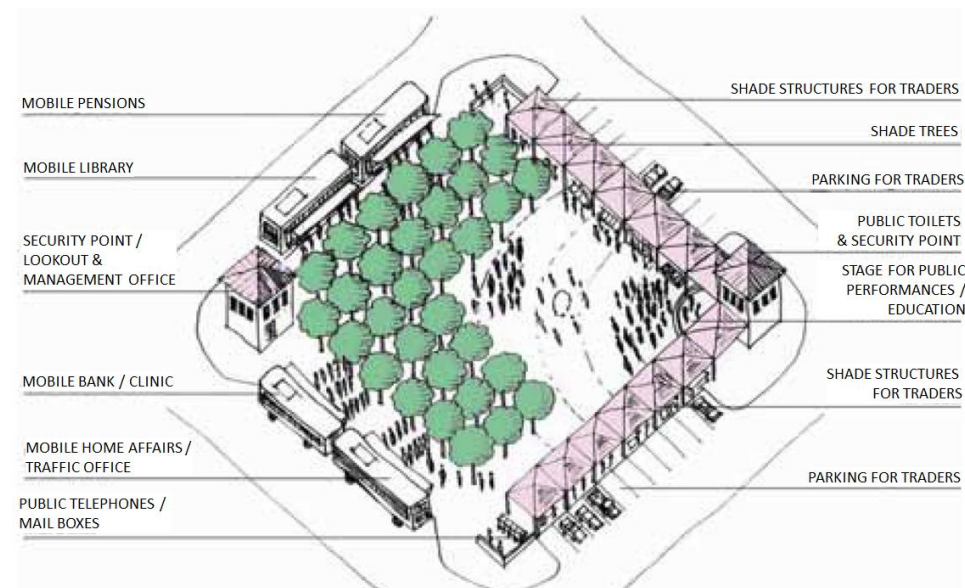


Intervention Node	Broad Intended Function	Intervention Node	Broad Intended Function
	<ul style="list-style-type: none"> Hibberdene, Kokstad, Margate. <p>Key strategic interventions specifically targeted at these nodes and their directly surrounding areas might include:</p> <ul style="list-style-type: none"> Secondary Economic Growth Areas Promote as Secondary Node in support of Corridor Development Promote Compact Urban Development & Combat Urban Sprawl Promote Focused Investment & Managed Growth Promote Densification (Brown Agenda) & Infill Development Provide Economies of Scale for Effective & Affordable Service Delivery Infill where High Levels of Services are Available (Restructuring Nodes) Increased Residential Density (number of dwellings) Promote Socio-Economic Upliftment Promote provision of sufficient Bulk Infrastructure Services (Demand & Supply) Priority spending on Infrastructural Upgrading Needs (New & Maintain) Promote Effective & Efficient Public Transportation Systems linked to Multi Modal Facilities Single Land Use Management System (Township Formalisation) Social inclusion Areas focus Investment in People rather 		<p>than Places</p>
		Quaternary Nodes	<p>These nodes are mainly centres which should provide service to the local economy and community needs and is represented by 31 towns, including but not limited to:</p> <ul style="list-style-type: none"> Nongoma, Nkandla, Bergville, Greytown, Underberg, uMzimkulu <p>Key strategic interventions specifically targeted at these nodes and their directly surrounding areas might include:</p> <p>Focused investment in areas of Poverty Concentrations</p> <ul style="list-style-type: none"> Promote Integration (Green Agenda) Integration in terms of Mixed Densities & Uses Improve Transportation linkages to Nodes Promote Social-economic Integration Eradicate Backlogs & Promote Basic Service Infrastructure & Delivery Promote Socio-Economic Upliftment Promote provision of sufficient Bulk Infrastructure Services (Demand & Supply) Priority spending on Infrastructural Upgrading Needs (New & Maintain) Rural Service Delivery Point Promote & Establish PPP's

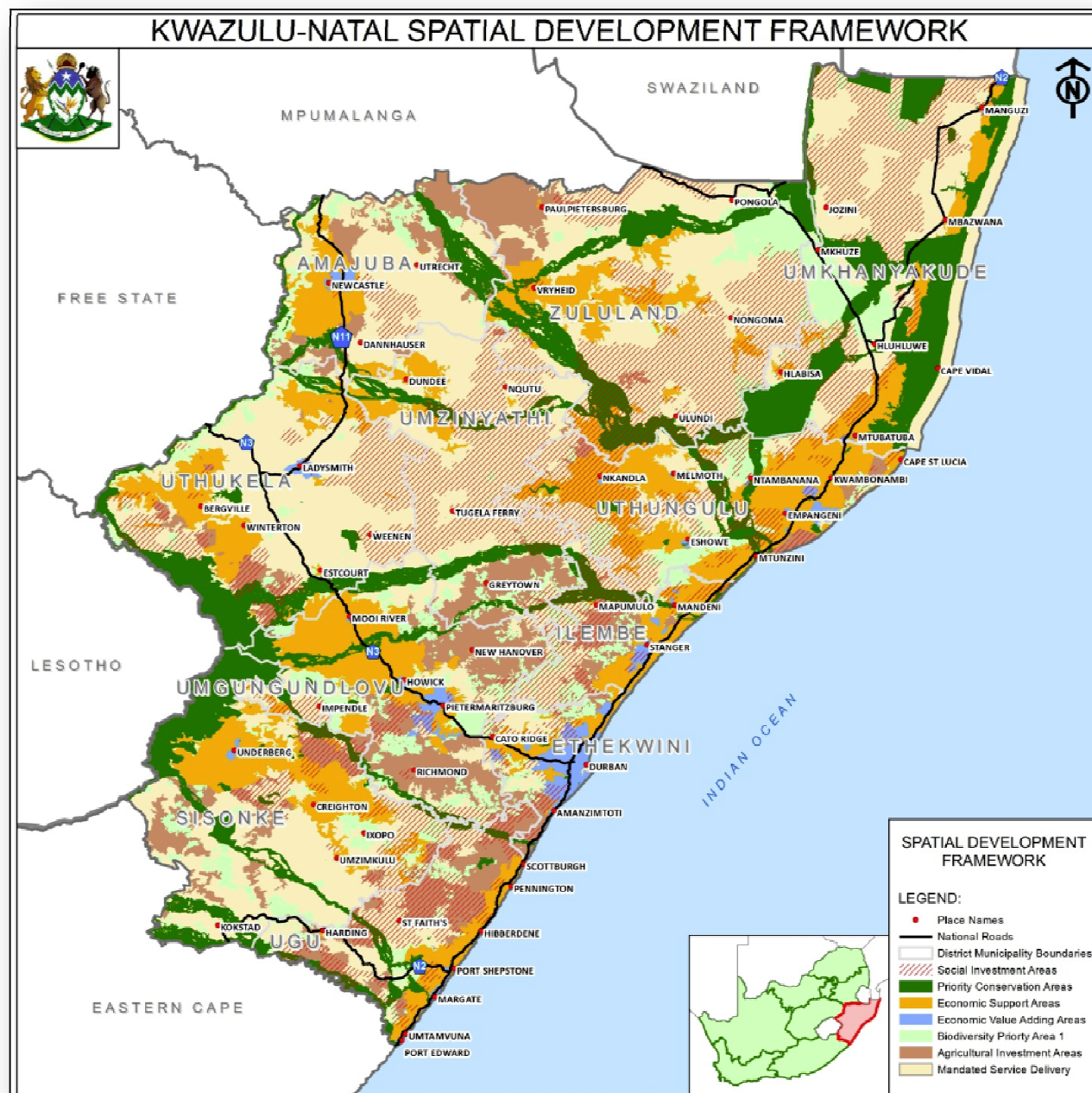
Intervention Node	Broad Intended Function
	<ul style="list-style-type: none"> Promote Cultural & Community Based Tourism
Rural Service Centres	<p>The proposed rural service centres are envisaged to serves as the lowest level of provincial nodes and could typically be established around existing traditional administration centres as well as other accessible rural points identified as periodic markets. These will be identified in consultation with the district municipalities and should serve as first access to basic services within rural areas. These rural service centres will include, as some have already emerged to include, a combination of the following activities:</p> <ul style="list-style-type: none"> Traditional administration centre, Taxi/ bus stop, Informal trading / market area, Social facility (clinic, library etc), Skills development centre (mainly local schools), Mobile services point (mobile clinics, pension pay points, mobile library etc) Small commercial facility Recreational facility such as a sport field.

A conceptual model of these rural service centres will guide the formulation of a provincial implementation strategy towards the implementation of the proposed Rural Service Centres. An important aspect of these envisaged Rural Service Centres are the provision of periodical / mobiles services, as illustrated below:

Figure 2: Conceptual Model of a Rural Service Centre



Map 6: KZN Spatial Development Framework



The southern, south-western and northern corridors along the ZDM boundaries, have been demarcated as provincial “Priority Conservation Areas”. This is quite significant if compared to the rest of the province.

The central and south-eastern parts of the ZDM area have been demarcated as “Social Investment Areas”, whilst the area surrounding Vryheid and to the east thereof, have been demarcated as “economic Support Areas”.

The Broad Provincial Spatial Planning Categories (BPSPCs) which are indicated within the above illustrated provincial spatial development framework should be interpreted as follow:

