the objectives and principles of Mthonjaneni Municipality PMS.

The objectives of the Mthonjaneni PMS are as follows:

- Facilitate increased accountability among the citizens, political and administrative components of the municipality,
- Facilitate learning and improvement through enabling the municipality to employ the best approaches for desired impact and improve service delivery.
- Provide early warning signals in case of a risk against implementation of the IDP and ensuring that the system itself makes provision for Council to be timeously informed of risks for facilitation and intervention.
- Facilitate decision-making through an appropriate information management mechanism enhancing efficient, effective and informed decision making, especially in allocation of resources.

The performance management system is guided by the following principles:

Simplicity

The system will need to be kept as simple as possible to ensure that the municipality can develop, implement, manage and review the system without placing an unnecessary great burden on the existing capacity of the municipality.

Politically acceptable and administratively managed

The system must be acceptable to political role players on all levels. It must also be flexible enough to be accepted by the municipal council and to enjoy buy-in across political differences. The process will involve both Councillors and officials but the day-to-day management of the process will be managed administratively with regular report back on progress to the political level.

Implementable

Considering the resource framework of the municipality, the PMS should be implementable with these resources, which will include time, institutional, financial, and technical resources.

Transparency and accountability

The development and implementation of a PMS should be inclusive, transparent and open. The general public should, through the system, be made aware of how

the operations of the municipality are being administered, how the public resources are being spent and who certain responsibilities belong to.

Efficient and sustainable

The PMS should, like other services within the municipality, be cost effective and should be professionally administered, and needs to happen in a sustainable manner.

Public participation

The constituency of the municipality should be granted their legal rights, in terms of the Constitution and the MSA, through encouragement of public participation by the municipality during the development and implementation of a PMS.

Integration

The PMS should be developed and implemented in such a manner that it will be integrated with the integrated development process of the municipality and its employee performance management.

Objectivity

The PMS to be developed and implemented must be developed on a sound value system with the management of the system and the information it is based upon being objective and credible.

Reliability

The PMS should provide reliable information on the progress made by the municipality in achieving the objectives as set out in its IDP.

Performance and Audit Committee

The Mthonjaneni Municipality has the Audit committee in place to audit performance measures. It consists of 10 members and meets quarterly.

Annual Report

The Annual Report for the 2018/2019 financial year has been prepared by the municipality using the guidelines from the National Treasury. The legislated process for preparing of the annual was followed. The AG comments and action plan in response to the AG comments are outlined in section F of this document.

Organisational PMS / Mthonjaneni 2020/2021 Draft Organisational Scorecard

The objectives, key performance indicators and targets for 2020/2021 financial year for the Mthonjaneni Municipality are indicated on the Organisational scorecard. The Organisational Scorecard of the Municipality, as reflected below. The organisational scorecard reflects the following information relating PMS of the municipality:

- Line Ref: Indicate the line reference for each individual local key performance area OS means / refers to Organisational Scorecard.
- National KPA: Indicate the general National Key Performance Areas that are applicable to all local government sphere, they are also known as focus areas.
- Local KPA: Indicate Local Key Performance Areas that are applicable to the specific municipality, this area is also known as the focus area.
- Strategic Objective: Indicates the path for the desired outcome that the municipality will have an effect on.
- Measurable Objective: indicates the desired impact that the particular activity may have after implementation.
- Performance Indicator: Indicates the measurement that helps in assessing whether the desired outcome is either attained or not.
- Baseline: Refers to the current starting point i.e. Mthonjaneni baseline for the annual report will reflect the previous year, whether it's in place etc.
- Backlog: Refers to the outstanding task / challenge that the municipality is still facing currently.
- Target: Indicates the goal or milestone that must be achieved within a specified timeframe, it also known as the time bound measurement.
- Responsible Department: reflect the responsible departmental manager / Director within the Mthonjaneni Local Municipality.
- Financial Implication: reflects to cost related tasks, in this instance it indicates both the cost free and cost effective activities for the Mthonjaneni municipality.

The reason why the Mthonjaneni organisational scorecard is done as described above, is effected in order to ensure that the alignment between the IDP, PMS and Budget is attained and sustained, for the purposes of ensuring credible IDP for the municipality.

Below is the Mthonjaneni organization score card for the 2020/2021 financial year.

19. Draft Organisational Scorecard (2020/2021)

Attached as an annexure

Section G: Status of Sector Plans and other Municipal Plans