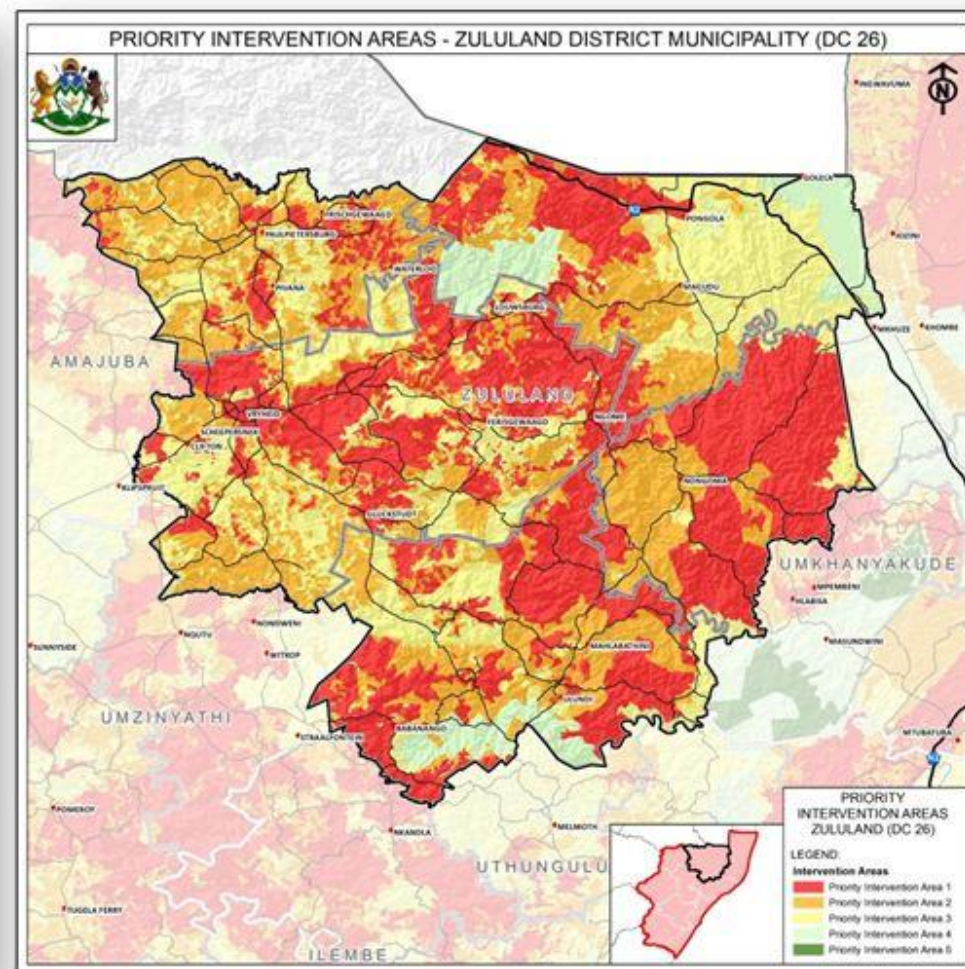
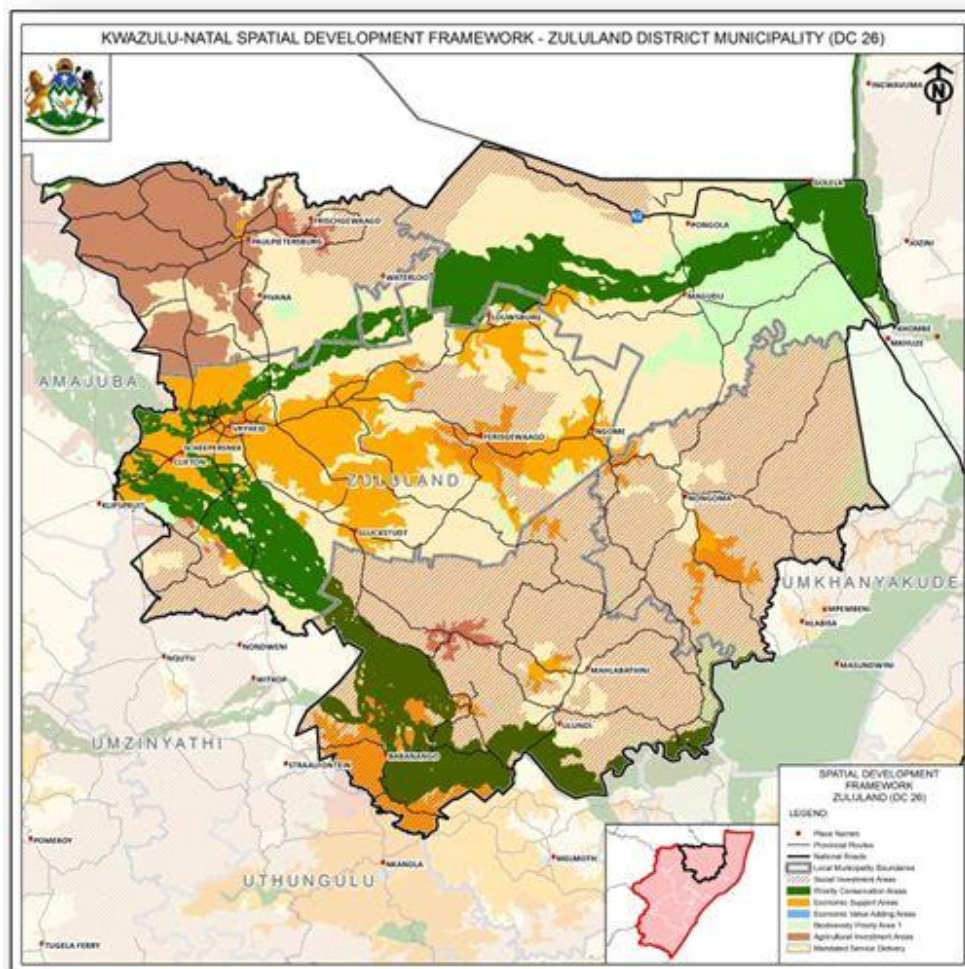
Spatial Planning Category	Broad Intended Land Use and Interventions
Conservation Corridors	Proposed regional critical conservation areas which are linked in a continuous system of ecosystems and bioregions traversing the province between the Drakensberg and the Indian Ocean. These areas were identified combining existing environmentally protected areas as well as conservation corridors proposed by Ezemvelo KZN Wildlife, through combining extensive environmental research into bio-resources throughout the province as part of the formulation of a Critical Biodiversity Plan for the province. These Conservation Corridors are not suggested as absolute “no-go” areas, but rather highlighted as areas of environmental significance to the sustainable development of the entire province. Where economic opportunity (such as tourism development) and high social need exist within these Conservation Corridors, it implies both that the rich natural environment should contribute to the address such needs and potential, and further that any interventions in these areas need to consider the impact on such important regional ecological corridors. These corridors are however perceived as areas where extensive densification would be discouraged and sensitive development promoted.
Biodiversity	Areas with a significantly high biodiversity value expressed in the number of species and sensitive environments as

Spatial Planning Category	Broad Intended Land Use and Interventions
Priority Areas	identified through extensive research by Ezemvelo KZN Wildlife. These areas are most often located in close proximity to the identified Conservation Corridors and may serve as an additional buffer to these corridors. These areas too are not (at a provincial level) proposed as absolute “no-go” areas, but are identified to indicate areas where extensive densification would be discouraged and sensitive development promoted.
Areas of Economic Value Adding	The key economic centres and areas where all of the variety of economic sectors (Agriculture, Tourism, Manufacturing, Services) are prevalent and perceived to have good potential to be further expanded on. These areas are visibly linked to high accessibility areas with existing bulk infrastructure and relatively high population densities which would both contribute to the economic expansion and benefit from interventions in these areas. Due to these factors, further economic processing and value adding at a provincial level, are mainly proposed within these identified areas.
Areas of Economic Support	A number of regions resembled areas of good economic potential in more than just one of the key provincial economic sectors. Due to the fact that these areas represent a larger distribution across the entire province than the core areas of economic value adding, these zones are considered important areas of Economic Support. Typical interventions in these areas would include economic prioritisation of development, labour force interventions (e.g. skills development), key

Spatial Planning Category	Broad Intended Land Use and Interventions
	economic infrastructure investment and area promotion.
Areas of Agricultural Development	Relatively high agricultural production areas, which are not located within biodiversity areas of combined with other potential economic sectors are highlighted by this category to identify and promote areas with the potential to make a significant contribution through agricultural production. Although successful farming practices are already occurring on some of these areas, it is proposed that underutilized agricultural land within these zones are more effectively utilized for sustainable agricultural production. Associated interventions may include agriculture specific infrastructure, skills development, market access interventions etc.
Areas of High Social Need	The highest ranges of combined social need when considering the population density, dependency ratio as the provincial index of multiple deprivation is illustrated by this category of high social need. These area broadly the areas where the most intensive social interventions area required and this category is further overlayed above all other categories to provide a spatial reference to the types of interventions which might be pursued towards addressing the concentrated social need within these areas. As example where high social need is identified within an area earmarked as a conservation corridor, this firstly provides a reference to the fact that social conditions of communities will need to be addressed if any conservation is to be promoted within such areas. Further it suggests that the effective utilisation of the high biodiversity

Spatial Planning Category	Broad Intended Land Use and Interventions
	within such areas might be harnessed towards addressing social need through example conservation tourism.
Mandated Service Delivery Areas	The areas which are not representative of any of the above mentioned categories are classified as undifferentiated areas. It is acknowledged that these areas also have communities residing on them with economic potential and environmental resources, however, based on the approach followed these areas weren't differentiated to the same degree as the identified preceding categories. It is therefore important that this category is not neglected from public and private interventions and as the various departmental programmes are inclusive in nature, these areas should also benefit from it. It is anticipated that the intensity of such programmes and the total portion of resource allocation to these areas would be less than the identified categories as well as the key intervention areas identified previously.

Map 7: Zululand District Municipality – Priority Intervention Areas (as per the KZN PGDS)



In promoting growth and development within the Zululand District as well as supporting the proposed spatial structure and areas in need of intervention, the following provincial catalytic projects are envisaged within the district:

- P700 Road Linkage
- Airport Development (Ulundi)
- Nature Based Tourism (P700)
- Eco, Battlefields & Cultural Heritage Tourism Routes
- Agro-Processing incorporating Bio-Fuels
- Industrial Regeneration
- Small Town Regeneration
- Regional Airports
- Rural Service Centers
- ECD Centre Development
- Centres for the Disabled
- Centres for Senior Citizens
- Substance abuse Rehabilitation Centres
- Cultural Villages
- School Greening
- Rural Waste Management Units

1.10 SPATIAL PLANNING AND DEVELOPMENT PRINCIPLES

- Development / investment must only happen in locations that are sustainable.
- Balance between urban and rural land development in support of each other.
- The discouragement of urban sprawl by encouraging settlement at existing and proposed nodes, whilst also promoting densification.
- The direction of new development towards logical infill areas.
- Rural settlements should be developed to an acceptable standard of services and infrastructure.

- Compact urban form is desirable.
- Development should integrate social, economic, institutional and environmental aspects.
- Sensitive, vulnerable, highly dynamic or stressed ecosystems require specific attention in management and planning procedures, especially where they are subject to significant human resource usage and development pressure.
- Development should be within limited resources (financial, institutional and physical). Development must optimise the use of existing resources and infrastructure in a sustainable manner.
- Stimulate and reinforce cross boundary linkages.
- Basic services (water and sanitation) must be provided to all households.
- Development / investment should be focused on localities of economic growth and/or economic potential.
- In localities with low demonstrated economic potential, development / investment must concentrate primarily on human capital development by providing education and training, social transfers such as grants and poverty-relief programmes.
- Future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or that link the main growth centres.
- Land development procedures must include provisions that accommodate access to secure tenure.
- Prime and unique agricultural land, the environment and other protected lands must be protected and land must be safely utilised.
- Engagement with stakeholder representatives on policy, planning and implementation at national, sectoral and local levels is central to achieving coherent and effective planning and development
- If there is a need to low-income housing, it must be provided in close proximity to areas of opportunity.
- During planning processes and subsequent development, the reduction of resource use, as well as the carbon intensity of the economy , must be promoted.
- Environmentally responsible behavior must be promoted through incentives and disincentives
- The principle of self-sufficiency must be promoted. Development must be located in a way that reduces the need to travel, especially by car and enables people as far as possible to meet their need locally. Furthermore, the principle is underpinned by an assessment of each areas unique

competencies towards its own self-reliance and need to consider the environment, human skills, infrastructure and capital available to a specific area and how it could contribute to increase its self-sufficiency.

- Planning and subsequent development must strive to provide the highest level of accessibility to resources, services and opportunities.

1.11 STATUS OF SECTOR PLANS AND POLICIES

The following is a list of sector plans are in place in the ZDM:

- Cemeteries
- Water Services Development Plan
- HIV
- Community Facilities
- Local Economic Development
- Agriculture

(Note: above list is not exhaustive and could be updated in final IDP)

The following **policies** are in place in the ZDM:

- Cash Management and Investment Policy
- Credit Control and Tariffs Policies and Bylaws
- Fixed Asset Management Policy
- Insurance Policy
- Use and Application of Information Technology
- Risk Management Policy
- Supply Chain Management Policy
- Fleet Management Policy
- Occupational Health and Safety Policy
- Policy and Procedure Management
- Water Services Bylaws
- Travel, Subsistence and Entertainment Policy

In addition, the following finance specific policies are also in place:

- Credit control policy
- Tariff policy
- Asset management policy
- Risk management policy

2. REGIONAL CONTEXT

The Zululand District is located on the northern regions of the KwaZulu-Natal Province and it covers an area of approximately **14 810 km²**. Approximately half of the area is under the jurisdiction of traditional authorities while the remainder is divided between commercially-owned farms and conservation areas. The District comprises the following five local municipalities:

- eDumbe (KZ 261)
- uPhongolo (KZ 262)
- Abaqulusi (KZ 263)
- Nongoma (KZ 265)
- Ulundi (KZ 266)

Vryheid and Ulundi are the major towns and the seat of Zululand is Ulundi. Vryheid is a commercial and business centre, while Ulundi is an administrative centre with the seat of the District Municipality and a well-equipped airport. Zululand has a population of 964 005 people living in isolated rural settlements and six urban areas. Most of the rural settlements are small, making service delivery costly. The potential for economic growth in Zululand lies in tourism and agriculture. The district experiences high levels of poverty and has a high incidence of HIV/AIDS infection. Another major setback is poor accessibility to basic services and facilities. Zululand remains one of the poorest districts in South Africa in part due to its history as a marginalized homeland area. Zululand is surrounded by: Amajuba, Gert Sibande in Mpumalanga, the kingdom of Swaziland, uMkhanyakude, uMzinyathi and uThungulu.

The map herewith shows the district in its locality context while the following map sketches the topographical context of the Zululand District Municipality.

The District has a lack of large **economic** investments to boost the local economy. Up to the late 1990's the District's economy was dependant on heavy coal mining. As a result of the open markets on coal mining (and agriculture) the economy of the area has declined. The potential for economic growth in Zululand lies in tourism and agriculture. The former has started to play a larger role in the economy of the area, this by no means fills the gap caused by the closure of mines. The mines had significant forward and backward linkages on all the economic sectors, particularly in Vryheid and surrounding areas.

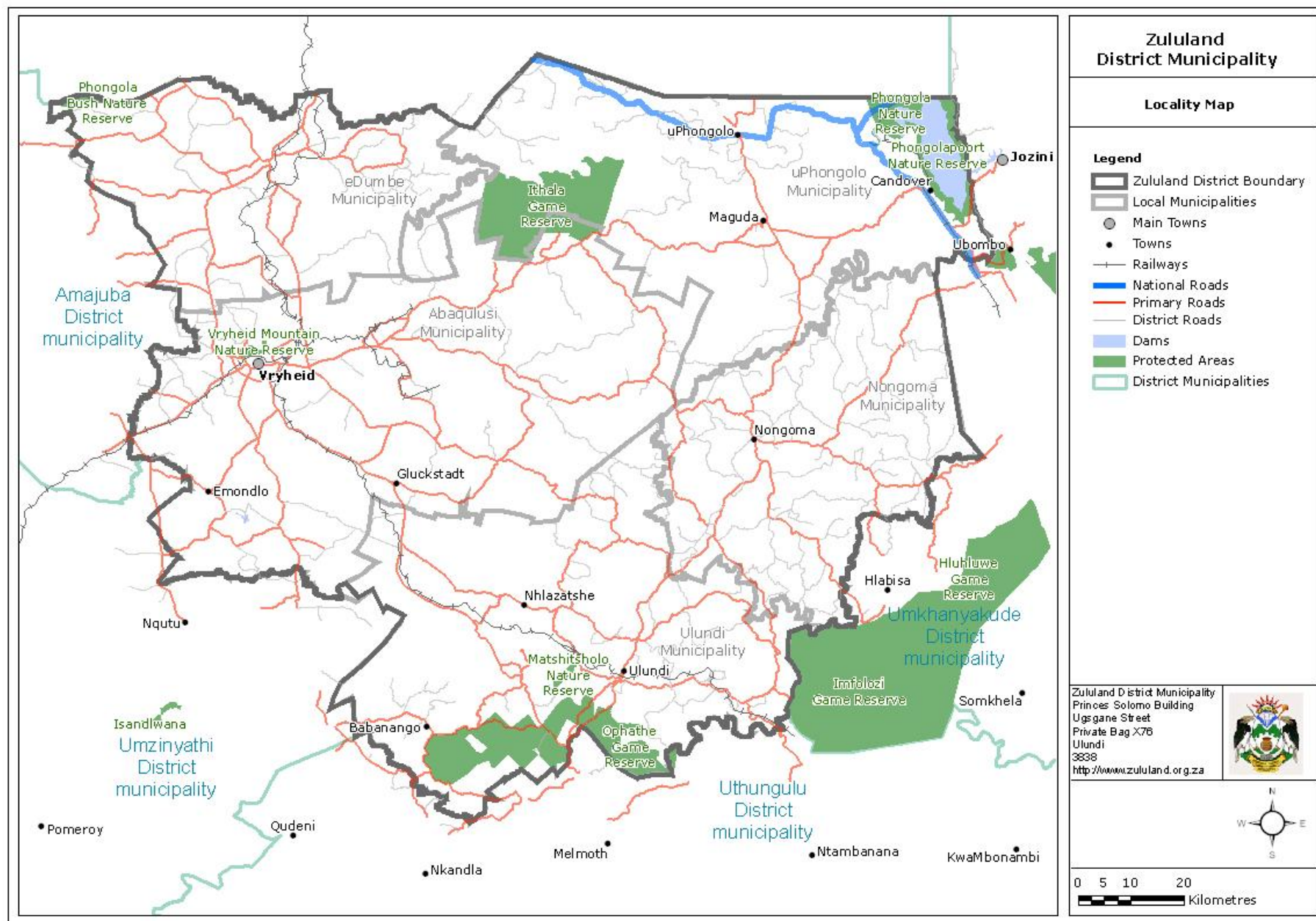
The high agricultural potential of the land is considered to be the key to the future development of the region and should be protected for long term sustainability; this however does not mean that it should be excluded from consideration in projects that relate to land reform and commercial farming ventures. The high population numbers and livestock concentrations in the freehold settlements highlight the need for additional land, and create possible opportunities for the development of commonage schemes. In addition tenure upgrade projects could be considered for tenants presently living on portions of the freehold land.

A large percentage of the district is communal land. Within these areas there is considerable pressure to extend grazing rights into adjoining areas. Strategies to deal with the need to accommodate the increasing demands for grazing land need particular attention. This will require extensive consultation between all key role players in the region.

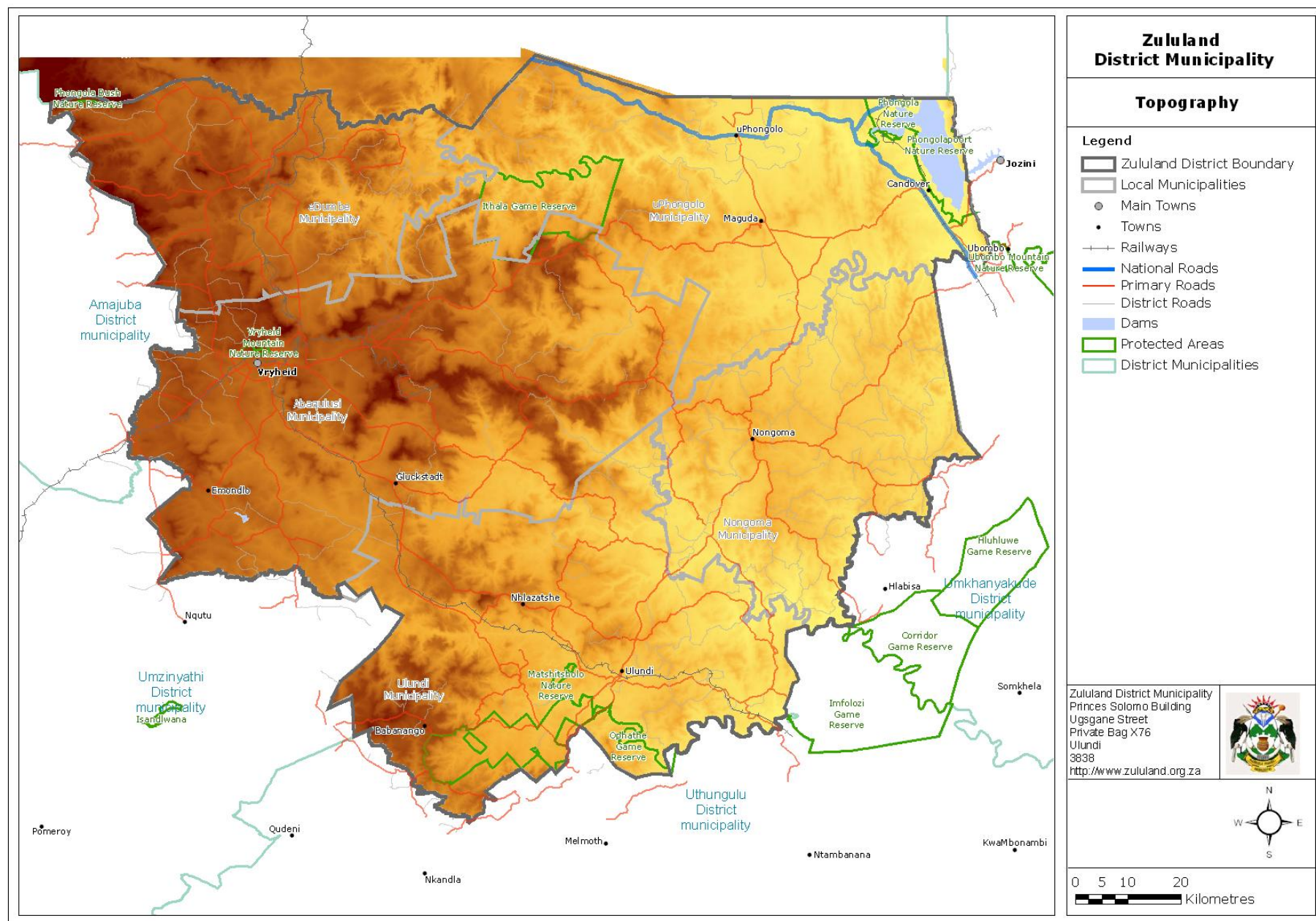
Map 8: Local Municipalities within the ZDM Area



Map 9: ZDM Locality Map



Map 10: ZDM Topography Map



3. DEMOGRAPHIC CHARACTERISTICS

3.1 DEMOGRAPHIC INDICATORS

In recent years, the Zululand District Municipality applied 2001 Census data and the results of their internal analysis of 2007 Aerial Photography to provide the following:

Table 9: 2007 Aerial Photography Analyses

INDICATOR	ZULULAND
Area	14 810 km ²
Population (2007)	964 005 people
Households	142 541
People per Household	6,763
% Urban Households	25,4%
% Rural Households	74,6%
Gender breakdown	Males 46,5 % Females 53,5 %
Age breakdown	0 – 14 38,9% 15 – 64 56,9% 65 + 4,2%

Data derived from 2001 Census and 2007 Aerial Photography

A recent study (2011) from the Department of Economic Development and Tourism indicates that the Zululand District had the highest average annual population growth rate (1.8%) in the province between 2004 and 2010. eThekweni has the next highest growth rate of 1.7%. Zululand's growth rate is more likely determined by a relatively high birth rate rather than a high degree of 'in-migration'

Changes in household counts for the ZDM and its Local Municipalities between 2001 and 2007 were determined by the ZDM as indicated herewith.

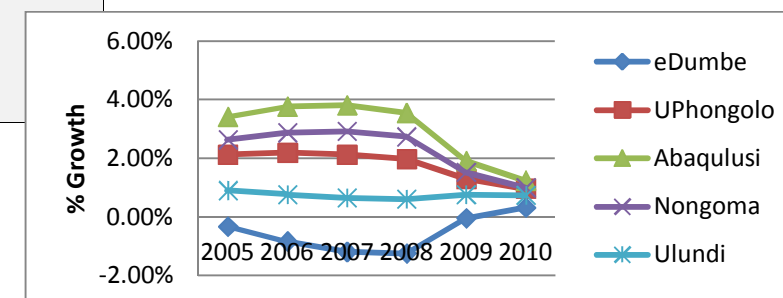
Table 10: Total Household count per Local Municipality (2007)

Total Household count per Local Municipality					
		2001	2007		
LMName	LM	Households	Households	Population	Growth
Abaqulusi	KZ263	32312	36044	243766	3732
eDumbe	KZ261	11611	15024	101607	3413
Nongoma	KZ265	27947	34042	230226	6095
Ulundi	KZ266	27957	35319	238862	7362
uPongola	KZ262	16289	22112	149543	5823
		116116	142541	964005	26425

The above table indicates an estimated household size of 6,7 people per household. It should further be noted that:

- The Ulundi LM had the highest percentage increase in household numbers, i.e. 28%. The second highest increase in household numbers was observed in Nongoma (23%) followed by uPongola (22%).
- The Abaqulusi LM has the most households in the district, i.e. 36044 the Ulundi LM the second most households, i.e. 35319.

Graph 1: Annual Growth per LM from 2005 to 2010



Source: DEDT calculations based on Quantec data (2011)

Possible causes of declining population growth rates include:

- Ongoing development of the economy – internationally it has been observed that as countries develop their population growth rates tend to stabilize around a lower rate.
- High level of HIV-Aids related deaths
- Migration out of the district to fast-growing urban centres (while the average growth rate in eThekweni is lower than in Zululand, in the past two years it has experienced greater growth)
- The impact of the recession – Population growth rates for all the municipalities decreased in 2009. This may be because the decision to have children was negatively impacted by considerations of job losses as a result of the recession.

A further breakdown is provided in respect of the rural and urban components of the LM populations as shown in the table hereunder:

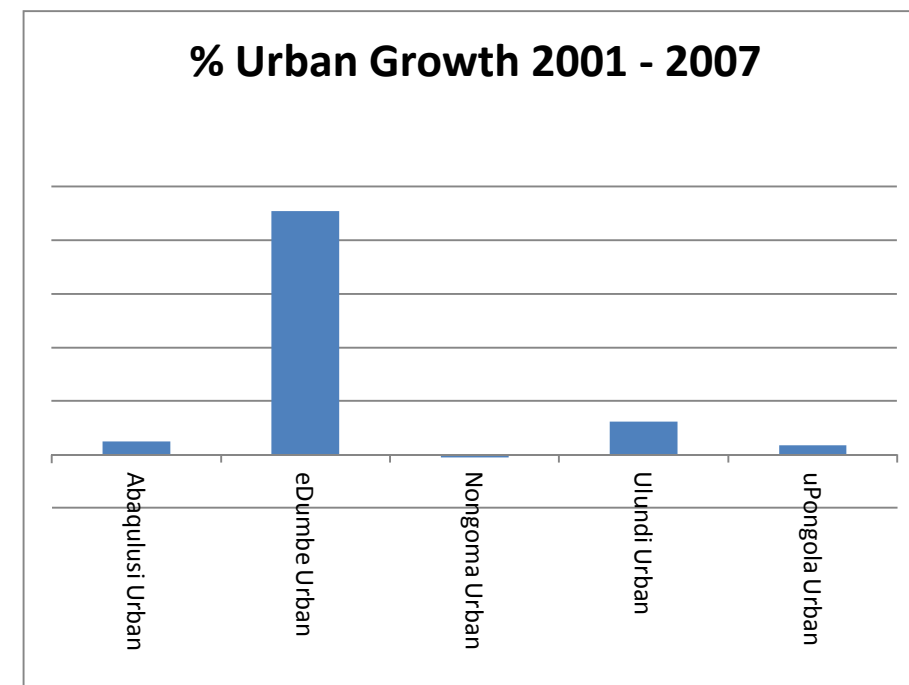
Table 11: Household count per Local Municipality per category

Total Household count per Local Municipality per category			
		2001	2007
LMName	CATEGORY	Households	Households
Abaqulusi	Rural	18666	15714
Abaqulusi	Urban	13646	20330
eDumbe	Rural	11097	9843
eDumbe	Urban	514	5181
Nongoma	Rural	27105	33289
Nongoma	Urban	842	753
Ulundi	Rural	25260	29268
Ulundi	Urban	2697	6051
uPongola	Rural	13359	18165
uPongola	Urban	2930	3947
		116116	142541

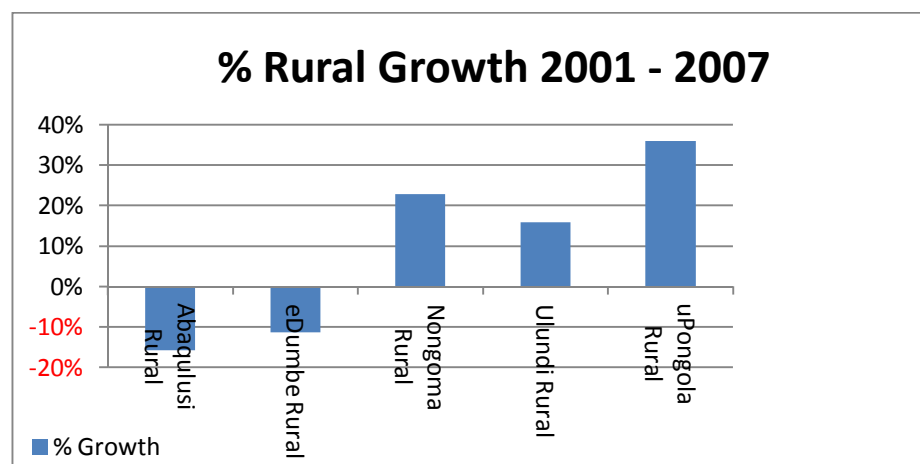
Data derived from 2001 Census and 2007 Aerial Photography

The following two graphs show urban and rural percentage household growth per LM in the district between 2001 and 2007.

Graph 2: % Urban Household Growth per Local Municipality



Data derived from 2001 Census and 2007 Aerial Photography

Graph 3: % Rural Household Growth per Local Municipality

Data derived from 2001 Census and 2007 Aerial Photography

The previous figures illustrate a tendency for a reduction in the rural population in Abaqulusi and eDumbe with significant growth in the urban areas. The other municipalities have all experienced rural growth with only Ulundi showing significant urban growth as well. When comparing household data from aerial photography in 2001 to aerial photography in 2007 there appears to be some migration from rural households to the various urban centers in the district, which is consistent with the reality that can be seen in the field. The map at overleaf illustrates the migration of households between 2001 and 2007, as was seen from the different sets of aerial photography.

The following is further noted:

- In terms of geographic area, Abaqulusi is the largest (4184 km²), followed by Ulundi (3250 km²), uPongola (3239 km²), Nongoma (2184 km²) and eDumbe (1942 km²).
- Low levels of urbanization, approximately 75% of the people in the District are located in rural areas.

- A female population (54%) that is significantly higher than the male population (46%) which could be attributed to migration patterns in the province in general.
- The negative urban growth in Nongoma and the 100% positive urban growth in eDumbe can be attributed to the re-determination of urban boundaries.

The age characteristics of the District's population are shown in the table herewith:

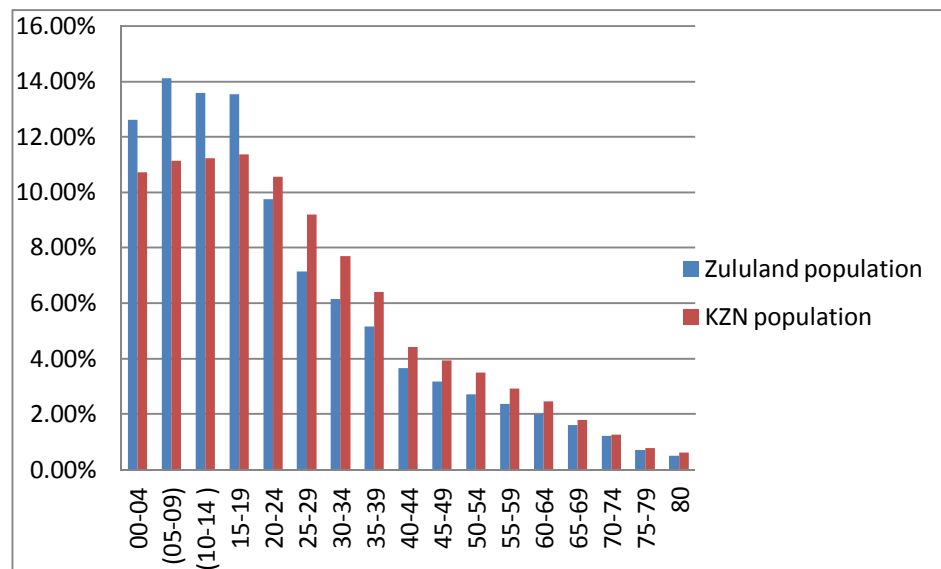
Table 12: Percentage Age Breakdown

Age Breakdown for the ZDM (2001 census)	%
Age: 0 – 4 years	14%
Age: 5 – 9 years	15%
Age: 10 – 14 years	15%
Age: 15 – 19 years	12%
Age: 20 – 24 years	9%
Age: 25 – 29 years	6%
Age: 30 – 34 years	5%
Age: 35 – 39 years	5%
Age: 40 – 44 years	4%
Age: 45 – 49 years	3%
Age: 50 – 54 years	2%
Age: 55 – 59 years	2%
Age: 60 – 64 years	2%
Age: 65 – 69 years	2%
Age: 70 – 74 years	1%
Age: 75 – 79 years	1%
Age: 80 – 84 years	0%
Age: 85+ years	0%
Age: unspecified	1%

Source: 2001 Census

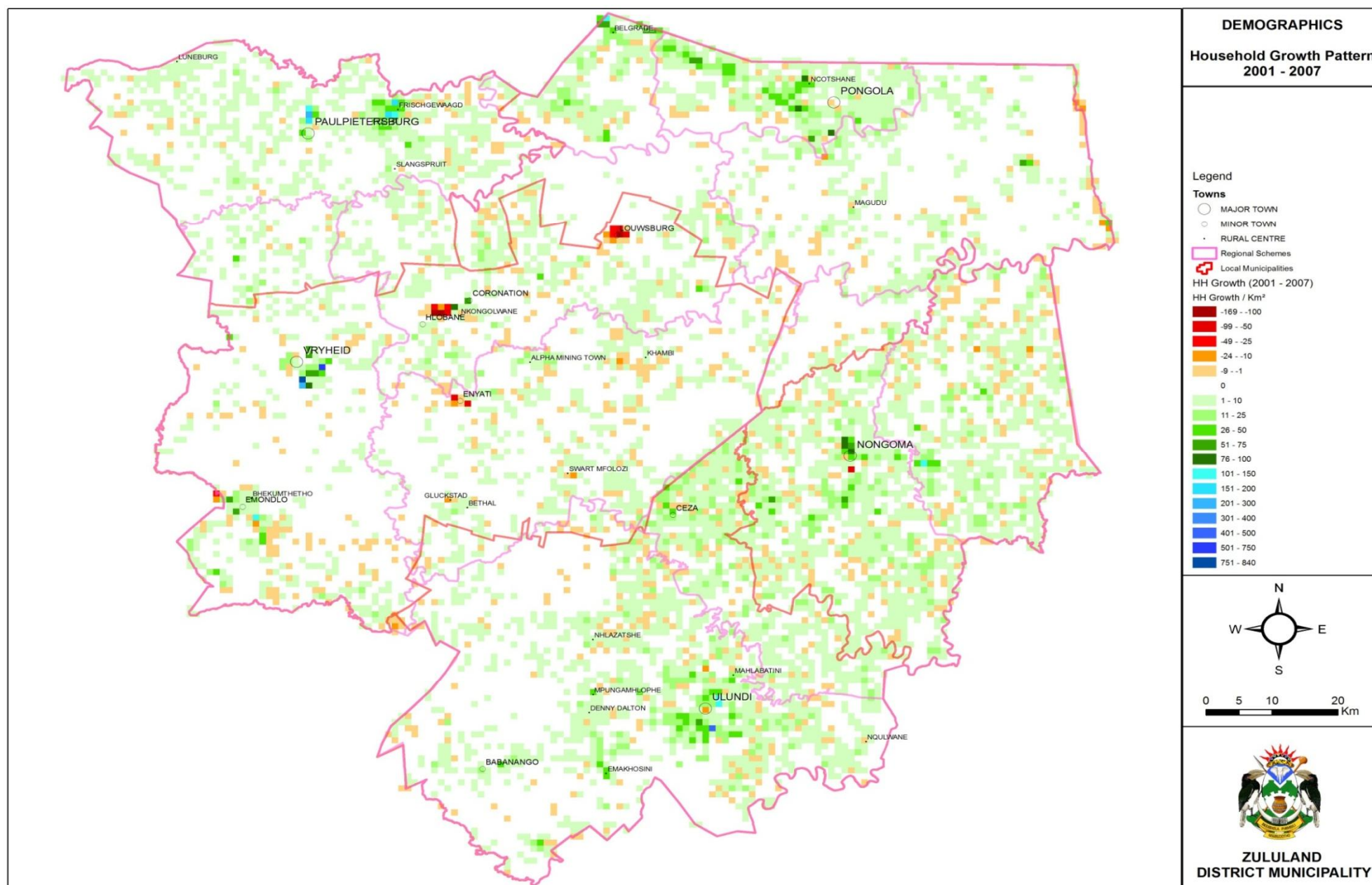
The following graph of population age distribution has also been extracted from the 2011 Department of Economic Development and Tourism study and provides a comparison between the ZDM and KwaZulu-Natal.

Graph 4: ZDM Population Age Distribution (2011)



Source: DEDT calculations, Quantec data (2011)

Map 11: Population Density (2001)



The following table and figure provides a comparative breakdown of the annual household income in the Zululand District Municipality.

Table 13: Household Income Breakdown for the ZDM

Household Income Breakdown for the ZDM	%	Number
Derived household income: none	21%	22709
Derived household income: R1 – R2 400	12%	12358
Derived household income: R2 401 – R6 000	22%	23222
Derived household income: R6 001 – R12 000	14%	15086
Derived household income: R12 001 – R18 000	7%	7618
Derived household income: R18 001 – R30 000	6%	6532
Derived household income: R30 001 – R42 000	3%	3186
Derived household income: R42 001 – R54 000	2%	2207
Derived household income: R54 001 – R72 000	2%	1941
Derived household income: R72 001 – R96 000	1%	1319
Derived household income: R96 001 – R132 000	1%	1005
Derived household income: R132 001 – R192 000	0%	520
Derived household income: R192 001 – R360 000	0%	304
Derived household income: R360 001 or more	0%	150
Derived household income: n/a: institution/hostel	0%	328
Derived household income: unspecified/dummy	8%	8547

Source: 2001 Census

Employment levels are shown in the following table:

Table 14: Levels of Employment

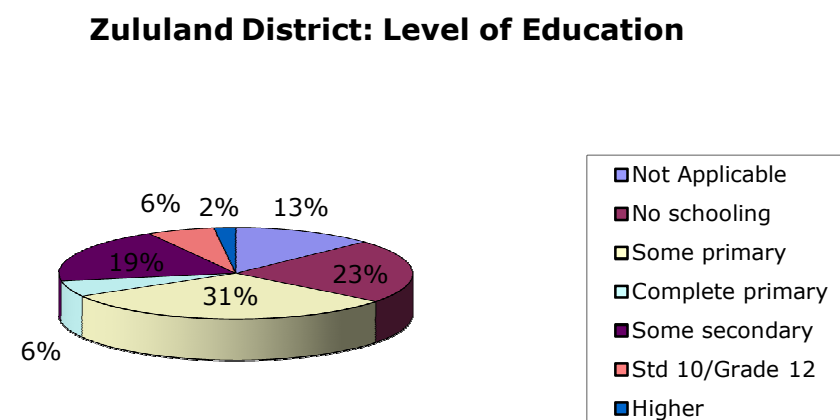
Employment Breakdown for the ZDM (2001 census)	%
Employment status: employed	38%
Employment status: unemployed, looking for work	47%
Employment status: not working – not looking for work	13%

Employment Breakdown for the ZDM (2001 census)	%
Employment status: unspecified	1%
	100%

Source: Census 2001

The following graph represents the education levels of the Zululand population. There is a correlation between income, employment and education levels.

Graph 5: Levels of Education



3.2 KEY FINDINGS

- Zululand District had the highest average annual population growth rate (1.8%) in the province between 2004 and 2010.
- Zululand's growth rate is more likely determined by a relatively high birth rate rather than a high degree of 'in-migration'.

- Tendency for a reduction in the rural population in Abaqulusi and eDumbe with significant growth in the urban areas.
- When comparing household data from aerial photography in 2001 to aerial photography in 2007 there appears to be some migration from rural households to the various urban centers in the district.
- Irrespective of the above, the district has low levels of urbanization, with approximately 75% of the people in the District living in rural areas.
- A female population (54%) that is significantly higher than the male population (46%) which could be attributed to migration patterns in the province in general.
- The ZDM has low employment and high unemployment levels that, coupled with low education levels poses significant challenges to growth and development.

4. INSTITUTIONAL & GOVERNANCE ANALYSIS

4.1 INSTITUTIONAL

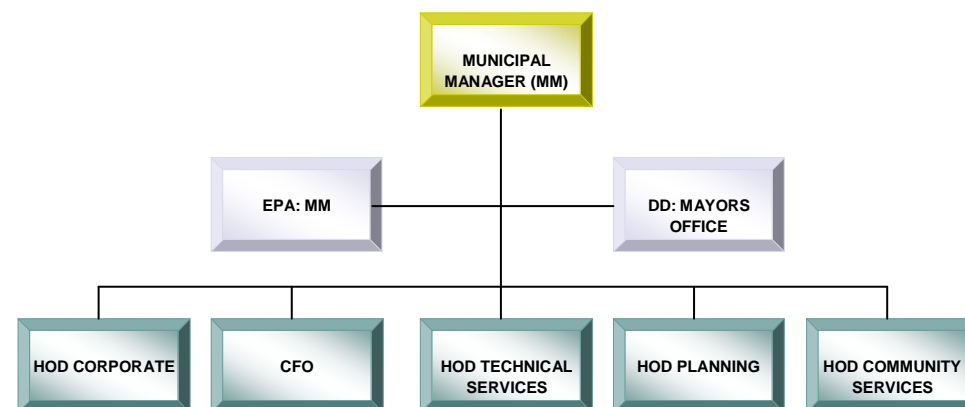
4.1.1 ORGANISATIONAL STRUCTURE

The municipality consists of six (6) departments namely:

- Municipal Manager's office
- Finance Department
- Technical Services Department
- Planning Department
- Corporate Services Department
- Community Development Department

These departments are headed by Officials appointed in terms of Section 57. The responsibilities and functions of each of these departments are explained in further in this report.

Figure 3: ZDM High-level Organogram



The most recent published information (as contained in the current Annual Report) provides the following details on occupational levels:

Table 15: ZDM Occupational Levels

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management	19			1	15				35
Senior management	8			1	4				13
Professionally qualified and experienced specialists and mid-management	4			2	1				7
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	138			2	67	1		1	209

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Semi-skilled and discretionary decision making	126				31				158
Unskilled and defined decision making	2								2
TOTAL PERMANENT	297			6	118	1		2	424
Temporary employees	209			2	22	1			233
GRAND TOTAL	506			8	140	1		2	657

4.1.2 DECISION-MAKING PROCESSES

- The Council of the Zululand District Municipality consists of 34 Councilors, 40% of which are proportionally elected and 60% elected to the district municipality from respective local municipalities. The Council is chaired by the Speaker, The Honourable Cllr. N J Mjaja.
- The Executive Committee is chaired by His Worship the Mayor Cllr MB. Gwala.
- In order to ensure that there is synergy, and adequate monitoring and control in the performance of the municipality towards achieving the strategic goals that Council set itself; the Council established Portfolio Committees, with each one chaired by an EXCO Member. These Committees meet regularly to track the progress made from time to time in the implementation of the Integrated Development Plan (IDP) of the Municipality.
- The following portfolio committees are operational in the District:
 - Disaster Management, Health and Safety
 - Finance and Budgeting
 - LED and Tourism
 - Community and Social Development
 - Capex and Water Provision

- Planning and GIS
- Local Labour

- The financial year 2010/2011 was the year in which the Municipality established its Oversight Committee and started to carry out its founding mandate.

4.1.3 COMMUNICATION

The ZDM has a Communication Plan that is regularly reviewed. In addition to the above, alignment between the ZDM and its Local Municipalities and respective Service Providers is attained via IDP Alignment meetings.

The Council of Zululand District is committed to the creation of a people centered customer care center that is efficient, effective and truly accessible to all communities serviced by the municipality. To this end, the Council procured a Customer Query Logging System (SIZA) to ensure that all communication with the citizens is recorded and that there are proper and adequate mechanisms to monitor the progress being made from time to time, in resolving issues raised by the community.

4.1.4 DEPARTMENTAL OVERVIEW

As already noted, the municipality consists of the following six (6) departments:

- Municipal Manager's office
- Finance Department
- Technical Services Department
- Planning Department
- Corporate Services Department
- Community Development Department

A more in-depth overview of the respective departments will be provided in this section.

4.1.4.1 CORPORATE SERVICES

The Corporate Services department is the organizational Supplement Nerve Centre of the Municipality which is people centric, strategy focused and result driven department. In order to ensure that the department is enabled to efficiently and effectively provide the necessary support to its client departments and other internal customers within the municipality; the department is structured into five broad thrusts, namely: Management Services, Auxiliary Services, Communications Services, Airport and Disaster Management. A brief description of these sections/thrusts is provided herewith:

Management Services

The responsibility of the Management Division is to ensure provision of the necessary Human Capital, ensuring professional Labour Relations; Employee Assistance Programme; the development of Municipality's Human Capital through relevant Training and Development Strategies, which captures critical training interventions; Efficient Secretariat Support to the Municipal Council and its committees, ensuring a people centric Customer Care, that is efficient, effective and accessible to the community. In addition, to ensure that Council policies are observed including the standing rules of order, and that if there are amendments to the policies they are put through the correct policy processes of the Council.

Auxiliary Services: Records

Since the implementation of the Electronic Records Management System (EDMS) in 2006 the Council has made considerable progress in modernizing and improving its Records system. The installation of Collaborator has resulted in quick and easy cross-referencing and improved service delivery and

transparency when it comes to information management, accessing important documents such as tenders as well as the benefit of having fast workflow distribution to all relevant departments, sharing and searching for information and finally providing feedback rapidly and effectively. The main benefit of this system is the minimization of paper copies and the provision of an audit trail on all documents and correspondence.

The second phase of the EDMS system - the committee management sub-function - has also become up and running to its full capacity and is used for submitting items, generating agendas and the filing of minutes. .

Auxiliary Services: Buildings and Maintenance

The function of managing the buildings and maintenance of the Zululand District Municipality consists of overseeing the head offices, the Queen Silomo Centre, the Prince Mangosuthu Buthelezi Airport, Princess Mandisi Health Care Centre as well as the 3 satellite offices situated in Vryheid, Phongolo and Nongoma. Other buildings include those used by the Technical Departments in water works and waste water works.

To manage the risk of water cuts in the area which tend to occur on a regular basis, the municipality has installed its own borehole. The backup generator is also being serviced regularly after every 250 hrs of usage. This generator is useful when power is off and it kicks in so as to allow work to continue as we have been experiencing an increase in power outages in the area. Fire equipment servicing is done regularly to ensure readiness for usage at any given time.

Auxiliary Services: Fleet Management

The Zululand District Municipality has a total of 66 vehicles which are operating within our satellite offices, water plants, head office and the Prince Buthelezi airport in Ulundi. The municipal council approved the Fleet Management Policy which serves as a Management guide on the utilization of the council vehicles.

Airport

The main objective is to make the airport a catalyst and key driver of the District's IDP and LED programmes. A Strategy document outlining strategies and objectives that need to be implemented to ensure viability of the airport was produced and it is the yardstick according to which progress and achievements made are measured.

Airport operations are governed by the Civil Aviation Regulations of 1997 as amended from time to time. An Aerodrome Emergency Management System has been developed as per Regulation 139.02.6 and approved by the South African Civil Aviation Authority (SACAA) as the legislating body monitoring operations of airports in South Africa. A Full-scale Emergency Exercise has also been performed successfully thereby convincing the SACAA Inspector that the airport is capable of responding to an emergency of that specific magnitude.

An Aerodrome Operations Manual has also been developed according to Regulation 139.02.3 and is currently being reviewed by the SACAA accordingly. Parallel to this, a process of replacing obsolete navigation instruments has also been initiated since these form part of the prerequisites for upgrading to the required level.

The Airport Strategic Objectives are:

- Airport Management
- Building and site maintenance
- Local and regional tourism development and marketing

Disaster Management

The core function of Disaster Management Division is to address the following issues, namely:

- Conducting Disaster Awareness throughout the district
- Attending to all disaster incidents in the district

Among the types of disasters, common disasters that normally hit the people in the district are the natural disasters such as the storm and strong winds.

4.1.4.2 COMMUNITY SERVICES

The Community Services Department comprises the following sections:

- Local Economic Development
- Municipal Health
- Tourism
- Youth, Sport and Recreation
- Gender and Disability
- Indonsa Arts and Crafts Centre
- Princess Mandisi Health Care Centre

Local Economic Development

Local Economic Development is a unit in the Community Services Department. The fundamental focus of this directorate is promoting the Social and Economic Development of the municipality by implementing the Siyaphambili programme which is a strategic document for economic development in the municipality.

The Local Economic Development Forum forms part of the overarching Institutional structure of the IDP Process. Apart from sharing information on future economic activities, the purpose of the forum is to jointly agree on a direction and guidance with all stakeholders and experts in the field of economic development in the district. Sub-forums under the Local Economic Development Forum include Tourism and the recently established General Business and Agricultural forums.

Some achievements of the LED Directorate include:

- Ukuzakha Nokuzenzela Program: This programme was established to assist the pro-poor communities within the District.

- P700 Local Area Development: The following projects are under implementation with the partnership from COGTA:-
 - Ulundi Tourism Hub
 - P700 Nodal Development
 - Laundromat Center
 - Mona Market Regularization
 - Informal traders facilities within Nongoma Town
- Ulundi Integrated Energy Center
- The following Business Plans were completed, ZDM is looking for potential investors/partners for their implementation:-
 - Cengeni Gate Community Tourism Project
 - Phongola Private Public Partnership
 - Nongoma Poultry Project
 - Louwsberg Agro-processing Initiative
 - Aloe processing facility and
 - District Nursery

Municipal Health

Municipal Health function is preventative in nature and seeks to protect humans from contracting diseases from the environment they live in. The National Health Act, 2003 (Act No.61 of 2003) defines Municipal Health Services As

- Water Quality Monitoring
- Food Control
- Waste Management
- Health Surveillance of Premises
- Surveillance and Prevention of Communicable diseases, excluding immunizations
- Vector Control
- Environmental Pollution Control
- Disposal of the dead, and
- Chemical Safety

- The transfer of Provincial Environmental Health Practitioners is still outstanding and the service delivery is still fragmented and it will remain like that until the transfer is concluded.

Some achievements of the Directorate include:

- Food Monitoring (Mass Functions)
- Disposal of the Dead: The number of people buried as pauper in the past year has significantly increased.

Tourism



All studies done on district level clearly indicated that for Zululand, tourism is a key factor. It is one of the two legs on which development in Zululand stand the other being agriculture. The Zululand Tourism Office is now comfortably settled in the Ulundi Airport Centre. Looking ahead at tourism development in the future the Airport complex in Ulundi is ideal.

Local Tourism Structures are in place and getting these to run more efficiently remains a main objective. In Ulundi where a local tourism office has been lacking for some 2 years a post has been created and we trust that Ulundi will shortly join the other 4 municipalities each having its local tourism office.

Key Tourism Events in Zululand are growing year by year and these include i.e.

- Zulu Royal Reed Dance at Enyokeni
- Monthly Mona Market outside of Nongoma
- Annual Mayfair in Vryheid
- Tiger fishing Bonanza on the Pongola Poort Dam
- Ithala Canoe Challenge starting at the oBivane Dam
- Annual Innies Rietfees in uPhongolo
- The Ulundi – Nongoma Marathon

KwaZulu-Natal has 5 Tourism Gateways entering the province and of these 2 are on the Zululand border ie Golela Border Post and the Piet Retief Gateway. At the Golela Border Post a huge brand new multi million Border Gate project is in progress. Tourism Routes in and into Zululand got an important addition when Route 66 (The Zululand Heritage Route) was launched. This adds a key third leg to the existing KZN Battlefields Route and the Zululand Birding Route which have been operational for several years. One facet of the Route 66 project that calls for urgent attention is to get the short stretch of road (some 21 km) between uPhongolo and Nongoma tarred as soon as possible. Currently this un-tarred portion effectively blocks all tourism bus traffic from entering Zululand from the north, causing the tourism industry to loose out immensely.

Youth, Sport and Recreation

Sports Development is one of the community's activities that cut across racial, gender and culture. It promotes development, personal discipline, leadership, team work skills and entertainment through sporting activities. It also contributes to the development and empowerment of local communities and encourages interest of learning and gaining more skills. Zululand District Municipality held a very successful and developmental Mayoral Cup Games.

The Zululand District Municipality 56 km Marathon competition races from Nongoma (KwaGqikazi) to Ulundi (Ulundi Regional Stadium). Hundreds of runners from all over the country of South Africa as well as other African Countries took part in this event.

From 2008 Zululand District Municipality has managed to create good relationship with KZN based PSL team (Amazulu). As a result some of Amazulu home games are played in Ulundi Regional stadium, and some of the PSL competitions are played in Ulundi.

Gender and Disability

Zululand District Municipality has gone extra mile to ensure that widows, orphans and people living with disabilities are in the map and are fully recognized and involved in all social and economic development programmes by providing them with a platform and a budget to cater for their projects and moreover, have their special celebration day known as widows, orphans and disability day. Typical activities include:

- Women's Summit and Women's Day
- Youth Summit
- Quality of Life Forum

Indonsa Art and Culture Centres and the Princess Mandisa Centre

Zululand District Municipality has a commitment to improve the lives of its citizens. Our commitment as the municipality is to ensure that all communities of Zululand are taken care of holistically, which means that we are also concerned about people's health and welfare while implementing our core mandates as the municipality. The ZDM Social Programmes Unit is housed at the municipal health centre known as Princess Mandisi Health Care Centre. This was the ZDM initiative of addressing the serious increase rate of HIV and AIDS in the District. Princess Mandisi Health Care Centre has the following intervention programmes:

- Aids Councils
- HIV and Aids Programmes
- Care and Support Programmes
- Lovelife Programme
- Orphans and Vulnerable Children

The Indonsa Arts and Crafts Centre is based in Ulundi and has been voted as the best community arts centre in the KZN province. It has grown from strength to strength; helping the young and old acquire skills in fashion design, music (instruments) and visual arts at almost no cost. Six months training is offered upon application and trainees are offered intensive training.

4.1.4.3 PLANNING AND WATER SERVICES AUTHORITY

The Planning Department comprises of the following sections:

- Planning Administration
- Water Service Authority
- Geographic Information Systems
- Development Planning Shared Services

As such, the following functions of council are performed within the department:

- Integrated Development Planning
- Water Service Authority
- Solid Waste Management Services
- District Cemeteries

Planning Administration

The Planning Administration Section comprises of 4 staff members excluding the Development Planning Shared Services Chief GIS Officer, GIS Officer and District Environmental Manager. The section is responsible for the following functions:

- Integrated Development Planning, including Regional Planning
- Environmental Planning
- Cemeteries
- Solid Waste Management
- Public Transport Planning

- Geographic Information Systems (GIS)
- Performance Management

Geographic Information Systems

The section comprises of a GIS expert who captures and manipulates and presents data in a form that enables enhanced decision making in terms of strategic planning and service delivery.

Without this unit, the Planning Department and the municipality as a whole would have a difficult time studying and translating the spatial and socio economic trends of the Zululand area.

Maps are printed on a daily basis for the Planning Department, Sector Departments, Political Office Bearers, Professionals and other stakeholders, at no cost.

Development Planning Shared Services

In response to the new statutory function allocated to municipalities in terms of the new Planning and Development Act, a new unit called Development Planning Shared Services (DPSS) was established to capacitate and support municipalities in the Zululand area in terms of Development Planning and Geographic Information Systems. Funding contribution are staggered over a 3 year period with financial support from Co-Operative Governance and Traditional Affairs. Thereafter, the Shared Services will be funded in total by the Zululand Family of Municipalities.

Divided into two Directorates of Planning and GIS, the section consists of 8 staff including Planners, Geographic Information Systems Officials, Administrators and Secretary.

In terms of an arrangement between the Zululand Family of Municipalities, the Planning Directorate is placed at Abaqulusi Local Municipality owing to its central location.

The key objective of the Planning Directorate is to assist and capacitate local municipality planners in terms of the new Planning and Development Act, Statutory and Strategic Planning. The key objective of the GIS Directorate is to assist local municipalities and the district to manage and upgrade technical GIS capacity.

Water Services Authority

The section consists of 3 civil engineers and a secretary in the planning and management of the Water Service Authority function. The responsibility of a Water Services Authority (WSA) is to ensure that water is adequately provided to every single individual households falling within its area of jurisdiction. The provision of water to consumers should be in accordance with the minimum quality and quantity standards set by The Department of Water Affairs (DWA). The Water provision should be sustainable, affordable and efficient.

The Services Authority has the following Duties:

- Duty to provide access to water services:
This duty is subject to-
 - the availability of resources;
 - the need for an equitable allocation of resources to all consumers and potential consumers within the authority's area of jurisdiction;
 - the need to regulate access to water services in an equitable way, with any prescribed norms and standards for tariffs for water services;
 - the duty of consumers to pay reasonable charges, which must be in accordance with any prescribed norms and standards for tariffs for water services;
 - the duty to conserve water resources;
 - the nature, topography, zoning and situation of the land in question; and
 - the right of relevant water services authority to limit or discontinue the provision of water services if there is failure to comply with reasonable conditions set for provision of such service.

In ensuring access to water services, a water services authority must take into account among other factors:

- alternative ways of providing access to water services;
- the need for regional efficiency;
- the need to achieve the benefit of scale;
- the need for low costs;
- the requirements of equity and
- the availability of resources from neighbouring water services authorities.

4.1.4.4 TECHNICAL DEPARTMENT

The strategic objective for the Technical Services Department is to progressively provide cost effective, reliable water services of good quality to all potential consumers in the district. The core function of the Technical Department is therefore:

- To implement the new infrastructure (Water and Sanitation)
- Operation and Maintenance of the secondary bulk and reticulation
- Management, Operation and Maintenance of Bulk Water and Waste Water Infrastructure

The key issues were noted to be:

- To improve on the percentage of households with access to basic level of water.
- To improve on the percentage of households with access to basic level of sanitation.
- To improve on the number of required water quality tests conducted (samples).
- To reduce number of plant days down time.
- To improve on percentage of households earning less than R1100 pm with access to free water (Note: Rudimentary LOS included).

- To improve on percentage of households earning less than R1100 pm with access to free sanitation.
- To improve on communication with customers on planned interruptions before disruptions occur.
- To ensure that 100% of MIG grant fund is spent within the financial year.

Project Management Unit

The Project Management Unit is basically responsible for the implementation of all the capital projects within the district. The unit has a total of 6 technical officers, two Institutional Social Development Officers (ISDO) and a Senior Project Administrator.

In the 2010-2011 financial year an allocation of R 188 million was received from MIG and was successfully spent 100% by the end of June 2011. The largest percentage, 77%, was spent on water, 20% was spent on sanitation and 3% on sporting facilities. The large amount of money is currently spent in the development of bulk infrastructure and as the bulk line passes through communities, reticulation networks are installed. Where the communities are experiencing acute shortage of water, the rudimentary programme is in place to bring temporal relief and where there are no reliable sources, water tankering is taking place.

Zululand District Municipality, for sustainable water supply, is divided into ten (10) regional schemes with reliable water sources.

Water Services Provision: Urban and Rural Reticulation

The main function of the “Urban and Rural Reticulation Section” division is to operate and maintain the water and sanitation networks in both urban and rural areas within the Local Municipalities that make up the Zululand District Municipality. This section further manages the provision of Emergency Water under the Drought Relief Programme.

At present all urban areas are serviced with water and sanitation which is metered and they also receive the 6 kilolitre Free Basic Water per month.

The Zululand District Municipality has ten Regional Schemes which are still in progress in terms of construction. Within these regional schemes there are further small stand-alone rural schemes:

Table 16: Regional Schemes

Regional Water Supply Scheme	Number of Water Supply Schemes
Nkonjeni RWSS	33
Usuthu RWSS	39
Mandlakazi RWSS	31
Gumbi/Candover RWSS	2
Simdlangentsha East RWSS	20
Simdlangentsha Central RWSS	12
Simdlangentsha West RWSS	27
Corronation RWSS	2
Khambi RWSS	23
Hlahlindlela RWSS	23

Source: WSDP 2012

Zululand District Municipality is currently utilizing the water-management devices (WMD's) in urban areas that were introduced to enable the municipality to measure and control the quantities of water consumed or preferred by the consumer. Those who want to be limited to FBW can also be provided on daily or monthly bases. The schemes in the rural areas are not metered as they are considered to be consuming water less than the FBW.

Zone meters have been installed to monitor the above situation and if the consumption indicate viability of metering water, that will be considered in the due course.

Currently there are eight reaction teams and contract ZDM 799/2009 is in place with a roster of service providers to provide emergency repairs to water infrastructure.

Despite the rudimentary programme that is in progress, water tankers had to be deployed to those areas with acute shortage of water.

4.1.4.5 FINANCE DEPARTMENT

The Budget and Treasury Office is responsible for providing financial services for the municipality including performing the budgeting, revenue collection, accounting analysis, financial reporting, cash management, debt management, payroll, accounts payable, expenditure functions and supply chain management, risk management.

Management of the municipality is responsible for establishing and maintaining a system of internal controls designed to ensure that the assets of the municipality are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of annual financial statement in conforming with the Generally Recognized Accounting Practice (GRAP). The internal controls are designed to provide reasonable but not absolute, assurance that fraudulent and irregular transactions will be detected by the controls.

Financial Report

The 2010/2011 financial statements were submitted on time. The challenge faced was the preparation of GRAP compliant financial statements in house. But the experience attained throughout the process is invaluable. All other reports required in terms of the Division of Revenue Act were submitted on time.

Viability of ZDM

ZDM has a total budget of R532, 862, 683. It comprises the operating budget of R306, 824, 411 and a capital budget of R226 ,038, 272. The salary cost is 27% of the operating budget.

With regards to the shortage of resources, it is a known fact that the backlogs are substantial and financial resources are modest. There are no adequate financial resources to maintain the capital infrastructure that is installed on an annual basis. As a result, it was proposed as part of turn turnaround strategy that MIG should allow a maintenance portion say 20% of the MIG funding. To date, no major policy change has been effected. This could go a long way to ensuring that the infrastructure is adequately maintained for it to achieve its expected useful life.

Risk Management

The risk assessment has been conducted in conjunction with Provincial Treasury. A risk register has been developed and presented to the Audit Committee for approval. Internal Audit used the risk register to prioritize the areas of attention in the 2010/2011 financial year. The municipality is exposed to various risks of loss including theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, employee health and natural disasters. The municipality generally obtains insurance to mitigate the risks associated with possible losses but has chosen to retain the risks associated with underground infrastructure i.e. water and sewer pipes networks.

Audit

We have had eleventh consecutive unqualified audit reports including the last three financial years. ZDM has an Internal Audit Plan and the Internal Audit unit is outsourced to a firm of Accountants. The Internal Audit recommendations are implemented by Council.

GRAP

The GRAP conversion was completed in the 2008/2009 financial year. The staff members are conversant with these accounting standards and they attend refresher courses were deemed necessary.

Budget Management

The new budget and reporting regulations have been implemented. The budget reports are credible and of good quality. The Mayor is part of the Budget Steering Committee and the budget is presented to the Finance Portfolio Committee, EXCO and finally approved by the full council.

Supply Chain Management

The committee system is in place i.e.

- The Bid Specification Committee
- Bid Evaluation committee
- Bid Adjudication Committee

Councilors and senior management declare their interests. However, declaration of interest does not mean that the municipality can trade with these individuals.

MFMA Compliance

The MFMA implementation plan is in place and there are no outstanding MFMA returns. The compliance checklist is in place. However, full compliance is still a challenge.

4.1.5 MUNICIPAL TURN-AROUND STRATEGY

Note: The Municipal Turn-around Strategy has been fully incorporated into the current 5-Year Municipal Strategic Plan.

Table 17: MUNICIPAL TURN-AROUND STRATEGY

Priority Turn Around Focal Area	Capacity Assessment Findings	March 2010 (Current Situation Baseline)	Target December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies	Human Resource Allocation	Budget	
							Allocated	Projected
Basic Service Delivery								
Access to water and sanitation	It is in line with the funding allocated to ZDM.	Water-53% Sanitation-42%	Water-55% Sanitation-45%	Continue to implement new infrastructure	N/A	Funding constraints	R161.3m	R188m
Management and maintenance	Lack of funding, the communities served are mostly in the rural areas they depend on FBS	Spent R70m	R110m	Apply to MIG for O&M funding	DWA & MIG	Funding constraints	R110m	R137.2m
Access to electricity management and maintenance	N/A							
Refuse removal and solid waste disposal	N/A							
Access roads(new) and maintenance of municipal roads	N/A							
Formalisation of informal settlements(what is required i.r.o. Township formalisation basic services	N/A							
Public Participation								
Broader public participation policies and plans (implemented framework)	The development of the plan is in progress	Plan not yet available	Final plan will be available for implementation	Develop the plan	None	In place		
Public Communication strategy	Refer to 2.1 above							

Priority Turn Around Focal Area	Capacity Assessment Findings	March 2010 (Current Situation Baseline)	Target December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies	Human Resource Allocation	Budget	
							Allocated	Projected
Complaints management system and Front dest interface	Community satisfaction survey conducted	Mechanism system(SIZA) not functioning well	Siza to be in Action		None	In place		
Municipal Year Planner	Plan for the full year not determined	Year planner ends in April	Year Planner to be in place	None	None	In place		
Budget framework	The budget is prepared in accordance with the Municipal Budget and Reporting regulations. MFMA circular 51 is also complied with.	The tabled budget is ready for tabling to Portfolio, Exco and Full council on 25 March 2010	Prepare a mid-year budget and expenditure assessment.	Prepare a mid-year budget and expenditure assessment.	none	none	none	none
Ratio of CDW's to wards	N/A							
Functionality of ward committees. 1. A policy must in place 2. There must be Committee Database 3. There must be a skill audit for ward committees. Members must be trained. 4. Ward Committee plans must be developed for each ward and must be aligned to the IDP process.(IDP process plans must be implemented	N/A							

Priority Turn Around Focal Area	Capacity Assessment Findings	March 2010 (Current Situation Baseline)	Target December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies	Human Resource Allocation	Budget	
							Allocated	Projected
<p>5. Ward Committee meetings must be taking place with the minimal of 4 meetings a year.</p> <p>6. There must be a Strategic Agendas, Minutes of meetings and must be recordings of meetings taking place</p> <p>7. The existence of sub structure ward committee Monitoring and evaluation mechanism in place: The Dept has a tool that measures functionality. From the tool you see the functionality indicators</p>								
Progress on implementation of framework incorporated in the annual report	Council determine							
Governance								
Political Management and Oversight								
Stability of Council	Dates of Council functions are resolved at the Council meetings and all Councillors irrespective of political parties partake in the process	Nothing	Nothing	None	None	In place		
Delegation of functions between political and administration	Adopted written delegations in place	Delegations of functions in place	to be reviewed	to approve the reviewed delegations of functions	None	In place		

Priority Turn Around Focal Area	Capacity Assessment Findings	March 2010 (Current Situation Baseline)	Target December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies	Human Resource Allocation	Budget	
							Allocated	Projected
Training of Councillors	Council determined training needs	Training for EXCO members on IT was postponed	EXCO members will be trained on IT	Ensure participation of councillors during Training	None	In place	R 38, 000	R 38 000
Councillor Oversight Framework (functioning SCOPA)	No formal oversight framework adopted. Systems and procedures in place for reporting	Oversight committee appointed to exercise the oversight role over the Annual Report.	Oversight committee will be in place in accordance with Treasury guidelines	Appoint oversight committee	None	None	None	None
Feedback to communities (ward councillor to ward committee and vice versa)	N/A							
Administration								
HR Policies availability, adoption and implementation	HR Policies are in place	Implemented	None	None	None required	in place	None	None
Vacancies (S57) Status of filling of vacant positions	No vacancies	None	None	None	None	none	None	None
% vacancies in other levels Status of filling of critical vacant positions	1.3% vacancies	1.3% advertised	vacancies will be filled	None	None			
S57 appointed with signed Performance Agreements	All six(6) appointed S57 signed performance agreements	All signed	None	None	None	in place		
Has Skills Audit been conducted for all employees	Yes	Skill Audit conducted	None	None	None	In place	None, used MIG Funding and DPLG Consultants	
Does the municipality have a Workplace Skills Plan	Yes	None	None	None	None	In place		

Priority Turn Around Focal Area	Capacity Assessment Findings	March 2010 (Current Situation Baseline)	Target December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies	Human Resource Allocation	Budget	
							Allocated	Projected
Labour Relations								
Functionality of LLF	LLF does not meet regularly	No meetings set	LLF will meet quarterly	To ensure that LLF will meets regularly	None	In place	R 5 000.00	R 5 500.00
Employment Equity Plan	Employment Equity Plan in Place				None	In place	None	None
Financial Management								
Revenue enhancement strategies	The district is predominantly rural with the majority residing in rural areas. Revenue base is a critically low.	Grants dependence ratio is high	No change expected	None	National government to allocate accelerated level of funding to eradicate water and sanitation backlogs by 2014.			
Debtors management	Level of indigent debtors is very high. Water leaks inside the private properties are not fixed in time	debtor collection level stands at 73 percent	Improved collection level to 80%	Inform communities regarding the need to pay for services	None		none	none
Cash Flow management	Council adheres to planned cash flows	100% of capital grants spent	Planned cash flow met	none	none	none	none	none

Priority Turn Around Focal Area	Capacity Assessment Findings	March 2010 (Current Situation Baseline)	Target December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies	Human Resource Allocation	Budget	
							Allocated	Projected
Repairs and maintenance provision	The Repairs and maintenance : Fixed assets ratio is critically low	Repairs: Assets= 3%	Repairs: Assets= 3%		National government to incorporate Repairs and maintenance funds into MIG or else Infrastructure assets will not achieve the expected useful lives due to poor maintenance	none	none	none
Capital expenditure	100% of allocated funds are spent. Main categories of capital budget is Water and Sanitation	MIG and DWA grants fully spent	MIG and DWA grants fully spent	none	none	none	none	none
Clean Audit	8 consecutive unqualified audit reports. Reconciliations done on a monthly basis. Bank reconciliation done on a daily basis.	2008/2009 AFS unqualified	2009/2010 shall have been audited	none	none	none	none	none

Priority Turn Around Focal Area	Capacity Assessment Findings	March 2010 (Current Situation Baseline)	Target December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies	Human Resource Allocation	Budget	
							Allocated	Projected
Submission of Annual Financial Statements	Annual Financial Statements are submitted to the Auditor General in time	2008/2009 AFS were submitted in time	2009/2010 AFS submitted in time	none	none	none	none	none
% MIG expenditure	N/A							
Asset Management	Fixed Assets Register in place	FAR being updated to check for impairment and to include additions and remove disposals.	Updated GRAP compliant Fixed Assets Register in Place	none	none	none	none	none
Credibility, and transparency of Supply Chain Management	Supply Chain Management Policy and procedures fair, fair, transparent, equitable, competitive and cost effective	Supply Chain Management Policy and procedures fair, transparent, equitable, competitive and cost effective	Supply Chain Management Policy and procedures fair, transparent, equitable, competitive and cost effective	none	none	none	none	none
Capacity Building	Training on GRAP standards is ongoing	Training on GRAP standards is ongoing	Training on GRAP standards is ongoing	none	none	none	none	none
LED								
LED Strategy adopted by Council	The plan was adopted by council	Implementation	Review	Provision of budget	Through IDP forums	out sourced	R 0.00	R 200 000.00

Priority Turn Around Focal Area	Capacity Assessment Findings	March 2010 (Current Situation Baseline)	Target December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies	Human Resource Allocation	Budget	
							Allocated	Projected
LED Plan aligned to the PGDS and adopted by Council	It is aligned with PGDS through IDP Process	Review			Through IDP forums	in place	R 0.00	R 0.00
LED Manager appointed	Appointed					in place	R 0.00	R 0.00

4.1.6 INSTITUTIONAL: SWOT ANALYSIS

Strengths/Opportunities

- Well functioning Portfolio, EXCO and Council structures.
- Communication Plan and IDP Alignment processes in place.
- MTAS in place.
- implementation of the Electronic Records Management System (EDMS) since 2006 has made considerable progress in modernizing and improving ZDMs Records system.
- Sub-forums under the Local Economic Development Forum include Tourism and the recently established General Business and Agricultural forums.
- LED Directorate's achievements created further opportunities for growth and development.
- Functional GIS section.
- Planning Shared Services in place.
- Compliance with financial requirements and submission deadlines

Weaknesses/Threats

- Support and buy-in from government departments and local municipal structures cannot be ensured.
- Limited functioning Council oversight committee.
- LLF (Local Labour Forum) does not meet regularly.

4.2 GOVERNANCE

4.2.1 IGR

In an attempt to ensure co-ordinated service delivery from all service providers, the ZDM intends to prepare and implement an Infrastructure and Services Provision Communication Strategy which details the roles and responsibilities of all service providers in the district, as well as assist with the co-ordination of such service delivery. Various forums have been established to ensure coordination of service delivery e.g. Growth and Development Summit, Planners forum, LED forum and Representative forum.

In order to cater for the social development needs of youth, women, the disabled and the aged members of communities a relevant Participation Strategy is being prepared inclusive of government departments, NGOs, local municipalities and other relevant stake holders. In addition, an IGR Plan will also be developed.

4.2.2 RISK MANAGEMENT

The risk assessment has been conducted in conjunction with Provincial Treasury. A risk register has been developed and presented to the Audit Committee for approval. Internal Audit used the risk register to prioritize the areas of attention in the 2010/2011 financial year. The municipality is exposed to various risks of loss including theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, employee health and natural disasters. The municipality generally obtains insurance to mitigate the risks associated with possible losses but has chosen to retain the risks associated with underground infrastructure i.e. water and sewer pipes networks.

The Audit and Risk Management Committee will, in terms of its authority delegated by Council, facilitate the development of a formal Risk Management Framework and Strategy. The results of the risk assessments should be used to direct internal audit efforts and priorities, and to determine the skills required of managers and staff to improve controls and to manage these risks.

Management has formed an Operational Risk Management Committee (Risk Sub Committee) chaired by the Chief Financial Officer. The aim of the Risk Sub Committee is to implement the risk management strategies and give feedback

to the Audit and Risk Management committee on a regular basis .The risk register will be updated regularly with identified and new emerging risks including mitigating responses and action plans.

4.2.3 FRAUD AND CORRUPTION

Fraud and Corruption can surface at a number of levels in any organization. A number of actions or procedures are in place to assist in countering acts of fraud and corruption. More specifically, compliant procurement processes, contract management and controls of the municipality should ensure a fair, equitable, transparent, competitive and cost-effective supply chain management (SCM) system that complies with legislation and minimises the likelihood of fraud, corruption, favouritism and unfair and irregular practices.

Management of the municipality is responsible for establishing and maintaining a system of internal controls designed to ensure that the assets of the municipality are protected from loss, theft or misuse. The internal controls are designed to provide reasonable, but not absolute, assurance that fraudulent and irregular transactions will be detected by the controls.

Without a comprehensive IT security policy, users do not have any rules and procedures to follow to minimize the risk of errors, fraud and the loss of data confidentiality, integrity and availability.

4.2.4 PUBLIC PARTICIPATION

Apart from the public participation processes pursued as part of the IDP preparation, communication with constituents is achieved in the municipal area by way of newsletters, radio and other media forms.

More specifically, the following organization arrangements are in place for the IDP preparation process:

- **IDP Steering Committee** was resolved by the Council to act as a support to the ZDM Municipal Forums, the Municipal Manager and the IDP Manager.
- The **ZDM Representative Forum** is the participation forum that has to recommend the IDP for adoption to the Zululand District Municipality Council.
- **IDP Planners Forum** is a technical forum that supports the IDP Steering Committee and consists of planners and IDP experts from within the District. The coordination of alignment of interaction with sector Departments and Local Municipalities.
- The **LED Forum** is a technical forum consisting of three sub-forums namely agriculture, business and tourism. The LED forums reports and give input to the IDP Steering committee. These sub-forums are used as a platform for interaction with the private sector.

It should also be noted that the IDP and its implementation for the ZDM will start focusing on international alignment with the district international neighbour, i.e. Swaziland. At the district alignment level, worksessions have been held with neighbouring district while an Intermunicipal Forum (IMUF) has been established as part of the Pongolapoort Dam Development Initiative.

Some of the tools used for communicating the IDP include:

- Road shows during the IDP comment phase
- Advertisements in local and provincial newspapers as required
- Local Service Providers/Stakeholders Alignment meetings

4.2.5 GOVERNANCE: SWOT ANALYSIS

Strengths/Opportunities

- Intention to prepare and implement an Infrastructure and Services Provision Communication Strategy.
- Various forums have been established to ensure coordination of service delivery.
- To cater for the social development needs of youth, women, the disabled and the aged, a relevant Participation Strategy is being prepared.

- The Audit and Risk Management Committee to facilitate the development of a formal Risk Management Framework and Strategy.
- Comprehensive IT security policy in place to minimize the risk of errors, fraud and the loss of data confidentiality, integrity and availability.
- Numerous organizational arrangements are in place for the IDP preparation process.

Weaknesses/Threats

- The municipality is exposed to various risks of loss including theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, employee health and natural disasters.
- Fraud and Corruption can surface at a number of levels in any organization.

5. SOCIAL AND COMMUNITY DEVELOPMENT ANALYSIS

5.1 ACCESS TO COMMUNITY FACILITIES

During 2004, the ZDM commissioned the preparation of an Education, Health and Community Service Sector Plan and the plan has since been reviewed. As part of this Review phase, an updated backlog determination was undertaken for selected social infrastructure components as reflected in this section. More specifically, access to education, health and community halls/centres is discussed in more detail under this heading.

5.1.1 EDUCATION

Backlog determination for education purposes is informed by the following:

- The Department of Education applied a travelling distance of 7 km to the nearest school
- The teacher: learner ratio is acceptable at 35

- Schools, particularly secondary schools, which have less than 250 learners, are considered less viable as they are restricted in terms of teacher allocations and therefore limited subject choices are available to the learners.

A backlog analysis (households at a distance further than 5km from a primary school were considered to be a backlog and every 3500 people constituting the need for another primary school) was undertaken that indicates the backlog as per the following table and the mapping at overleaf indicates the distribution of primary schools as well as the backlog mapping with regard to access to primary schools.

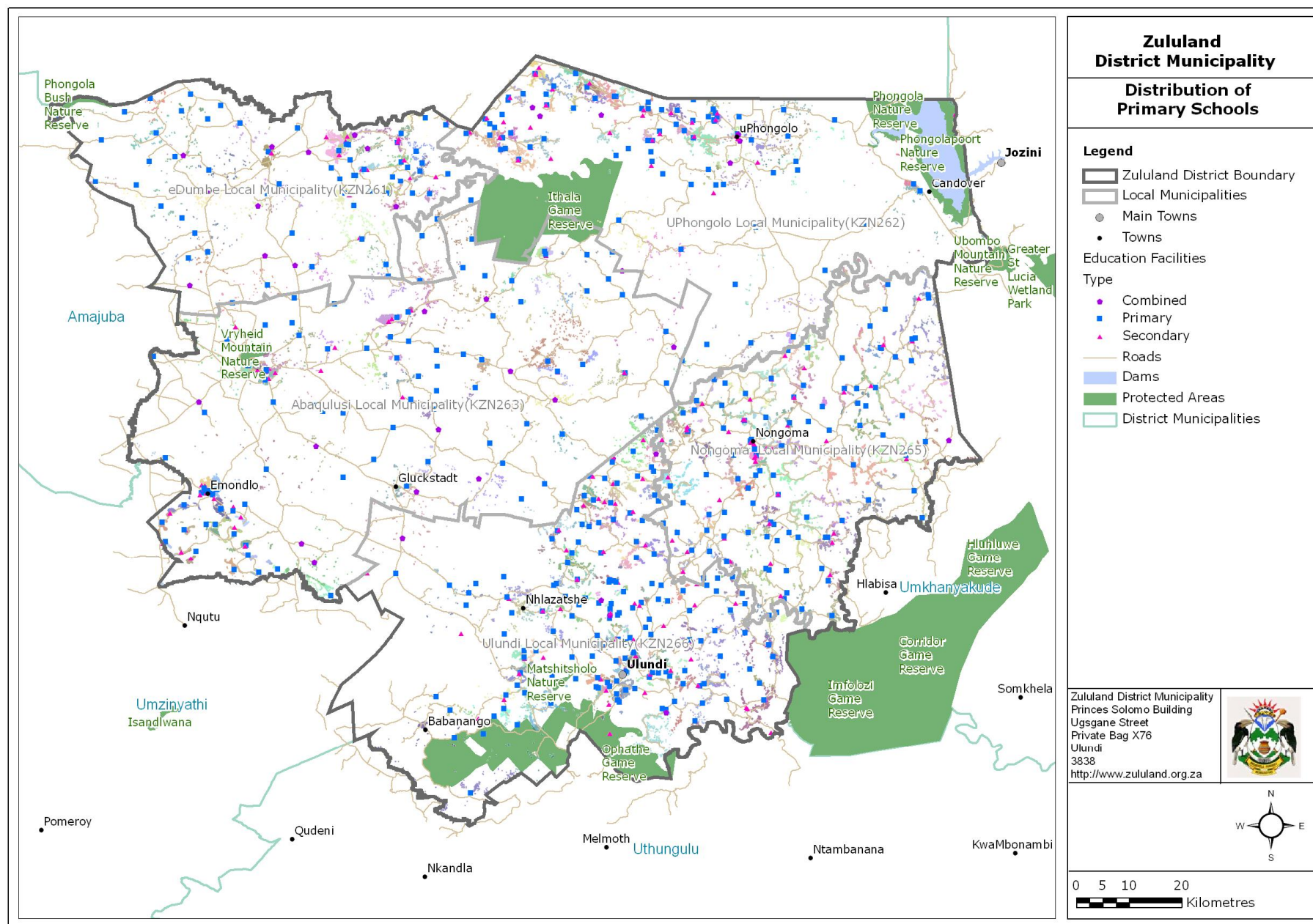
Table 18: Primary Schools

Local Municipality	Required	Existing
Abaqulusi Municipality	25	104
eDumbe Municipality	10	71
Nongoma Municipality	33	98
Ulundi Municipality	27	158
uPhongolo Municipality	15	101

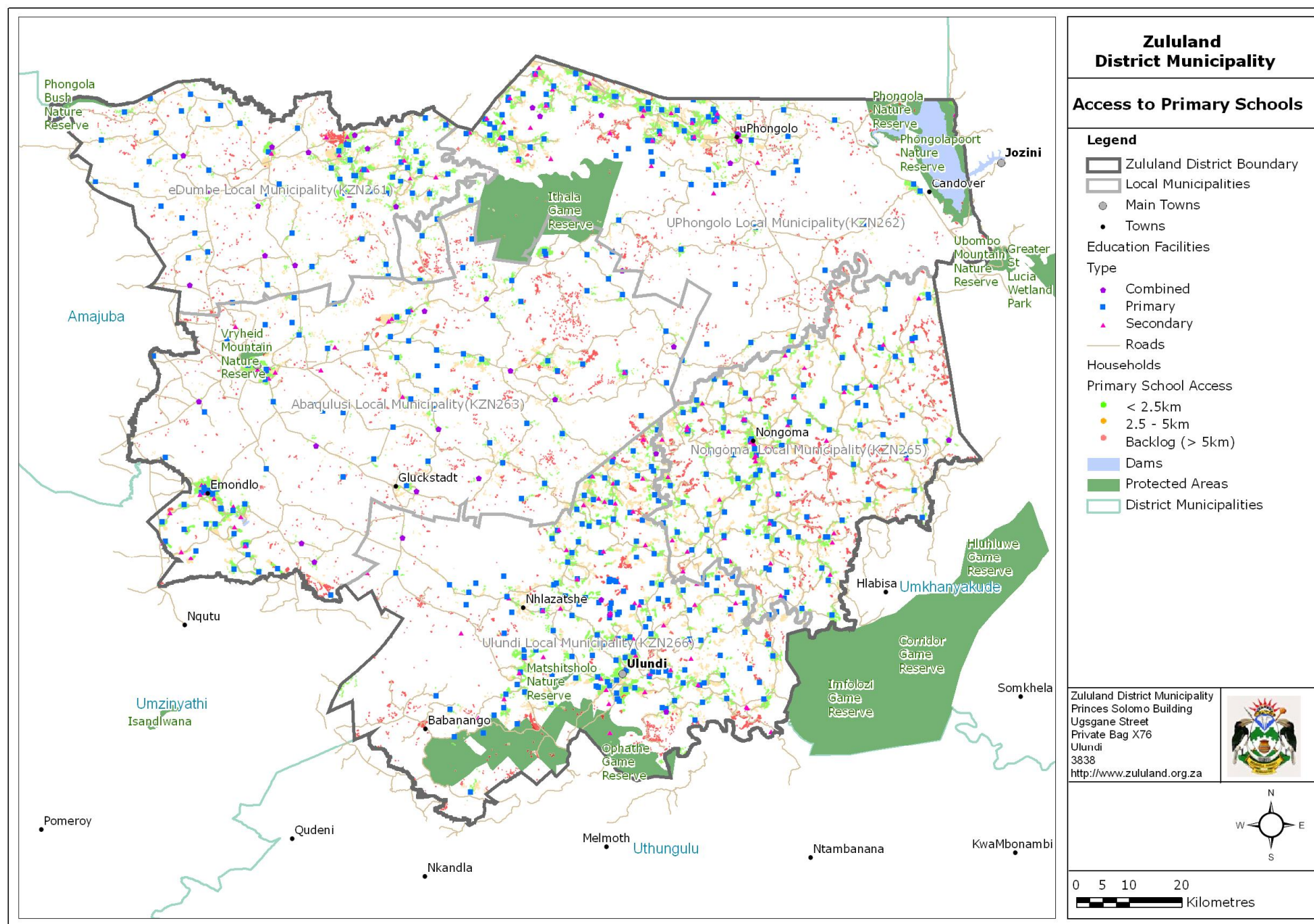
Table 19: Access to Primary Schools

	0 - 2.5km		
Local Municipality	Households	Population	Percentage
Abaqulusi Municipality	23231	157111	64%
eDumbe Municipality	9808	66332	65%
Nongoma Municipality	16908	114349	50%
Ulundi Municipality	21081	142571	60%
uPhongolo Municipality	15185	102696	66%
	2.5km - 5km		
Local Municipality	Households	Population	Percentage
Abaqulusi Municipality	9064	61300	25%
eDumbe Municipality	3493	23623	23%
Nongoma Municipality	10264	69415	30%
Ulundi Municipality	9792	66223	28%
uPhongolo Municipality	4965	33578	22%
	> 5km		
Local Municipality	Households	Population	Percentage
Abaqulusi Municipality	3730	25226	10%
eDumbe Municipality	1896	12823	12%
Nongoma Municipality	6874	46489	20%
Ulundi Municipality	4439	30021	13%
uPhongolo Municipality	2797	18916	12%

Map 12: Distribution of Primary Schools within ZDM



Map 13: Access to Primary Schools



With regard to secondary schools the following information is reported with regard to the number of facilities (existing) and the required (additional) number of facilities:

Table 20: Secondary Schools

Local Municipality	Required	Existing
Abaqulusi Municipality	7	45
eDumbe Municipality	3	27
Nongoma Municipality	12	49
Ulundi Municipality	7	66
uPhongolo Municipality	5	42

A backlog analysis (households at a distance further than 5km from a secondary school were considered to be a backlog and every 8000 people constituting the need for another secondary school) was undertaken that indicate the backlog as per the following table above. The table hereunder indicates the distribution of secondary schools as well as the backlog mapping with regard to **access** to secondary schools:

Table 21: Access to Secondary Schools

	0 - 2.5km		
Local Municipality	Households	Population	Percentage
Abaqulusi Municipality	20157	136322	56%
eDumbe Municipality	8058	54496	53%
Nongoma Municipality	10509	71072	31%
Ulundi Municipality	13938	94263	39%
uPhongolo Municipality	10818	73162	47%
	2.5km - 5km		
Local Municipality	Households	Population	Percentage
Abaqulusi Municipality	7124	48180	20%
eDumbe Municipality	3863	26125	25%
Nongoma Municipality	9804	66304	29%

Ulundi Municipality	13169	89062	37%
uPhongolo Municipality	5877	39746	26%
	> 5km		
Local Municipality	Households	Population	Percentage
Abaqulusi Municipality	8744	59136	24%
eDumbe Municipality	3276	22156	22%
Nongoma Municipality	13733	92876	40%
Ulundi Municipality	8205	55490	23%
uPhongolo Municipality	6252	42282	27%

Map 14: Distribution of Secondary Schools

